

# STUDY

## **SUPERMARKET & CONVENIENCE STORE RETAILER STUDY**



Understand the top 10 sources of dissatisfaction using a VOC approach

# INTRODUCTION

Eating: it's a basic need—essential to human survival. Despite occasional difficulty and necessary evolution, the food industry will always play an important role as we will always need to eat to survive. Modern consumers, however, want to do more than merely survive. They engage, invest, break the mold, reason about what they consume, and strive to understand the impact of their consumption on their environment. As a professional in the food industry, you must take new challenges into consideration in order to achieve long-term success.

The food industry bears significant weight in the economic activity of a country. But with regular chaos and scandals in the agricultural sector, the financial situation has deteriorated for many companies, and even today, they are having difficulty recovering.

Why is this? Mainly because the deal has radically changed. Increasingly, many consumers are fundamentally shifting their buying habits. More capable of influence and ever better informed, customers are forcing—through their behavior—both large and small brands to rethink their traditional models.

In recent years, new consumer trends have had a major impact on food shelves. Health benefits, the desire for authenticity, a quest for transparency, short supply chains and environmental concern make up new consumer motivations, as well as some of their new needs. They have become more involved and their food choices result from a process of thorough reflection.

The widespread availability of organic products, the rapid development of vegetarian and vegan products, the expansion of short supply chains and even gluten free options represent these new trends in the food industry. These are the most crucial tendencies to take into

consideration today because they pose the greatest risk to your customers' satisfaction, to the same degree as cleanliness inside your shops.

Customer satisfaction, or rather, customer dissatisfaction in the food sector, is the subject of this study conducted by Critizr. For any point of sale, it is vital to identify the sources of dissatisfaction among your clients in order to better address them. The potential loss of earnings tied to customer dissatisfaction is massive: 6 billion euros globally! By addressing the sources of customer dissatisfaction that have a major impact on your customers' experience, you will doubtlessly increase customer loyalty and turnover at the same time.

**Continue reading to discover the 10 factors that generate the most customer dissatisfaction in the food industry.**



# **METHODOLOGY**

To identify these sources of dissatisfaction, Critizr's customer feedback management platform has been integrated with a semantic analysis tool.

## 1. GATHERING THE DATA

Critizr's services (web and mobile) have enabled us to gather more than 10,000 reviews from buyers at points of sale in the food sector:

**Supermarkets**



**Grocer's**



**Food shops**



**Dining areas**



**Butchers**



**Wine cellars**



**Cheesemongers**



**Markets**



**Street vendors**



The gathered data come from spontaneous customer input, meaning anyone who has voluntarily used the Critizr mobile app or website. This enables us to avoid the bias of representativeness because we receive customer opinions in their own words.

When customers use Critizr services to share their feedback, they can find any point of sale in England, France or Germany and thus the business they wish to rate. To begin, they can report problems, or send compliments, questions or suggestions directly to the shop manager (in their own words).

After this, buyers can also answer the following questions in the form of a rating out of five stars:

What did you think of the promotions?

Were you able to easily find the products you were looking for?

Did everything go well at checkout?

Did you receive proper assistance?

This diverse set of questions makes it possible to determine two distinct scores: **the NPS and the CSAT.**

The NPS (Net Promoter Score) is used increasingly more often by businesses because it enables them to measure the customer/brand relationship and especially loyalty and the power of recommendations.

The CSAT (Customer Satisfaction Score) is important because it measures customer satisfaction with respect to your product or service. The CSAT is most often used after a specific interaction (through a post-sale email, for example).

## 2.PROCESSING THE DATA

Dictanova has made it possible to analyze these 10,000 points of feedback. Dictanova's semantic analysis algorithms help it extract meaningful terms from thousands of opinions in just a few seconds:



