Stockholm School of Economics (SSE)
Master thesis in Consumer Marketing
Fall semester 2007

The Customer is God

("*Okyakusama wa kamisama desu*")

Japanese Service Culture in Clothing Stores

Abstract

When was the last time you were positively surprised by the service in a clothing store?

This thesis explores Japanese service management in clothing stores and makes a comparison with Sweden. The thesis is divided into two major areas: differences between (A) consumers and (B) service. For the analysis, both quantitative and qualitative methods have been used. The quantitative method includes organized mystery shopping in Tokyo and Stockholm and two surveys. The qualitative method includes comments from the mystery shoppers, own observations and interviews with professors and practitioners.

Results show that the Japanese customers have higher expectations upon the store and its staff compared to the Swedes. The Japanese place higher demands on the initiative and knowledge of the store personnel, viewing them as nothing short of fashion coordinators whereas the Swedes regard them more as just part of the store layout. The Japanese is also more context-oriented (a larger number of factors affect their purchase) whereas the Swedes have a more instrumental view of clothes shopping (no extra value added apart from clothes and price).

Regarding service, the Japanese service is more detailed, socially driven and frequent compared to Swedish service. The Japanese create more of a total experience where positive time is raised and negative time reduced, welcoming the customer into the store, guiding her through all the steps in the shopping experience and then thanking her for her visit.

From our results, advice is given on how to learn from Japanese service management and enhance customer satisfaction, loyalty and profits.

20 credits

Authors: Heléne Melin, 19945 & Karl Wikström, 19485

Supervisor: Magnus Söderlund

Examinator: Micael Dahlén

First of all we would like to thank our sponsors who made this thesis possible: Japanska Stiftelsen c/o Svenska Institutet, Sweden-Japan Sasakawa Foundation and Carl-Erik Levins Stiftelse. Second of all, we would like to thank our mystery shoppers Michiko, Noriko, Nozomi, Kanae, Kristina, Alessandra, Sofie, Rebecca, Tilda and Malin. Finally, we would like to thank our survey respondents, our Japanese translators and our guides: Magnus Söderlund, Niclas "SPSS-gurun" Öhman, Micael Dahlen, Henrik "Luther" Sjödin, Fredrik Lange, Maria Konn & NMA, Cathrin Lange & Hanna Bengtsson, Reine Kase, and the Planning Department at Lowe Brindfors.

Index

1. INTRODUCTION – WHY JAPANESE STORES MATTER

A woman walks into a store in the heart of Tokyo. She emerges a while later, and she is…different. She has a new spring in her step; she seems to radiate a new feeling of importance, chin held high and steps determined. She is also wearing a new jacket she hadn't the faintest intention of buying. This scene is being replicated across the city: people browsing, trying on clothes, buying, and finally leaving stores with a smile on their face and a sense of satisfaction and closure. Now, what has happened in the brief window of time when these people were in the store?

This thesis began with two things we, the thesis authors, had grown curious about. The first thing was Japan. Japan is known for its famously picky consumers and outstanding service. Historically, Japan has also been a centre of process innovation, launching the automotive manufacturing industry to new heights of excellence. We wondered if these things were perhaps connected, and if it was worth exploring how these things tied into customer satisfaction in Japan. The second thing might be addressed through a question to our readers:

"When was the last time you were positively surprised by the service in a Swedish clothing store?"

We wished to study the retail environment, in particular the clothing store environment. Our shared belief based on our readings is that the purpose of a clothing store is to inspire its visitor to buy its stock of clothes by turning browsers into buyers through persuasion, decoration and personal interaction. We are continually baffled by the fact that so many Swedish stores seem to fall short of this aim, merely observing their customers passively, and occasionally seem to regard them as nuisances. Is it the store's fault, or perhaps the customer's fault? Who is to blame for what an international observer dismissed as "lousy Swedish service" (Björklund, 2007)?

Because of this, this thesis aims to explore two topics – **(I)** the difference between Swedish and Japanese female consumers in a clothes buying situation and **(II)** the more proactive stance towards customer service, satisfaction and selling displayed by the Japanese clothing stores compared to the Swedish. We hope that the study, by focusing on these two areas, will shed further light on Japanese service culture in general, providing tips and advice for Swedish businesses interested in entering the Japanese market. Here H&M, which is to open its first store in Tokyo in September 2008, is a perfect example. We also hope to provide inspiration for those seeking to reinvent and improve stores in Sweden. Furthermore, we hope that it will provide academic value by connecting theory on the experience economy, links between in-store factors and emotions, and the Japanese service culture. We believe we stand a good chance of generating new knowledge as a study such as this - focusing on stimuli factors linked to emotions and buying behavior in a retail setting - has been requested independently by several researchers (Kenhove and Desrumaux, 1997; Lee and Dubinsky, 2003).
We assert that the Japanese clothing store matters – it paves the way towards important lessons to learn on customer service that reach beyond clothing retailing, it demonstrates the necessity of adaptation and out-of-the-box-thinking by Western entrants on the Japanese market, and it illustrates the interplay of the retail store and the consumer, and how important this interplay can be.

1.1. BACKGROUND – HOW WE ARRIVED AT OUR THESIS FOCUS

"Okyakusama wa kamisama desu" ("The customer is God") is a natural view for the Japanese. This is the foundation upon which Japanese service management rests. It has long been known wide and clear that Japanese service is something out of the ordinary (Johansson & Nonaka, 1996).

From a marketing point of view, Japan is overwhelming. The billboard-clad skyscrapers, the offbeat advertising, the exceptional service level, the sales pitches, the devotion to customers, the incredible creativity in small services and the details of design – all these things make Japan a treasure chest for interested marketers.

