**JAIPURIA INSTITUTE OF MANAGEMENT, INDORE**

**PGDM**

**FOURTH TRIMESTER (Batch 2019-21)**

**END TERM EXAMINATION, OCT- NOV-2020**

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| Course Name | **Marketing Research** | Course Code | **MKT504** |
| Max. Time | **2 hours** | Max. Marks | **40** |

**INSTRUCTIONS:**

This is an Open Book Examination. Calculators are Allowed.

Please answer (in the space provided on Moodle) all the questions bases on your analysis of the case **Prem Sweets: Heritage Sweet House.**

There are 5 questions. All questions are compulsory. Kindly check the same on Moodle. Question No 1, 4 and 5 carries 10 marks (Maximum) each. Question No 2 and 3 carries 05 marks (Maximum) each.

Please check all pages of the case for completeness and readability.

**Questions.1 (10 Marks)**

What conclusions can you draw from the data? In particular, contrast the data from the summary report with Manu’s report. How do these conclusions compare with those that Prem Sweets might receive from its other feedback?

**Questions.2 (5 Marks)**

Evaluate the advantages and disadvantages of mobile surveys.

**Questions.3 (5 Marks)**

Prem Sweets has decided to replace its mystery shopper program with LimeSurvey. Evaluate this decision.

**Questions.4 (10 Marks)**

What other decisions (if any) could/should Manu Sharma make based on the available data (Schmitz April 2017 summary report and data analysis report)?

**Questions.5 (10 Marks)**

Use the Available information and make managerial recommendations on how to implement results? What other methods can Manu Sharma look for doing surveys?

**Prem Sweets: The Heritage Sweet House**

Manu Sharma, one of the owners of Prem Sweets, a Jammu based premium dessert restaurant, talked about why, in early 2017, he decided to use LimeSurvey application to collect market research data:

*We’re using LimeSurvey application to offer a real time opportunity to our customers in providing their feedback on their purchase experiences. The main purpose of using LimeSurvey application is to replace the traditional practice of conducting mystery shopping at our shop. Previously we would pay a company to come in once a month and have a dining experience and based on their dining experience in the shop provide us with a report which we would compare with the standard operating procedures and analyze whether we are doing a satisfactory job. Now, with this new method to collect market research data we can have 20-25 responses of customers each month complete the survey based on their real experiences and their experience tell us whether we are doing a good job or a change in delivery of services is required. In my view, the method of getting data directly from the customer rather than from a third party acting as a proxy is a better way of analyzing information.*

The results from the LimeSurvey from customers have been very positive for Prem Sweets, almost too positive and Sharma was concerned that the results from the survey hinted no room for improvement for Prem Sweets – Something which he did not believe. Therefore, he asked Abid Sultan, an independent research analyst to have a careful look at the data collected till date and offer an in-depth analysis based on it. The very positive feedback and no space for improvement, Sharma was in a dilemma whether dropping the practice of conducting mystery shopping at the shop was a good decision. The mystery shoppers always provided certain suggestions at least.

**LimeSurvey Application**

LimeSurvey is a German-based online survey software company with its headquarters in Hamburg. It is a free and open source online statistical survey web application. As described by Carsten Schmitz, Founder and CEO of Lime Survey Application. LimeSurvey is a web application that is installed to the user’s server. After installation users can manage LimeSurvey from a web-interface. Users can use rich text in questions and messages, using a rich text editor, and images and videos can be integrated into the survey. The layout and design of the survey can be modified under a template system. Templates can be changed in a WYSIWYG HTML editor. Additionally, templates can be imported and exported through the template editor. Once a survey is finalized, the user can activate it, making it available for respondents to view and answer. Likewise, questions can also be imported and exported through the editor interface. LimeSurvey has no limit on the number of surveys a user can create, nor is there a limit on how many participants can respond. Aside from technical and practical constraints, there is also no limit on the number of questions each survey may have.

Lime Survey enabled clients to gain feedback directly from customers’ cellphones. Rather than more traditional secret shoppers, comment cards, or Web surveys referenced from the bottom of the transaction receipt, customers could report on their experience while still in the store or restaurant. The application was able to provide: “surveys of all types including customer satisfaction surveys, research surveys, polling surveys, public opinion surveys, survey panels, menu taste panels, conventions and special events on mobile phones, iPhones, iPod Touch, smartphones and Android mobile phones.” While any sort of survey could be used, the initial focus for the business had been real-time customer satisfaction results. Using a small table “tent,” sticker, or menu call-out would make the customer aware that the restaurant used Survey on the Spot. The customer could then download the “app” from the company’s Web site (www.Limesurvey.org) while still dining and fill out a survey about their current situation or their overall opinion of customer service or the purchase experience. If the client requested it, the system sent management an alert based on the customer’s feedback. Based on specific survey submission criteria, the Survey on the Spot alert function sent a real-time e-mail or a text message about a service failure (or extraordinary service) and could have it go directly to the manager onsite, the district manager, or even the CEO.