In green : detection of passages expressing an involvement



In blue : detection of meaningful concepts

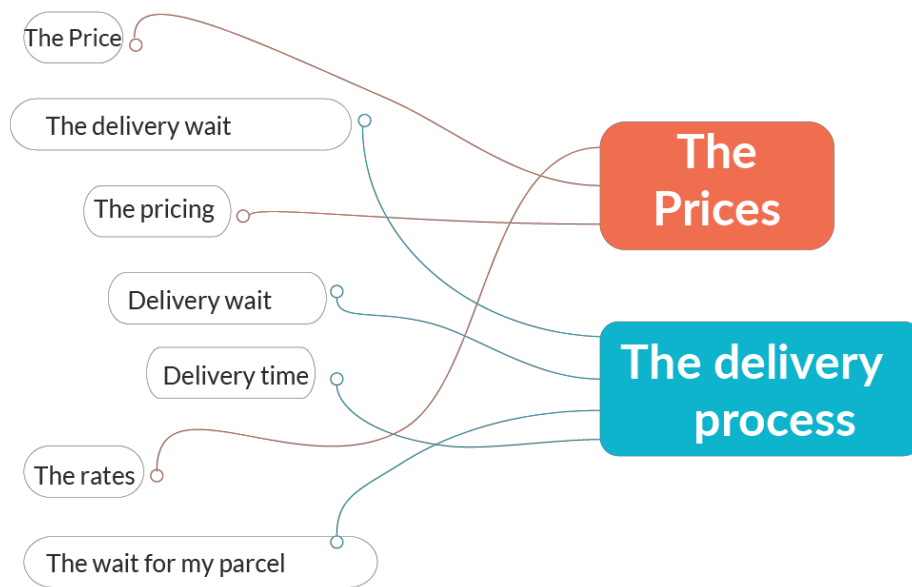


In red : detection of passages expressing the author's position statement

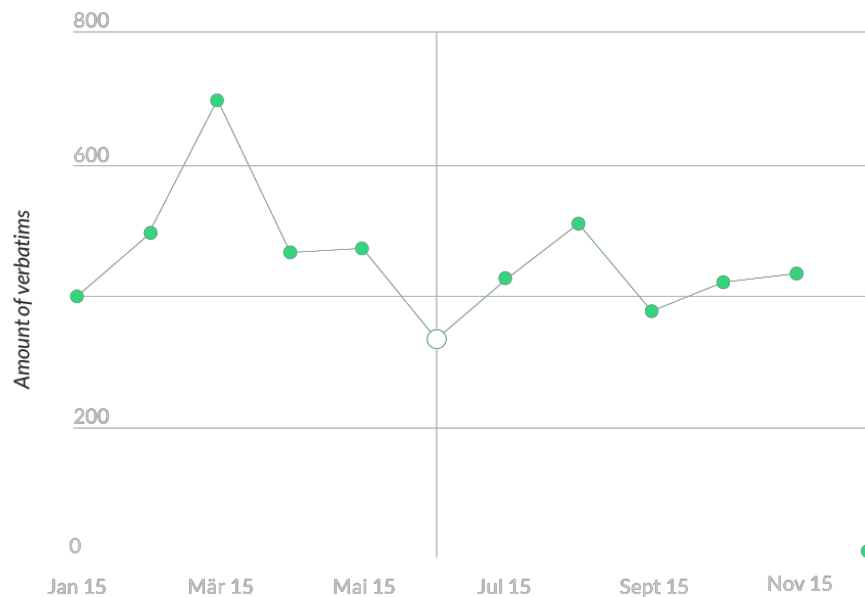
Underlined: Rapprochement between meaningful concepts and passages expressing a position statement or implication

These terms (words and groups of words) are then suggested to an analyst who can group them by theme.

Why do we use this method? Because survey respondents often use different terms to talk about the same thing (e.g. price, pricing, cost, etc.)



Combining them makes it possible to have an overarching view of the topics they discuss, and to track the frequency of these discussions over time.



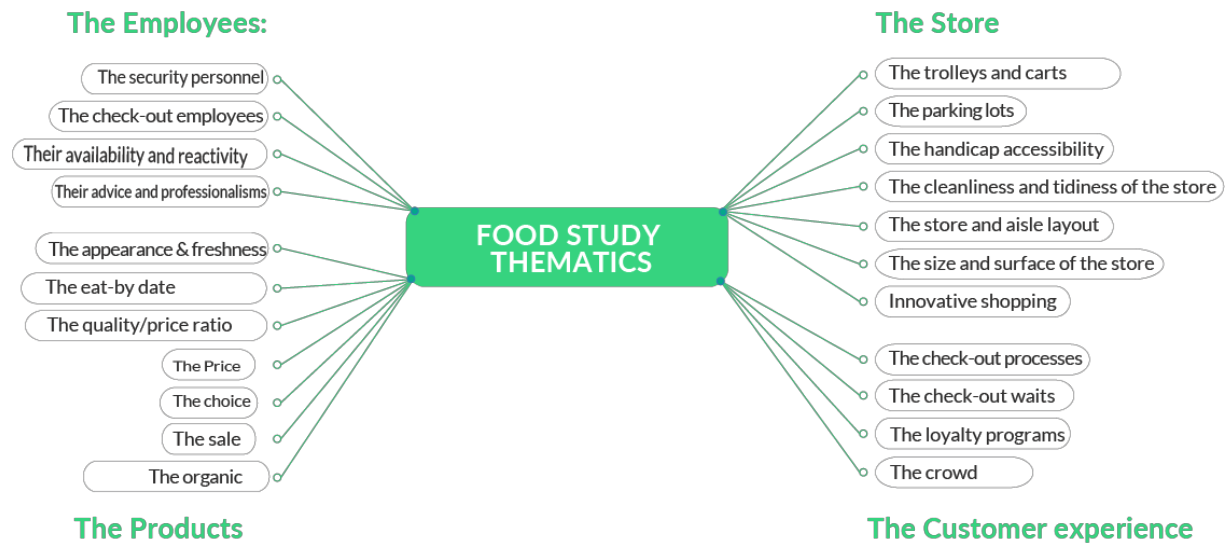
June 2015 (Basis: 2850 Verbatims)