We, the thesis authors, had our common interest in Japan sparked by both the over-the-top-culture of modern Japan, and the efficiency and class of their in-store service. Visiting a Japanese clothing store, we enjoyed a shopping experience we have never encountered before and enthusiastically praised our Japanese friends for their service culture. We were then taken aback when the same friends, in response to our enthusiasm, shrugged with a "oh, that's standard service, nothing special", almost bemused by our surprise. We thus wanted to explore this further: was our overwhelming shopping experience really as common as the Japanese claimed, with standard practices that could be copied to a Swedish store with positive results? We were intrigued.

What we found most fascinating, however, was the interplay of customer and store, how the incremental addition of many small things and actions not present in the West coupled with high buyer expectations produced service that was both seamless and inspiring.
The stores of Tokyo revealed new ways to improve existing businesses, and lots of new business opportunities. The possibilities were beyond counting: stores that prolonged their customer's browsing time by sophisticated queue systems; stores that only sold items that had been voted as the best by its customers; stores that only kept one of each item in the store for fitting purpose and the rest of the stock in a back room in order to create a more spacious environment; and stores where you could avoid the mobs of people by buying tickets beforehand. To put it simply, we found a degree of sophistication undreamt of at home in Sweden.

Our field work in Japan during 2007 was made possible because of the generous contributions of scholarships mentioned in our Dedications. An exchange stay in Japan in 2004 by one of the thesis authors was the starting point for our original interest in the service culture displayed by stores. We decided that a longer field study in Japan was required to perform the work.

In March 2007, both thesis authors devoted three weeks to surveying clothes stores in Tokyo. This enabled us to both perform extended in-store observations and multiple surveys with Japanese customers. Our extended stay in Japan led to this thesis's slightly eclectic blend of statistical and observational analysis, which we felt was required in order to more fully illuminate the phenomenon that is Japanese service culture.

However, this thesis is not only a depiction of Japanese conditions. It is also a reaction against some of the customer service in the West – the inefficiencies and occasionally pointless behavior of store staff. We feel that studies similar to ours are required in order to shake business managers out of their sometimes rigid and unthinking attitude towards service. Service in the West needs a makeover, and we predict that inspiration and guidelines are to be found in the East.

1.2. PROBLEM – 2 Aspects of the Japanese store

The main purpose and intention of this study is to illuminate Japanese service culture. We aim to find out how the Swedish and Japanese consumers differ in their reactions to the store environment, and how stores differ in their approach to consumers – how they facilitate for and persuade customers to browse and buy.

Our purpose breaks down into two questions, meant to capture both sides of Japanese service culture.

The first question, A, has the consumer as the focus. It focuses on the cultural issues, the sensitivity to environment and social factors, and the context and motivations that come into play when dealing with Japanese customers. It examines the significant differences between the Japanese and the Swedes, tries to clarify what entrants on the Japanese market might have to take into account, and sets the boundaries for comparison between Japan and Sweden.

A. How do Swedish and Japanese female clothing store customers differ from each other?

The second question, B, has the store as the focus. When we speak about the store, we do not only include the physical environment, but also the atmosphere and the social environment created by the store clerks. The question focuses on what kind of behaviors towards customers Japanese store clerks engage in, and what actually happens in the store.

B. What are the important characteristics of a Japanese clothing store, and how does it differ from a Swedish clothing store?

These two questions indicate the main lines of inquiry running through this thesis. In order to make claims that are reasonable and more specific, we later break these questions down into a series of testable research questions concerning important dimensions. Since we intend to measure consumer-store interaction through our surveys, we will essentially be looking at two different aspects of the same measurements. We hope that by looking at these two aspects of Japanese service culture in the context of clothing stores, we will be able to shed light on the complex interaction between customer and store that creates superior service.

1.3. DELIMITATION – Clothing stores and female consumers

We have chosen to delimit ourselves in the following fashion:

- ☐ The comparison is mainly focused on the special characteristics of Japan, and we will not go into greater detail concerning Swedish culture. We feel that an inclusion of a study of Swedish commercial culture might make this thesis far too unwieldy. Hence, all statements on Swedish relations to service are not be taken as absolutes, but merely seen in relation to the Japanese service view. Swedish service culture in itself may be a field for further study.

- ☐ Our investigations are limited to clothing stores in Tokyo, where the service is apparent and notable. All inferences about Japanese service in general are therefore based on these observations of one type of store.

- ☐ Our investigations are aimed at female consumers in a certain age range, and therefore also at

clothing stores aimed at females or at both genders.

- ☐ Our focus when evaluating service does *not* include factors such as price, quality and merchandise offerings. We have included these in our studies but only as control variables when classifying the relevant importance of store environment factors.

1.4. EXPECTED CONTRIBUTION – Changing our views on Japanese consumers and stores

As this thesis is being written, a number of Swedish companies are trying to 'break' Japan. In order to successfully enter the Japanese market, we believe a deeper understanding of the Japanese customer and their relationship with stores is required. This deeper understanding is one of the primary aims of this study. The study will thus have implications for both Swedish and other international companies entering Japan.

Furthermore, we hope to make contributions towards theory concerning service management and the experience economy in general. This thesis will analyze and suggest some of the lessons that may be learned from Japanese service culture, and try to identify some of the factors that make a difference in the eyes of the consumer. In plain language, what can a Swedish clothing store learn from the Japanese, and how may the shopping experience of consumers be enhanced?