Prem Sweets started using Survey on the Spot in January 2017 and by the end of the first quarter had discontinued using the mystery shoppers it had previously employed once a month (at a cost of Rs. 5,000 a visit per restaurant location). It had also eliminated quarterly in-store surveys to each location.

**Prem Sweets**

Prem Sweets represents the distillation of knowledge that started when Pandit Lok Nath Khajuria founded the house of Prem Sweets in 1925. His undying belief in the crucial use of locally- produced pure desi ghee and other ingredients, tempered and cooked with utmost care, continues to guide us this day. The oldest Prem sweets industry in India is still located on the edge of Kud, Jammu. The technique of making patisa in a kadai has been perfectly passed on to the next generations. Kud, a quiet little village nestled in the hills of Patnitop is about 96 kms north of Jammu. It was established in the nineteen century as an old town square surrounded by quaint shops. The village has no traffic signal and less than 1,140 residents. The crisp and flaky, soaked-in-ghee and freshly made patisa is legacy of Prem Sweets. Made with a delicious hand crafted combination of besan, sugar and pure desi ghee. Served with a smile and greetings. A traditional sweet that’s associated with all Indian festivals and festivities.

With a stated mission “to be the universally recognized brand of super-premium desserts,” coupled with a pledge that “we create sensational dessert experiences,” Prem Sweets continually sought to upgrade the total dining experience. Using cutting-edge technology was part of the process. Manu Sharma explained both aspects:

*Since our customer is well educated and affluent and probably an early adopter of technology, we like to be perceived as on the cutting edge of technology and provide opportunities for the guests to use technology to interact with us. It helps us both in knowing the way that technology is going and the immediacy of the feedback. We actually have a chance to get the feedback and react to it on the spot. We get the alert that the [LimeSurvey] service offers. Managers get e-mails instantly when a survey is completed and if the guest is in the building and we can identify them based on the information they’ve provided and if there’s a need to react to a service problem, we can actually do so real time.*

There were additional, business-related reasons to use LimeSurvey Manu continued:

*As I explained earlier, we like the idea of getting more data directly from customers, rather than a single data point from a paid professional. Secondly, there’s a cost component to it. It’s much more cost effective. We’re paying less to get more data, so that’s a pretty easy decision to make. There’s the benefit of receiving the information real time and being able to immediately run reports that aggregate the information or dissect the information with-out having to go through manual gyrations to compile it and repost it. We have the cost savings associated with it versus the old mystery shopping program and the benefit of what we believe is improved service because of the existence of the program.*

Prior to using LimeSurvey customer satisfaction surveys, Prem Sweets conducted other types of marketing research. In 2015, it had conducted several focus groups to evaluate its brand image. From that input, it generated a follow-up survey garnering 2,000 responses from its e-mail list of over 15,000 addresses. In addition, Prem Sweets administered quarterly customer satisfaction surveys handed out in the restaurants to ascertain demographics, brand awareness, and location prior to visiting Prem Sweets. All this research was in addition to the mystery shoppers, who reviewed the customer experience against Prem Sweets performance standards.

Mystery shopping “enables managers and executives to measure how closely their customers’ experiences reflect what the company expects them to experience. The information provided through mystery shopping allows businesses to precisely adjust operations to maximize the customer experience.” For example, a mystery shopper might assess “how many types of cream cheese were on display in a bagel shop. ‘A typical customer would only notice if their favorite flavor was not there.”

Manu was not alone in looking for an alternative to mystery shopping, other restaurateurs such as the Pahalwan’s chain, the Kwality chain, and Pawan Ice-cream franchises were using or testing survey alternatives to mystery shoppers. After starting Survey on the Spot, the mystery shopping reviews were terminated. The quarterly surveys had also been discontinued due to concerns about possible respondent fatigue, leaving LimeSurveys as the sole technique tracking customer satisfaction. Since the sample size for February was very small, in March servers were incentivized to encourage customers to complete the survey. In addition, in March, the server name was added to the survey. One interesting result of Prem’s use of LimeSurvey was brought up by both Manu Sharma and Carsten Schmitz; the numbers were too good. Sharma agreed:

*We’re getting really good scores, so we don’t have a lot of instances where recovery is required. It was a little unnerving at first. We thought maybe we were getting only the people who were having a good experience and missing all the people who were having a bad experience.* *Carsten Schmitz told us: “You don’t need to worry about that. We have plenty of examples of people getting bad survey results.”*

There were some other concerns driven by the need to keep the survey short and doable on the cell phone. Manu noted:

*We can’t get as much information as we’d like. We don’t collect the demographic information anymore, which I find helpful in terms of trying to understand who my customer is. The guest has to be technology literate in order complete it, so you have some adverse or self-selection because of that. We have the challenge of making sure the customer is aware of their ability to complete the survey, but you have that issue, no matter what. You obviously could have people gaming the system where they get their friends and relatives to complete surveys that are favorable…. but on the flip side there’s the benefit of also collecting e-mail addresses from people who complete the surveys.*

LimeSurvey asked a dozen questions, versus the mystery shopper survey of 100 questions. (See **Exhibit 1 and Exhibit 2** for the Survey on the Spot questions and a sample of the mystery shopper questions.) There were gains and losses from the resulting information. Manu commented:

*It doesn’t necessarily matter to me whether or not the handle of the coffee cup is placed at 4:00, but our assessment of service says that the handle of the cup is supposed to be placed at 4:00, so we get to know [from the secret shopper survey] whether or not our standards are being followed. On the one hand, I’m a process system–oriented person, so I want information that tells me whether or not we’re adhering to the process and systems we’ve established, but on the other hand, the ultimate goal is simply to have happy customers and have them come back and tell other people about it. So, from that perspective, we’re probably getting better information from LimeSurvey . . . But in terms of monitoring processes and systems, things we internally care about, but that the guest may not even be aware of, we obviously lose that if we don’t [mystery] shop. The reality is, we were doing only one [mystery] shop a month anyway, so we didn’t have a statistically significant understanding whether we follow the procedures.*

Depending on the needs of the client, LimeSurvey could provide data in a number of formats, with or without analysis (client data analysis could be arranged for an additional fee beyond the normal monthly charge). Clients saw the collected data, individually or aggregated, in a variety of pie charts, graphs, and tables, customized to their needs. Survey on the Spot developed the report format for Prem Sweets and did not conduct further analysis. Prem Sweets Owner and the general managers of each store location had access to the monthly reports and to date used only the summary analysis.

One useful aspect in reporting the verbatim responses to the open-ended questions was the word cloud. As respondents made statements in response to the survey questions, keywords and associations were stored. The client received a summary sheet of the most frequently cited words and could access the related verbatim responses by clicking on the word. (**See Exhibit 1 for the word cloud from survey question 6 and Exhibit 3 for open-ended verbatim responses based on “desserts” and “prices.”**).

Although Prem Sweets had only been using Survey on the Spot for the first quarter of 2010, results had already become apparent. Manu Sharma commented on what he was looking for:

*We are hoping that Survey on the Spot will get us better, faster, cheaper information than mystery shopping ever could. We are in a guest-focused business and LimeSurvey provides us with a great opportunity to gather information directly from the guest. It’s my hope that our use of LimeSurvey will result in better service and it will provide us with information we can use to improve ourselves and the experience we offer the guest.*

As mentioned earlier, Sharma had asked Carsten Schmitz to do extra analysis and report his findings (**see Exhibit 4 for the report**). Sharma now had the monthly summary report and Schmitz data analysis report in front of him. He had to reconsider his decision about the mystery shoppers as well as decide what the data indicated to him about the changes, if any, that he should make at Prem Sweets to improve the restaurant experience.

Exhibit 1

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| ***Prem Sweets April 2017 survey on LimeSurvey*** |
| Prem Guest Satisfaction |
| 1. What was your Server’s Name?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. How often do you visit Prem Sweets: (Total 98 Responses)
* Less Frequently (41) 41%
* More Often (2) 2%
* Once a week (0) 0%
* Twice a month 13 (13%)
* Once a Quarter 21 (21%)
* Once a Month 21 (21%)
1. What did you order on the visit (Total 98 Responses) (Multiple items considered)
* Patisa (91) 92%
* Kaladi Kulcha (30) 31%
* Ladoo (14) 14%
* Barfi (15) 15%
* Bakery (3) 3%
1. Were You satisfied with your overall experience (Total 98 Responses) (Avg: 9.03)
* Extremely Dissatisfied (1) 1%
* Somewhat Dissatisfied (2) 2%
* Neutral (4) 4%
* Somewhat Satisfied (15) 15%
* Extremely Satisfied (76) 77%
1. How Likely would you be to return to Prem Sweets (Total 98 Responses) (Avg: 9.23)
* Extremely Unlikely (1) 1%
* Somewhat unlikely (0) 0%
* Neutral (5) 5%
* Somewhat Likely (17) 17%
* Extremely Likely (75) 76%
1. What would encourage you to come to Prem Sweets more often