Price (333)

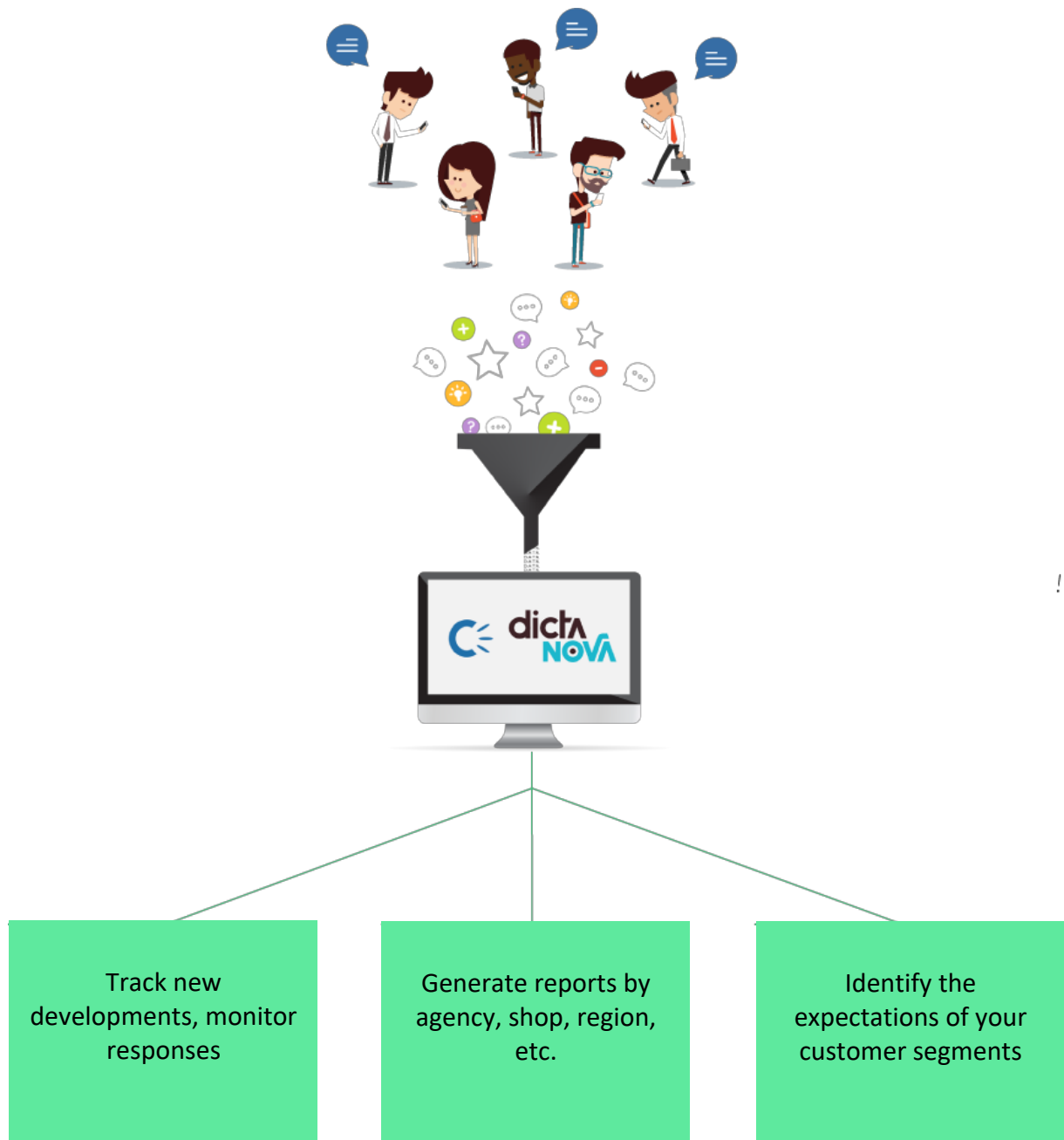
*Example: In June 2015, 333 customers were talking about theme of price.*



For this study, over 20 themes were identified around four main topics: personnel, products, shops and customer experience.



## 2. THE SYSTEM





# **SOURCES OF DISSATISFACTION**

## GLOBAL ANALYSIS

A statistical analysis of the feedback and a definition of the sources of dissatisfaction enabled us to create the following matrix. It measures the impact of these factors on the CSAT (customer satisfaction score) depending on the volume of feedback. Four distinct areas were identified:

### Pain points (threats)

These sources of customer dissatisfaction have a major impact on the CSAT and occur in high volumes. You must absolutely take action with respect to the factors in this area.