There is also the opportunity to expand on existing research. Previous studies have indicated that more research should be dedicated towards what stimulus factors constitute a pleasant and arousing store environment (Kenhove and Desrumaux, 1997). Researchers have also called for a consideration of personal interaction between buyer and seller along with the physical store environment as determinants of emotions in a retail situation, and have argued that separating personal interaction from the environment is unlikely to contribute to a better understanding of interaction in the retail setting (Lee and Dubinsky, 2003). This has led us to broaden our study to include both the store staff, and the store itself. We hope that this thesis will deepen the knowledge concerning the interaction of store environment, store staff, emotions and shopping behavior.

We expect this thesis to outline some of the differences between Japanese and Swedish consumers, give some insight into how the high-service model of Japanese clothing stores works, and what factors in the store environment may affect consumers. We also hope to emphasize that some of the behaviors, designs and training programs Japanese stores have put into practice may (when borrowed, adapted for and integrated into other countries) revolutionize the service culture in the West.

1.5. KEY TERMS

Here we provide some definitions of key terms in the thesis, in order to clarify the meaning of theoretical concepts that may be unfamiliar to our readers, or to signify non-standard or more precise definitions of generalized concepts like, for instance, "service" and "culture".

ATMOSPHERICS. *See STORE ENVIRONMENT.*

KAMISAMA SERVICE. A service model proposed in this thesis, based on attention to all details, focusing on among other things maximizing positive time, minimizing negative time, delivering a total experience and placing the customer in the centre.

LEAN PRODUCTION. Fast flexible [production] processes that give customers what they want, when they want it, at the highest quality and affordable cost. Lean production often focuses on reducing waste and concentrating on adding value that matters to consumers.

SERVICE. Service is here defined as satisfactory social interaction with store personnel, where the customers is attended and served by a sales representative.

SERVICE CULTURE. Service based on the culture: how to treat people, language used, symbols and signs, defined roles etc. "*People convey culture into service and the culture is then evaluated in the moment of truth, when the customer encounters the service*" (Moon, 2007).

STORE ENVIRONMENT. All the cues in a store that affects the perception of the store by the customer: social variables (how the staff treats you and helps you in the store etc.), design variables (furniture, space, presentation of clothes etc.) and atmosphere variables (smell, background music, air quality, colors etc.).

2. THEORY – THE BACKGROUND TO OUR RESEARCH QUESTIONS

In this section we present previous research of interest concerning consumer and culture theory, studies on service and business in Japan, theory regarding interaction of store and consumer and the store environment. By doing this, we will attempt to establish a theoretical framework for our investigations. We also generate a number of research questions regarding our main topics – consumers and stores - to be tested later in the analysis.

2.1. A THEORETICAL FRAMEWORK– The nation of Japan and the store

According to Theodore Levitt, business is all about two simple things: "to create and keep customers." As pointed out by Turpin (1995) this sentiment bears some relation to the saying that "a customer lost is a hundred customers gone" found in the Mitsukoshi retail manual, one of the established and most renowned retail chains of Japan. If you cannot keep one individual customer, it is almost certain that you won't be able to keep all the customers that resemble him in buying behavior and needs. The Japanese ethos is that everyone matters, for each customer is an unknowing ambassador, unaware that he or she represents hundreds or thousands like him. It is important to begin with this understanding of one of the basic attitudes of Japanese service – that every customer is important.

But how did this belief arise? Since we wish to perform a comparison with Western culture, and specifically with Swedish culture, we will here review the material available on Japanese commercial culture, and how the Japanese view service.

Home market demand drives innovation

In order to understand the nature of the highly advanced Japanese service system, we need to go back to basics, to the core that has driven this development. In Porter's article "The Competitive Advantage Of Nations" (1990), he describes the process innovations in manufacturing made by Japanese auto-makers during the late twentieth century. In less than 50 years, Japan went from building small inexpensive cars made profitable by low labor costs to leading the world market, excelling at technological advancement and automatization, and introducing new premium car brand names to the world. Japanese manufacturers pioneered *just-in-time* production, along with other revolutionary production and quality assurance practices, such as *kaizen* (continuous improvement). Porter asks this question:

"*Why are certain companies based in certain nations capable of consistent innovation? Why do they ruthlessly pursue improvements, seeking an evermore sophisticated source of competitive advantage?"*

Part of the answer to that question, according to Porter, is *demand conditions* - the nature of home-market demand for the industry's product or service. The character of the home market has a disproportionate effect on how companies perceive, interpret and respond to buyers' needs. In industry after industry, the tightly constrained requirements of the Japanese market forced companies to innovate, yielding products that are *kei-haku-tansho* - light, thin, short, small - and that are internationally accepted.

Another key factor is *factor conditions* i.e. what resources can be used as base for competition. Japan is an island nation without natural resources. A deficiency of natural resources, space and (more recently) time have helped spur Japanese competition. J-I-T delivery was actually created in order to deal with and balance the high costs of space and storage. Instead, Japan has human labor as the competitive resource which has spurred a labour/socially intensive service society.

The main thrust of Porter's article is that the way companies achieve competitive advantage is through

acts of innovation. Innovation is defined as including new technologies, new ways of doing things, a new basis for competing or finding better means for competing in old ways (Porter, 1990). And innovation in turn is facilitated by local demands, scarcities and institutions. This has, in essence, been Japan's historical factor of success – a dedication towards process improvement coupled with complex local demands that has led to serial innovation in production. The size of Japan has also contributed – strong domestic rivalry promoted continuous improvement, and geographic concentration elevated and magnified the interaction of the determinants of competitive advantage.
The growth and success of Japan in production and in the automotive industry is an established fact. But another question remains to be explored - can these local strengths of Japan have affected other areas of the economy as well?