***Word Cloud*****Location**, Dessert, **Quality**, **Better**, **Price**, Sugar, **Ghee**, Discount, Coupons, Friendly, **Ambience**, Heritage, Serve Shared, Place, **Closer**, Tourist Spot, **atmosphere**, cheese, **Pure**, Oldest, **Variety**, away, treat, **festive**, free, cheaper.1. How Satisfied were you with the service received (Total 97 Responses) (Avg: 9.19)
* Extremely Dissatisfied (1) 1%
* Somewhat Dissatisfied (1) 1%
* Neutral (3) 3%
* Somewhat Satisfied (15) 15%
* Extremely Satisfied (76) 77%
1. How Satisfied were you with cleanliness of Prem Sweets (Total 97 Responses) (Avg: 9.21)
* Extremely Dissatisfied (1) 1%
* Somewhat Dissatisfied (2) 1%
* Neutral (3) 3%
* Somewhat Satisfied (15) 15%
* Extremely Satisfied (75) 76%
1. Did your Food Met your expectations? (Total 97 Responses) (Avg: 8.86)
* Extremely Dissatisfied (1) 1%
* Somewhat Dissatisfied (3) 3%
* Neutral (6) 6%
* Somewhat Satisfied (15) 15%
* Extremely Satisfied (72) 73%
1. Please Explain the reason for your answer

**Word Cloud****Tasty,** **ingredients**, better, amazing, **great**, presentation, good, **fresh**, service, appealing, **delicious**, comprehensive, beautiful concept, **ghee**, atmosphere, clean, recommended, feel, food, **patisa**, different, **authentic**, **heritage**.1. Was your experience worth the price paid for it? (Total 97 Responses) (Avg: 7.84)
* Definitely Not (5) 5%
* Not Really (6) 6%
* Neutral (4) 4%
* Somewhat (23) 23%
* Absolutely (61) 62%
1. Would you recommend Prem Sweets to a friend? (Total 97 Responses) (NPS: 67%)
* Definitely Not (2) 2%
* Not Really (3) 3%
* Neutral (5) 5%
* Somewhat (18) 18%
* Absolutely (72) 73%
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| **Exhibit 2 Sample Mystery Shopper Questions** |
| 1. Were you acknowledged by anyone within two minutes of being seated?2. Were you asked for a drink order at greeting?3. Did the server initiate eye contact with guests while speaking?4. Did the server compliment orders while taking them (“good choice” or “that is excellent”)?5. Did the food items match the menu descriptions?6. Was wine opened and presented correctly when served?7. Did the server place your handled cup/glass at your right side with the handle at four o’clock?8. Were food items served within twenty minutes of being ordered?9. Was the check presented within 2–3 minutes of request?10. Was the air comfortable in temperature?11. Were the windows and door glass clean in all areas?12. Was the floor clean of all paper/water debris?13. Were there ample paper and soap supplies in all areas (rest room)?14. Did you enjoy the items you ordered? (Put subjective answers in the comment section.)15. At some point during your visit, did a staff member invite or encourage you to return? |

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| **Exhibit 3 Select Verbatim Responses from Question Six Word Cloud** |
| If the manager selected “**Desserts**” from the word cloud, the following verbatim responses would be shown:April 30, 2017, 9:28 P.M., via iPhone: Special offers, featured “lighter” desserts for the summer.April 28, 2017. 8:25 P.M., via BlackBerry: I would like to see more desserts on the menu, like some from the bakery.April 26, 2017, 12:47 P.M., via Web: The personal and friendly service, the delicious Kaladi and the sweet desserts!April 21, 2017, 10:16 P.M., via iPhone: Coupons for free desserts.April 17, 2017, 12:48 P.M., via Web: I think that it would be better to focus on the ways that dessert can be enjoyed. For example, small plates are a trend that has been popular for the better part of eight years now be them purist? I think if Prem Sweets perhaps would expand to dessert choices that would be more waistline friendly, things that involve yogurts, fruits, sorbets, etc. . . . perhaps I’d get in there more often.April 10, 2017, 9:17 P.M., via iPhone: More new desserts.April 9, 2017, 11:58 P.M., via Mobile Web: More desserts.If the manager selected **“Prices**” from the word cloud, the following verbatim responses would be shown:April 30, 2017, 8:50 P.M., via BlackBerry: Cheaper prices.April 29, 2017, 11:37 P.M., via Web: Lower prices, better quality.April 28, 2017, 10:35 P.M., via BlackBerry: Lower prices.April 28, 2017, 8:26 P.M., via BlackBerry: Lower prices and better music.April 26, 2017, 7:56 P.M., via Mobile Web: Lower prices.April 23, 2017, 4:20 P.M., via iPhone: Coupons, discounts, better dessert prices.April 17, 2017, 12:21 P.M., via iPhone: Lower prices.April 16, 2017, 11:04 P.M., via Mobile Web: Lower prices.April 15, 2017, 9:24 P.M., via Mobile Web: Lower prices (or special deals like SMVD university student discount).April 8, 2017, 10:34 P.M., via Mobile Web: Lower prices.April 6, 2017, 7:47 P.M., via Mobile Web: Lower prices.April 6, 2017, 6:37 P.M., via Mobile Web: Lower prices.April 4, 2017, 8:29 P.M., via Mobile Web: Somewhat lower prices.April 1, 2017, 10:34 P.M., via Mobile Web |