### Outliers (causes for concern)

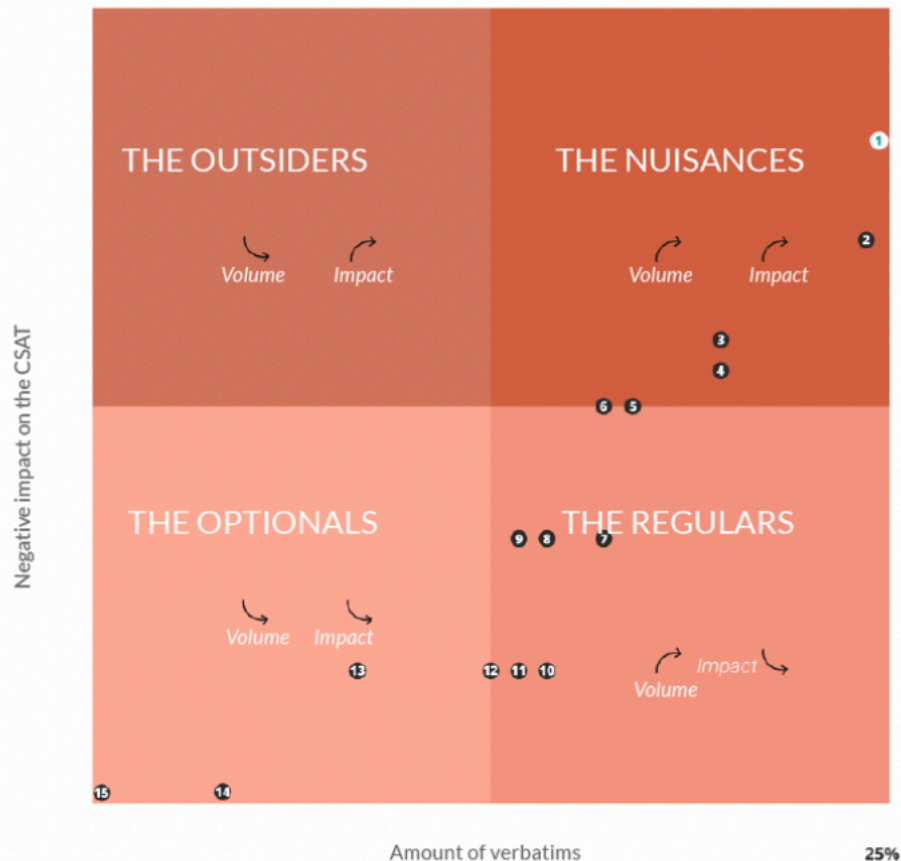
These sources of customer dissatisfaction have a major impact on the CSAT, but occur infrequently. Only a few customers mention them, but it is worth addressing them to avoid negative word of mouth.

### Regulars (recurring themes)

These sources of customer dissatisfaction have a minor impact on the CSAT, but occur frequently. There is no need to make significant investments in addressing these problems, but it is still worth minimising them as many people are talking about them.

### Preferences (scarce observations)

These sources of customer dissatisfaction have a minor impact on the CSAT, and occur infrequently. If you need to prioritise the points you will address to minimise customer dissatisfaction, these factors should come last.



- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>❶ The check-out employees</li> <li>❷ The price</li> <li>❸ The check-out processes</li> <li>❹ The check-out waits</li> <li>❺ The choice of products</li> <li>❻ Promotions and how crowded the store is</li> <li>❼ The friendliness of the employees</li> <li>❽ Shopping innovations<br/>Shopping-Innovationen</li> </ul> | <ul style="list-style-type: none"> <li>❾ The security personnel</li> <li>❿ The parking</li> <li>⓫ The cleanliness of the store</li> <li>⓬ The Eat-by dates</li> <li>⓭ The loyalty cards/ trolleys and carts</li> <li>⓮ The size /store surface, accessibility of the store, price/quality ratio, the freshness and appearance of the food. Employee advice.<br/>. Availability and helpfulness of the employees</li> <li>⓯ The layout of the store/aisles/organic food</li> </ul> |
|--|---|

What is most interesting about this matrix is that it makes it possible to classify the sources of customer dissatisfaction and to highlight those that most deserve your attention to sharply

reduce customer dissatisfaction. Amongst all these causes of dissatisfaction, which should you emphasise? Which ones can you address later? And which will have little impact over the long term? The matrix **below** offers some answers.

**Checkout personnel and price are the two factors that have the greatest negative impact upon customer satisfaction.** These factors have come up many times because they are tied to the highest volume of complaints (24% and 23% of all themes identified, respectively). To increase your customer satisfaction, it is extremely important for your shop to strive to reduce these two specific types of problems.

**The cash register can be a truly strategic location in terms of its negative impact on your customer satisfaction score.** Beyond checkout personnel, there are also checkout time and checkout procedure.