Japanese innovations in customer satisfaction
Japan has recently experienced a shift in the focus of large companies, as Western companies have caught up by copying and implementing the production innovations of Japan:

"*With Japan experiencing its most serious economic slowdown since the end of World War II, many Japanese firms are rethinking their corporate priorities. While many Western corporations are gradually catching up on product quality, Japanese firms are aiming at changing the rule of the competitive game by adding extra value to their products and re-focusing corporate efforts on customer service. Customer satisfaction is rapidly replacing market share and new product developments as the management priority of leading Japanese firms.*" (Turpin, 1995)

The economic recession, and the decreasing return on investment, has led the Japanese to focus their efforts on achieving better *customer satisfaction* through service innovation. Improved product design and service design now aims at achieving more satisfied customers, rather than cutting the costs of production. Both Moon & Lee (2004) and Reich (1990) claim that the core competitiveness of Japan in a global business context is its workforce and education. Japan has been made to focus on developing a skilled work force that delivers high service.

"The adoption by Japanese firms of Western concepts of customer satisfaction greatly resembles the adoption of quality control after World War II. As in the 1950s, most of the concept and tools used today by Japanese corporations to enhance customer satisfaction originated in America." (Turpin, 1995)

It would appear that what we are seeing is history repeating itself – the Japanese copying and improving the innovations of its Western counterparts. Turpin goes on to identify seven golden rules (which we will discuss later in greater detail) considered fundamental to improving service quality, and furthermore states regarding these rules:

"*We recognize that many Western firms are already practising some of these. Where some Japanese corporations seem to have the edge is in a greater attention to detail."* (Turpin, 1995*)*

Detail. That's the key. The past success of Japan indicates that it is in implementation in improving a process that the Japanese excel. We conclude from Turpin's analysis that the details of the modern Japanese service industry may contain important lessons for their Western counterparts, similar to those lately learned by the automotive industry.

There are also indications that service improvement in Japan has the characteristics of a self-sustaining process. Turpin also finds that, as with *kaizen* (continuous improvement), customer satisfaction in Japan is a spiral process that starts with training, according to the following pattern:

Figure 1.

Good training ultimately leads to improved service quality, and creates satisfied customers. But creating satisfied customers is equal to creating demanding customers, who grow accustomed to and expect a high level of service. In the case of Japan, it is pointless to try to untangle what came first – the high service level or the equally highly demanding consumers. The result is that the continuous interaction and mutual reinforcement of these two factors would appear to have caused Japan as a nation to improve its ability to satisfy customers, and has made its consumers more discerning when it comes to service. Multiple research articles come to the conclusion that the consumers of Japan are highly demanding (Turpin, 1995; Reisinger and Waryszak, 1994; Johansson and Nonaka, 1996; Fields et al, 2000).

This is the reasoning that has lead us to our two main questions:

A. How do Swedish and Japanese female clothing store customers differ from each other?
B. What are the important characteristics of a Japanese clothing store and how do these differ from a Swedish store?

Our questions examine the starting point and the end point of the spiral – the staff and their training, the customers and their satisfaction – and try to pinpoint what sets Japan apart. Based on the observation of Lee and Dubinsky (2003) that personal interaction and environment are intertwined, we have, however, departed from Turpin and included in the causes of satisfaction not only the staff itself, but also the physical environment of the store. This is also in line with some of the opinions of Bäckström (2006) who states that research concerning shopping, specifically recreational shopping, needs to take into account the activity and environment of shopping.

An additional reason for studying Japan, and the questions above, can also be given. Pine & Gilmore

(1998) have argued that successful modern businesses need to incorporate an experience component in their sales. People are no longer buying products, they are buying a sense of wellbeing. It is therefore highly interesting to see how the accomplished Japanese go about creating and recreating experiences, and what the critical element of such creation is.

The theories most relevant to questions A and B will be presented separately in the following sections. But, since the consumer-store is inextricably intertwined in the kind of real life settings we have focused on, the theories presented as relating to question A will occasionally be applied to question B, and vice versa.

This constitutes the theoretical reasoning underlying our questions regarding Japanese service. But there is still the matter of the stores themselves, and how to approach the store environment.

The interrelatedness of the store and the customer – 3 types of store environment factors

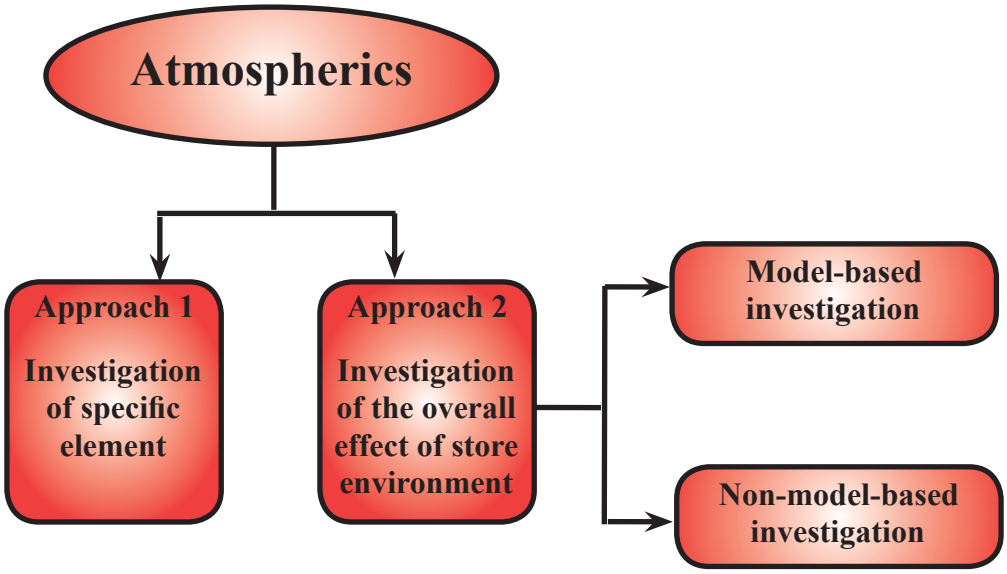
In order to properly frame our questions regarding Japanese consumers and Japanese stores, we must also establish a theoretical framework for the store and the store environment.