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| **Exhibit 4 Schmitz Data Analysis Report** |
| Beginning in 2017, Prem Sweets has switched from using mystery shoppers to using Survey on the Spot mobile surveys to assess and improve its customer satisfaction and guest experience. In addition to the April 2017 summary report, the data presented here was collected from February through May 15, 2017. Data from January 2017 was omitted because these responses included those contacted through Prem Sweets e-mail database and thus, are not truly representative of the purpose of the guest satisfaction survey. Using incentives to servers to encourage customers to complete SOTS surveys was begun in February. The server name was added to the survey in March. **Frequency Results** The majority of the customers (80.5 percent) used some mobile device to respond to the survey. Only 19.5 percent of the respondents used the traditional online survey method. Most customers dined at the Kud Branch (62.5 percent) versus the Katra (30.0 per-cent) and Jammu (7.5 percent) branches. Most respondents indicated that they visit Prem Sweets less than “once a quarter” (43 percent) in Q2. Question 3 asks what the patron ordered at Prem Sweets. By using Multiple Response, the results show that the most ordered items were Patisa (92 percent), Kaladi Kulcha (31 percent), ladoo (14.0 percent) and Barfi (15 percent). Bakery (3.0 percent) was the least mentioned response. The means and modes related to the key customer satisfaction questions are presented below. Question Q4 Q5 Q7 Q8 Q9 Q11 Q12Mean 8.66 8.91 8.93 9.03 8.69 7.86 8.87Mode 10 10 10 10 10 10 10Sample Size (n) 293 293 292 292 272 280 293The top three means are for satisfaction with the cleanliness/appearance of the restaurant (9.03), satisfaction with the service (8.93) and likelihood to return to Prem Sweets (8.91). Whereas the lowest means are for food and beverages meeting the customers’ expectations (8.69), overall satisfaction (8.66) and experience/food/beverage worth the price paid (7.86). **T-Test Results**A few t-tests were conducted to look for differences between those who go more (more than once a month) or less often to Prem Sweets (once a month or less). Those who go more often respond that they are more likely to return to Prem Sweets (μ = 9.67) than those who go less often (μ= 8.80) at p = .000. Using marginal significance (.08 ≤ p ≥ .05), differences are also found for Q11 and Q12. Those who visit Prem Sweets more often rated the experience/food/beverage worth the price they paid significantly higher (μ = 8.37) than those who go less often (μ = 7.78) at p = .075. Likewise, those who visit Prem Sweets more often rated recommending Prem Sweets to a friend significantly higher (μ = 9.23) than those who go less often (μ = 8.82) at p = .062. **Regression Analysis**Regression analysis was used to determine what drives overall customer satisfaction. Multicollinearity was not detected in the data. The F test (p = .000) indicates that the model is statistically significant. The adjusted R-square reports that the model explains 77 percent of the variance in the model even after taking into account the number of predictor variables. Reviewing the coefficients (p ≤ .05) shows that four of the six independent variables significantly impact satisfaction with the overall Prem Sweets experience: likelihood to return (Q5), satisfaction with service received (Q7), food and beverage selection met expectations (Q9) and experience/food/beverage worth the price paid (Q11).Since all of the variables are on the same scale (1-5), the standardized coefficients can be interpreted as: • A one-point increase in “likelihood to return” will lead to a .195 increase in the overall satisfaction rating.• A one-point increase in “satisfaction with service received” will lead to a .584 increase in the overall satisfaction rating.• A one-point increase in “food/beverage meeting expectations” will lead to a .183 increase in the overall satisfaction rating.• A one point increase in “experience/food/beverage worth the price you paid” will lead to a .165 increase in the overall satisfaction rating. |