In the “Regulars” category, there are many factors **such as promotions, product selection, parking and security personnel**. These factors do not have a strong negative impact on the CSAT, but they do occur frequently.

In the “Preferences” category, **shop size, shelf layout, shopping carts and even loyalty programs** are some of the factors that have the lowest negative impact on the satisfaction score and are very infrequent.

None of the factors in this study fall into the “Outliers” category, which is understandable.

After the global analysis of these sources of dissatisfaction, continue reading to discover the themes and factors that are connected to them in greater detail.

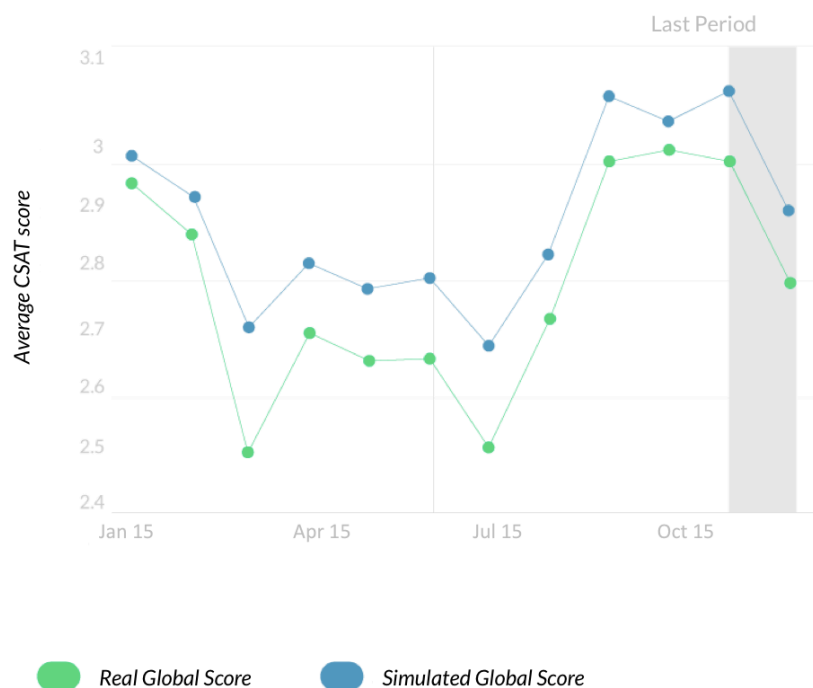
FACTORS IN CUSTOMER DISSATISFACTION CONNECTED

TO PERSONNEL



## CHECKOUT PERSONNEL

Checkout personnel seem to have a significant impact upon the general satisfaction score. This is the most important factor in terms of the volume of problems (25% of feedback associate it with the term “problem”, making it first in volume) but also in terms of its impact on the general satisfaction score. It is a major source of dissatisfaction in food shops, and especially, supermarkets. This constant is much less pronounced for specialised local businesses, such as butchers, wine cellars and cheesemongers. Consumers in this area are, proportionally, less numerous in their complaints about checkout staff. It remains, however, the most significant source of dissatisfaction, even though it is much less contrasted than in other areas.



We have realised that if we were to raise the satisfaction score by two points for everyone who identifies checkout as a "problem", brands would achieve higher satisfaction ratings across the board. In fact, the rating would have been higher than  $\frac{3}{5}$  in September, October



and November 2015. Finally, 26% of feedback that touch on the theme of personnel use the word “cashier” in a negative manner.



*Some cashiers are extremely unpleasant, impolite, and cold—none of which makes anyone want to go through the checkout...*

FEEDBACK SENT TO A SUPERMARKET

Although the behavior of checkout staff is often called into question, customers also draw attention to the importance of efficiency at the till. Many points of feedback acknowledge the pitfalls of automatic tills and reflect the desire for checkout staff to be more proactive in addressing potential problems.



*"Priority" checkout queues are seldom prioritised by customers, and cashiers do not always take necessary steps to ensure that priority customers can benefit from this option without risking a confrontation with other customers who have already been in queue for several minutes. Customers should not have to intervene.*

FEEDBACK SENT TO A SUPERMARKET

## SECURITY STAFF

Even if the impact of security staff's behavior on the CSAT remains limited, the volume of feedback mentioning this subject is growing. Customers complain about two things:

- The lack of friendliness amongst security guards



*"I don't like this shop because the security guards aren't very friendly"*

FEEDBACK SENT TO A SUPERMARKET

- Customers feel unjustly suspected of theft



*"Each time I visit this chain, I feel I'm being hyper-surveilled by the sentries and I find that unacceptable; they think we're thieves."*