The study of the store environment is occasionally known as *atmospherics* (Gilboa and Rafaeli, 2003). Gilboa and Rafaeli claim that a store's environment can be defined as external to the person being studied, which can be measured independently of the person. The environment is not natural - it includes cues, messages and suggestions that affect the consumer.

Kenhove and Desrumaux (1997) add that at a time when retailers are finding it difficult to create a differential advantage on the basis of price, promotion and location, the store environment presents a new opportunity for market differentiation.

Tai and Fung (1997) further break down the study of atmospherics. As shown below, there are two main approaches to studying atmospherics – investigation of specific atmospheric elements, and investigation of the overall effect of store atmosphere (figure adapted from Tai and Fung).

Figure 2.



Extensive studies have been made into Approach 1, examining discrete elements such as music, colors, lighting, visual complexity and other factors (Tai & Fung, 1997). Approach 1 has the advantage of being helpful in generating experiments but the disadvantage of not taking into account the total effects on a customer in a real-life setting. We therefore used Approach 2 in our work, and opted for both model-based

investigation and non-model-based investigation (to be further presented in our Method section).

The factors experienced by a consumer in a store can be divided into three categories (Kenhove & Desrumaux, 1997). These are:

1. **Social Factors**. Social factors are created by the people in the store and their behaviour. They include the behavior and demeanour of the staff, the number of people currently shopping, and more specific things such as the perceived helpfulness, enthusiasm and knowledge of the staff. These factors are changeable to a larger extent.

2. **Design Factors.** Design factors are the "hard landscape" of a store, functional and aestethic elements like architecture, style and store layout, size of aisles, size of fitting rooms, and other things belonging to the environment that are less easily changed.

3. **Ambient Factors.** Ambient factors make up the "soft landscape" or background conditions of a store – smells, sounds, tidiness, furnishing and other things that can be changed with relatively little effort. In the thesis this area will be designated "atmosphere", in order to use a term easily grasped by consumers.

This division forms the basis of our investigations of stores. It separates the changeable elements from the unchangeable, and provides a neat framework for the large number of different factors that a customer is exposed to.

The interplay of these three types of factors is an important focus of this thesis. We believe that a clothing store has a purpose. Stores are *engineered spaces*, created in order to facilitate consumption and inspire consumers to buy. When we talk about store design, we do not limit ourselves to the placement of chairs or the color of the walls. A store is a designed environment, meaning that all human interaction that takes place inside, whether between staff and customers or customer to customer, is a part of the design, implicitly ruled by the guidelines and institutions set down by the designers, the managers and the staff themselves. The store environment is what enables stores, to borrow Levitt's words, *to create and keep customers*.

2.2. QUESTION A - A Comparison of Swedish and Japanese consumers

In order to fully understand why Japanese service works the way it does, and what might be learned from it, we must also understand the Japanese as individual consumers. There are marked cultural differences between Japan and the West in consumer habits, motivations, needs and life styles. The literature available identifies some key points particularly relevant for service and store interactions, which we will use to generate testable research questions concerning the Japanese consumers. The research questions are phrased generally, with measurements specified later in our Method section and in the Empirical Data & Analysis section. But first, we start with a broad outline.

Successful firms adapt to their environment. Japanese firms are generally thought of as more customer-oriented rather than control-oriented compared to Western companies (Keng et al, 1998). This appears to be a consequence of culture. According to Money and Graham (1999) one of the main differences between Japanese and Western cultures like America, is that Japan is a highly collectivistic and high context-culture, whereas the Western culture is a highly individualistic and low context-culture. To put it more plainly,

group norms and social interaction, especially the customs dictating proper behavior in different settings, are much more important in Japan. In order to survive, a firm relies heavily on the ability of the employees to please the customers in a manner perceived as correct.

Along the same lines, Griffith et al (2006) in an overview of the work of Hofstede identifies five dimensions along which different countries can be classified: *individualism, power distance, uncertainty avoidance, masculinity,* and *long-term orientation*. Japan is defined as belonging to a group of countries that are more collectivistic, larger in power distance, stronger in uncertainty avoidance, more masculine, and more long-term oriented. This cultural type "maintains strong, long-term social ties among societal members and works toward a feeling of harmonious interdependence." For a retail environment, this could imply an increased importance of connecting socially and of maintaining harmonious seller-buyer relationships, and conversely larger negative consequences when these harmonious ties are disturbed, or found lacking. The Japanese expect that all personal contact in a retail setting is handled smoothly, pleasantly, politely and efficiently. Deficiencies in the tact, knowledge, attention and speed of the store staff are almost perceived as an insult; no mistakes are tolerated.