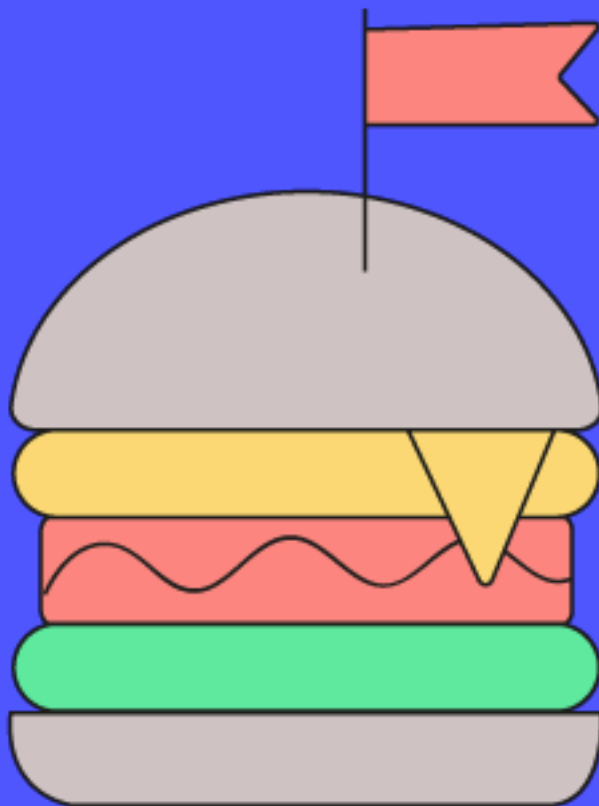
FEEDBACK SENT TO A SUPERMARKET

These behaviors are very poorly received by customers, who still like the shops that they tend to visit often. Finally, training security teams on your shop's code of conduct could help you avoid negative comments about your brand.

FACTORS IN CUSTOMER DISSATISFACTION CONNECTED



TO PRODUCTS



## PRICE IS THE FIRST SOURCE OF DISSATISFACTION TIED TO FOOD PRODUCTS

More than 20% of problems are related to price. This topic has the second highest impact on the satisfaction score (-0.08 points on average), after checkout staff. The majority of respondents detest prices that they believe are too high, even despite an overall positive in-shop experience.



*"Your prices are rising more and more, which is such a shame because you have a good shop."*

FEEDBACK SENT TO A SUPERMARKET



*"Hey! Prices are rising these days! Be careful, because your competition isn't far off! (...) Don't rest on your laurels while you keep raising prices. I'm loyal, but be warned... At least your cashiers are cool, as usual."*

FEEDBACK SENT TO A SUPERMARKET

However, a few shoppers complain of recurring problems with prices: prices missing from shelves, or even prices indicated in advertisements or on shelves that are different from prices paid at the till.



*"The prices displayed in the shop don't match the prices on my receipt! Each time, it's a difference of one to ten cents, but always in the shop's favor... This isn't the first time that I've brought this problem to their attention, but nothing ever happens."*

FEEDBACK SENT TO A SUPERMARKET

And contrary to what you might think, it is not in “premium” shops (wine cellars, butchers, cheesemongers, gastronomic specialists, etc.) that criticisms on the basis of price are the most frequent—but rather, in large-format shops.

## PROMOTIONS

More than 7% of problems in this category refer to promotions. However, this observation is not equal across all different regions. Consumers in central France seem to have the strictest expectations related to promotions. As much as 15% of negative feedback from this region cites promotions, which is twice the national average.



*"In the large-format store, the shelves are well organised, and the fruits and vegetables are fresh. The promotions sections should be better organised, though, since they can quickly become chaotic. Checkout is rapid enough, except between 4PM and 6PM, when it's hellacious."*

FEEDBACK SENT TO A SUPERMARKET

## SELECTION

Similar to promotions, 7% of problems indicated by consumers are tied to product selection within shops. When this general observation is contrasted with the individual segments of the food industry, it becomes clear that negative feedback tied to selection at organic food shops reaches 13%. This is an understandable statistic. It is easy to see that customers frequenting organic food shops would be more demanding with respect to selection than customers purchasing organic products in medium or large-format shops.

Selection represents 8% of the total volume of problems, making it an important source of dissatisfaction to consider because of its non-negligible impact on the CSAT. When considering the original matrix, selection falls among the most important factors within the "Regulars" category. Drops in inventory seem to be the primary symptom.



*"Staff is not very welcoming, inventory of some products is limited and things often run out of stock"*

FEEDBACK SENT TO A SUPERMARKET



*"Excellent customer service..."*

FEEDBACK SENT TO A SUPERMARKET

## EXPIRATION DATES

Contrary to some beliefs, expiration dates are not among the most important factors when considering customer dissatisfaction. They represent a relatively weak percentage of problems indicated and have a marginal impact on the CSAT. Consumers seem to be fairly understanding, when it comes to expired "use-by" dates.



*"Several times, I have bought products with 'use-by' dates that fell on the date I purchased the product in a shop (particularly pastries and yogurt)"*

FEEDBACK SENT TO A SUPERMARKET

When soon-to-expire dates become the reason for a promotion, this can even become a source of satisfaction.



*"Hello, I think it's a great idea to offer discounts for products with soon-to-expire "use-by" dates, since that makes it possible to have good-quality products at a better price."*

FEEDBACK SENT TO A SUPERMARKET

## THE RELATIONSHIP BETWEEN QUALITY AND PRICE IS AN IMPORTANT CONSIDERATION FOR CONVENIENCE STORES.

One of the primary sources of dissatisfaction at butchers, wine cellers and cheesemongers is this relationship between quality and price. Even when customers say a welcoming attitude

is a major asset at convenience stores, many of them say that the higher price is not always justified.



*"Some varieties of wine are more expensive here than other shops,  
but they are the same wine!"*

FEEDBACK SENT TO A SUPERMARKET

FACTORS IN CUSTOMER DISSATISFACTION CONNECTED



TO THE SHOP





## CLEANLINESS IS THE FACTOR THAT HAS THE GREATEST IMPACT ON OVERALL SATISFACTION

The cleanliness of food shops is the shop-related factor that has the greatest impact on their customers' general satisfaction. It represents a significant portion of the problems indicated by customers: 4% of all feedback mentions cleanliness or organisation. It is a very important component to monitor in order to avoid losing customers.



*"Cora is very good, it is well organised and there are plenty of items—everything we need is there—but they need to think about cleanliness from time to time, because we often see mice."*

FEEDBACK SENT TO A SUPERMARKET

Residents of one particular region seem especially sensitive to cleanliness and organisation. More than in other regions, this theme often resurfaces as a factor of customer dissatisfaction.



*"The shop is always clean and well organised. I especially love the sushi stands! I have been coming here since I was young, and I am not ready to stop."*

FEEDBACK SENT TO A SUPERMARKET

## PARKING: A SIGNIFICANT DAMPER

Parking is one of the aspects most criticised by dissatisfied customers. More than 5% of problems indicated relate to parking, which represents nearly a third of problems related to shops.



*"Hello, there is really a big problem to solve: it is still impossible to park in the parking lot because people who aren't even shopping*

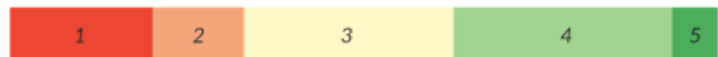
*here are parking there. I have even noticed many cars in the parking lot on Sundays.”*

FEEDBACK SENT TO A SUPERMARKET

Moreover, 37% of customers who mention parking as a “problem” gave an overall satisfaction rating between 4 and 5. Parking lots that are dimly lit, too expensive or too small put a damper on the overall customer experience.