Another interesting aspect of Japanese collectivism is a tendency to strive for harmony, resulting in the tendency to express dissatisfaction indirectly (Synodinos 2001). When a Japanese customer receives a dissatisfactory product or service, they tend to switch supplier silently but immediately. The Japanese are "exit" consumers rather than "voice" consumers – they do not complain, they simply leave (Ikeo, 2007). Voice consumers tend to complain if something is not acceptable (quality, service, etc.) but they will come back to the store if the personnel react to the complaint in a satisfactory way. The exit consumers, on the other hand, will accept the low quality for the time being but never come back to the store again. It means that customers may leave for no apparent reason, due to unvoiced dissatisfaction, prompting store owners to be careful and observant when handling customers. Although their level of needs and demands are high, the Japanese will rarely express anger or dissatisfaction with the service provider.

The demands on store owners can be high for the reasons above and many others. Synodinos (2001) lists the characteristics of the Japanese consumer market as being the result of many factors: economic prosperity, sudden modernization, cultural homogeneity, collectivism, a strong desire for information on purchases, high risk aversion, ageing population, an interest in aestethic values, eclecticism, lack of consumer time, lack of space, high product/service quality and the importance of image. These various characteristics will be connected below to certain research questions regarding the Japanese consumers, in order to gain a deeper understanding of what Japanese customers truly demand.

Research Question 1 – The picky Japanese

Japanese consumers tend to be relatively highly sophisticated and picky. Moon & Lee (2004) and Moon (1999) argue that this is an effect of the average education level of the Japanese consumer which is virtually unrivaled today. This leads to a higher sophistication in demand which is expressed in higher quality and variety expectations. Porter's (1990) reasoning, mentioned in the beginning, is that this demanding customer base has served as a natural resource for Japan, encouraging service growth. Good service in the long run equals pickier customers.

Collectivism. A major reason for this pickiness, according to Synodinos (2001) is collectivism. The Japanese are group-oriented, and cooperation and loyalty to the group are greatly valued. The consequence of collectivism is making the establishment of trust an essential part of business relationships. Relationships must be maintained through making allowance for "face saving" (i.e. not loosing face). In Japan, the line

between personal and business relationships is blurred. There is an emphasis on long-term buyer/seller relationships, and sellers tend to focus on after sale service. This leads to high customer loyalty and long relationships, and consequently to high customer expectations. The Japanese expect the store to know exactly what they want, or smoothly divine the purpose of their visit through informed questions and guesswork.

The Customer is God. Another reason is the treatment that the Japanese customers expect. Generally, customers are always treated with extreme courtesy and respect. In Japanese, a customer is called *o-kyaku-sama*, which means honored guest (Yamamoto, 2007). "Kyaku" means "customer", "o" is a prefix expressing respect and courtesy and "sama" is a suffix also expressing respect and courtesy. This use of prefix and suffix suggests the relationship between the service provider and the customer where the customer is almost seen as a God (Fields et al, 2000). "Kyaku" can also mean guest, visitor, client, caller, lodger, patron and passenger depending on the context. Language guides thinking, and thinking guides behaviour; in Japan service providers treat their customers just like they treat their personal guests (Otobe, 2007). The whole established saying "okyakusama wa kamisama desu" translates into "the customer is God".

Aestethic values. There is another reason for pickiness embedded in Japanese culture: aestethics. Striving for material perfection is an apparent value of Japanese culture, manifested in advanced gift wrapping, meticulous presentation of food in restaurants and spectacular Japanese gardens and flower arrangements. The aestethic appearance and presentation of products is critical. Synodinos (2001) further exemplifies this by mentioning that in Japan fresh food with minor cosmetic blemishes sell for significantly lower prices. Not only the product itself matters, but also the packaging and wrapping which in some cases can be irrelevant to the quality and performance of the product: If there is the slightest scratch on the wrapping of the product (e.g. the box in which it comes) the Japanese customer will return the product and demand a new one (Rundin, 2005).

Japanese consumers have also been characterized as extremely demanding because of their insistence on a close match between their need and the specific product or service. The quality of a product in Japan is uniformly high, and the consistently high level is known to produce high customer satisfaction (Synodinos, 2001).

Expertise. A study of Japanese tourists in Australia (Reisinger and Waryszak, 1994) demonstrates that the expectations of Japanese shoppers are much higher than those of regular shoppers. The Japanese found the store service in Australia lacking, particularly regarding the shop assistants' ability to be helpful, to anticipate their needs, to demonstrate concern, and to provide them with personal advice and information about the goods they bought. They also reacted negatively to how slow service was, and the time it took for them to get their shopping done. The study also suggested that the negative reaction of Japanese tourists might be explained by the Japanese subjective and traditionally very high expectations on service, and that the Australians clerks were not perceived as experts in dealing with the needs of the Japanese.

These various aspects of Japanese culture – collectivism, the customer as God, aestethics and expertise - have two implications: (1) that the Japanese are pickier than Western consumers like Swedes when it comes to evaluating a store experience, and (2) that the Japanese pickiness may be a possible obstacle to foreign companies wishing to enter the Japanese market.

RQ1. The Japanese are pickier than the Swedes in evaluating a store experience

Research Questions 2, 3, 4 – The importance of the environment

Griffith et al (2006) state that the essence of Japanese culture is a constant concern for belongingness, reliance, interdependency, and reciprocity. This need for recognition and belonging should, we assume, have a considerable effect on store service. Empirical data bears this out. In Japan, customers are treated as human beings rather than just another sale. Even in purchasing gasoline, customers receive an extraordinary high level of service by the station's attendants. (Synodinos, 2001)
In Western cultures like the United States, positive service behavior is gauged by the mood and enthusiasm of the service giver. According to Winsted (1997), in Japan the positive behaviors focus more on treatment of the customer and concern, through indicators like attention, caring, and kindness. These differences are also consistent with the focus in the U.S. on individualism and individual interaction and the focus in Japan on empathy and role-based interaction. Service in the U.S. is the independent interaction of two individuals on more or less equal footing; service in Japan is the mutually dependent interaction of a passive master and an active servant.