Theme  
**Parking**

CSAT  
**2,90**  
▼1,23



FACTORS IN CUSTOMER DISSATISFACTION CONNECTED



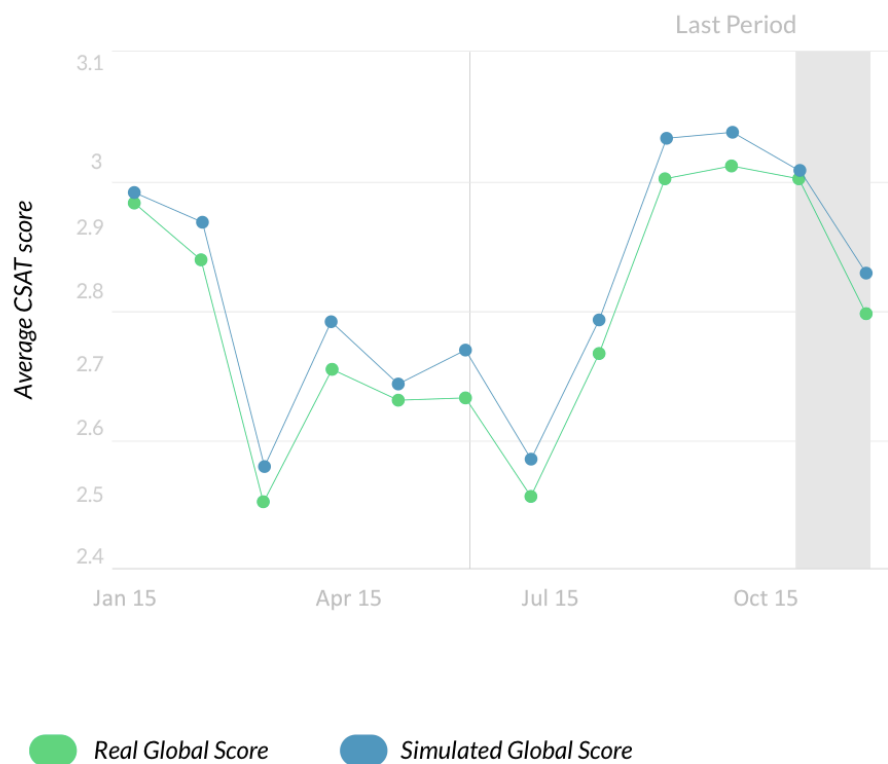
TO CUSTOMER  
EXPERIENCE



## CHECKOUT: A CRUCIAL STEP IN THE CUSTOMER EXPERIENCE

Checkout is the step of the buying process that generates the most dissatisfaction. We have observed that checkout personnel play an important role in this part of the customer experience. However, a second factor weighs on the satisfaction score: wait times. Checkout wait time is the second source of dissatisfaction related to the checkout process: 32% of collected feedback mentions the term “checkout time”, and this proportion grows to 44% for negative feedback.

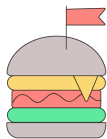
Similar to personnel, checkout wait times have an impact on the rating. But the gap is less marked:



## 3 INNOVATIVE IDEAS FOR REDUCING CHECKOUT WAIT TIMES.

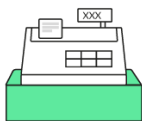
In addition to be the step of the buying process that generates the most dissatisfaction in the food sector, this step also leads to 30% of consumers choosing to abandon their purchases over the length of queues and the associated time lost. Here are some ideas that will help you optimise your customers' checkout wait times.

### Watermarking



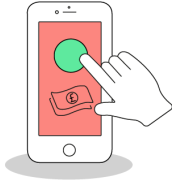
Have you ever heard of “watermarking?” This new technology was tested by the Wal-Mart brand and makes it possible to read barcodes from any part of the product packaging. In the majority of cases, this process makes it possible to accelerate the payment process. It can save time and increase productivity for checkout staff who will no longer waste time searching for a bar code.

### Single file queues



No more individual queues! This entails a single queue that leads to a counter that has several tills. As soon as a till is available, the next customer is called on a screen or by an announcement (situated in front of the single file queue). This solution makes it possible to better orient customers and to offer rapid checkout speeds. The FNAC brand has already introduced this solution in several of its shops.

### The mobile point of sale (mPOS)



The mPOS should not be used to replace fixed checkout stations, but rather, it enables you to move checkout to the heart of your shop (notably down to the aisle level). More concretely, it takes the form of a mini-scanner that makes it possible to transform a smartphone into a checkout terminal. It is an efficient way to process your customers' payments and to minimise their wait times.



**DRIVERS**

Finally, here are some drivers of customer satisfaction in food shops:

1	Management of global personnel
2	Cohesive offerings: price/quality/selection
3	Cleanliness (parking included)
4	The "extra mile": promotions for upcoming "use-by" dates, innovations to improve checkout wait times

## CONCENTRATE ON YOUR STRENGTHS AND NOT ONLY ON YOUR WEAKNESSES

As a professional in the food industry, this study presents you with the key factors in customer dissatisfaction. However, each shop is different and these factors can vary from one point of sale to another. If after reading this document, you think you know which aspects need work to increase your customers' satisfaction, it remains vital to gather feedback from them in a continuous and multichannel method. This will enable you to compare the sources of dissatisfaction at your point of sale, and to gather all the positive opinions of your business. It is also very important to capitalise upon the positive side of your business. Everyone can continue to improve, increase customer satisfaction and benefit from the aspects of your shop that are already good.



Here is a selection of positive feedback that shows the strong points of shops—elements of which you should take advantage:



*"The only high-class supermarket in the area with acceptable prices, irreproachable service and exemplary cleanliness. Bravo. Keep it up."*

FEEDBACK SENT TO A SUPERMARKET



*"Great Christmas decorations and many boxes of chocolate. Bravo for the Christmas ambiance!"*

FEEDBACK SENT TO A SUPERMARKET



*"I found a broad selection of diverse and varied frozen food products for all tastes, at attractive prices, in clean shops, where the people are lively and warm. Bravo, I'll gladly be returning!"*

FEEDBACK SENT TO A SUPERMARKET



LILLE - PARIS - LONDON - BERLIN

## *About...*

Critizr is a technology company that uses customer feedback to help companies build better customer experiences.

For consumers, we believe sharing an opinion should be as easy as messaging a friend. We provide a solution that enables millions of feedback interactions every month with any store manager in Europe. With our team of unique experts, we designed and built the most powerful Customer Experience Platform to date.

Our platform is easy to use, fast to implement and has an immediate impact with the customer as that is where the conversation starts thanks to our multiple feedback channels.

Assisting over 20k store managers and corporations, Critizr has key references across Europe such as Carrefour, Total, Thomas Cook, Douglas, Flunch, Credit Agricole and many more.

With deployments in over 30 countries, we are rapidly becoming the global customer experience leader.



[business.critizr.com/en](https://business.critizr.com/en)

[sales@critizr.com](mailto:sales@critizr.com)

+44 203 911 7558