"*In Japan, the buyer with money is the master, the one with a product or service to sell is the servant. There is an exchange, to be sure – but only at the mercy of the buyer. The reason for the inequality is clear to the Japanese: the seller is always willing and ready to exchange with any buyer, but the buyer is not always willing to buy from any seller. The customer has the power*." (Johansson & Nonaka, 1996)

A Westerner would expect to be able to act for himself/herself and ask for help when he/she feels like it, whereas a Japanese customer would expect the service-giver to act more as a concerned servant, guiding and comforting his master. The expectations of the Japanese on the staff seem to be that they should be welcoming, attentive and act as guides to the store – as perfect servants who foresee their master's needs (Fields et al, 2000). A typical customer in the West asks the staff for help; a typical Japanese customer expects the staff to pay attention to them and observe when they seem to require help or advice.

Furthermore, there appears to be other differences in the expectations of the Japanese, when compared to Western consumers, regarding the roles played by store clerks and customers. Control seems to be very important to Western customers. In Japan, on the other hand, customers are "kind of timid or nervous". They tend to give the controlling interest to the store clerk. For the Japanese consumer, control is not important (Winsted 1997). The Japanese are passive in a retail environment, and dependent upon the guidance of the store clerk.
This is exemplified by a comparison of clothing purchase behavior between American and Japanese students (Kawabata and Rabolt, 1999) that showed that Japanese students used retail sources such as store displays and sales people to collect information and to make decisions to a higher degree, while Americans relied more on their own judgement, their friends and fashion magazines.

All in all, the Japanese would appear to be more reliant on the behavior of and the guidance provided by store staff, since they expect to be able to take a passive role in service interactions. It would follow from this that the Japanese evaluation of social factors in a store (Kenhove & Desrumaux, 1997) is more important to them than a similar evaluation made by a Swede.

RQ2. The social dimension is more important for the Japanese than for the Swedes

The Japanese are exceptionally image-conscious consumers (even at the height of the 90's recession, two-thirds of the world-wide label brand sales were in Japan) and attach great importance to what the

ownership of a product signifies to others (Synodinos, 2001). Previous research glossed by Synodinos also indicates that the store where an item was purchased can be as reflective as the product itself, and that the Japanese have high expectations on aestethic value in the products they buy.
Add to that the dependency of the Japanese clothing consumers on retail sources to guide their shopping decisions (Kawabata and Rabolt, 1999) it would seem probable to infer that atmosphere and design play a larger role for the Japanese. The store environment isn't merely needless decoration to the Japanese; it is just as much a part of the overall shopping experience as the products sold.
Combined with the previously mentioned affinity for aestethics, and an all-around pickiness, it is reasonable to assume that the Japanese attach more importance both to design factors, such as changing rooms and store design, and ambient factors, such as lighting and furnishing (Kenhove & Desrumaux, 1997).

RQ3. The design dimension is more important for the Japanese than for the Swedes

RQ4. The atmosphere dimension is more important for the Japanese than for the Swedes

Research Questions 5, 6 & 7 – Social interaction and context

Getting back to the important issue of social interaction in the store, the master-servant relationship between Japanese customers and service providers has some other interesting consequences.
As previously mentioned, the Japanese emphasize long-term buyer/seller relationships, and sellers tend to focus on after sale service. This leads to high customer loyalty and long relationships (Synodinos, 2001). The formation of these relationships is very important, and there are indications that they affect the customer's overall impression of the store. The link between overall impression and relationship may be caused by the Japanese customers' need for reassurance and information.

Synodinos (2001) claims that in Japan, consumption is information driven in order to minimize risks. The Japanese are characterized as insatiable information seekers, and new information is an important driver of consumption. This would seem to place a burden on the store staff to be able to answer very specific customer questions and possess a great deal of knowledge.

The Japanese are generally considered more risk averse than Westerners. The business culture of long-established relationships may be a method of partially avoiding risks. In Japanese consumer culture, this risk aversion is reflected in a desire to have as much information as possible, as well as a willingness to pay more for a known brand. The Japanese are known for a high use of retail sources of information, such as catalogues, store displays and the store staff (Kawabata & Rabolt,1999).

Essentially, the Japanese "see" the store through the eyes of the staff. They do not view shopping as primarily a solitary exploration, but rather as a guided tour. The Japanese appreciate the fact of leaving a degree of control to the service provider, since it makes them feel safe and help them decide what to buy. This, in our opinion, indicates that the behavior of the staff may very well affect the overall perception of the store, and that social interaction in a buying situation is likely more highly valued by the Japanese.

RQ5. The Japanese attach more value to social interaction in a buying situation and social interaction has a more profound effect on how they evaluate a store compared to the Swedes

According to Money and Graham (1999) one of the main differences between Japanese compared to Western cultures like America, is that Japan is a high context-culture, whereas the Western culture is a low context-culture. To put it more plainly, group norms and social interaction, especially the customs dictating proper behavior in different settings, are much more important in Japan.

It is difficult to overemphasize how much importance the Japanese attach to proper behavior and outward appearances, to the degree that the impression made by the staff and the environment put together colors the perception of the merchandise. Turpin identifies this as an integral part of Japanese business:

In many businesses the real action often takes place in the first 60 seconds of interaction with customers: Do employees make the right impression? Is the company perceived as being considerate and helpful? It is important for employees to know what role they are expected to play and be aware of what customers expect. (Turpin, 1995)

In a study performed by Winsted (1997), all formality-related behaviors (e.g., dress code, proper language) form a separate dimension in Japan, while they do not show up at all in the relevant U.S. factors. This also was expected from an analysis of the two cultures, due to high status consciousness in Japan, and focus in the Japanese culture on privacy, predictability and harmony.

[The Japanese] never guarantee satisfaction. They just do their best, hope for it, and are happy if it happens. If this sounds quaint and old-fashioned, so be it. For the Japanese a guarantee of satisfaction is like stepping on someone's soul, an intrusion of privacy. What makes the marketers think that they can satisfy the customers? Who are the sellers to judge whether the customers are really satisfied? Are the sellers God? Satisfaction guaranteed is a statement of hubris, of unforgivable pride. (Johansson & Nonaka, 1996)

The Australian study performed by Reisinger and Waryszak (1994) indicates that the Japanese have high expectations on a larger than usual number of store factors – staff, speed of service, packaging and product information, to name a few. We believe this indicates that the Japanese are more sophisticated consumers, in the sense that they take a larger number of factors into account when evaluating a shopping experience. Furthermore, we also believe that it indicates that to the Japanese consumers, *everything matters*. Usually, the environment of a store is considered less important in comparison to the staff, but the multi-faceted demands and expectations of Japanese consumers means that the environment also has to live up to high aestethic standards. Consequently, the Japanese take note of subtle cues in the store environment.

> *RQ6. The Japanese are more context-orientated and sophisticated in a buying situation (a larger number of factors affect their purchase; and the totality or the whole impression of the store matters to the Japanese). The Japanese are more sensitive to environmental cues than the Swedes.*

The flip side of the previous statement, that the Japanese are more context-oriented, is that Swedish consumers are less context-oriented. Initial studies indicate that Swedes (in their capacity of individualistic Westerners) attach less importance to the store environment and staff, and focus more on the actual products of a store – in our case, clothes. To these more focused customers there is little or no extra value added apart from the clothes, and the shopping experience has less significant effect on buying behavior. We therefore also test the research question that Swedes have a more instrumental view of the store, and that the environment has a smaller impact on their overall evaluation.

RQ7. The Swedes have a more instrumental view of clothes buying than the Japanese

Research Questions 8 & 9 – Different factors and motivators

According to Matzler and Sauerwein (2002), service quality attributes fall into three categories of factors that have a different impact on the formation of customer satisfaction: basic, performance and excitement factors.

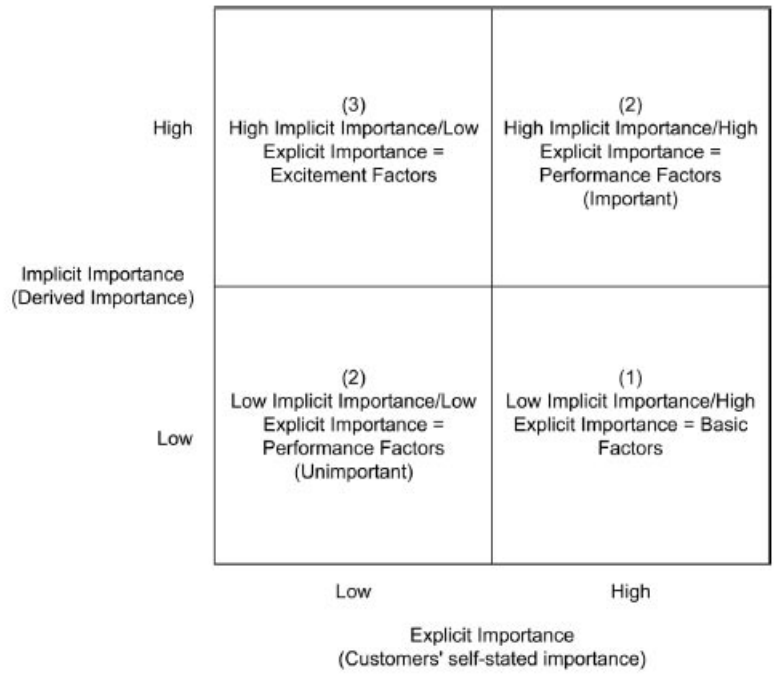
Basic factors. These are the minimum requirements that cause dissatisfaction if not fulfilled but do not lead to customer satisfaction if fulfilled or exceeded. They establish a market entry "threshold".

Performance factors. These factors lead to satisfaction if fulfilled or exceeded, and lead to dissatisfaction if not fulfilled. They can cause both satisfaction and dissatisfaction, and are typically customers' articulated needs and desires.

Excitement factors. These are the factors that increase customer satisfaction if delivered, but do not cause dissatisfaction if they are missing. Excitement factors are unexpected, surprise the customers and generate delight.

Matzler and Sauerwine also give an overview of a method for classifying factors into these three categories, based on two criteria: explicit performance (what customers say they like) and implicit performance (what statistical analysis indicates that they like). An overview of this methodology is given below:

Figure 3.



Reisinger and Waryszak's (1994) previously mentioned study of Japanese tourists in Australia, where the expectations of the Japanese were constantly thwarted, would seem to imply that the expectations of the Japanese are very high, and that their view of what constitutes the basic factors of a store may not be shared by other cultures. Consequently, the ideas on what constitutes performance factors and excitement

factors may also vary between the Japanese and the Swedes, and furthermore these differences may help to set the bar for entrance to the Japanese market.

RQ8. The Japanese and the Swedes have different views on what constitutes basic factors, excitement factors and performance factors

Another perspective concerns Herzberg's Motivation-Hygiene Theory (1968) with hygiene factors (do not cause satisfaction, but dissatisfaction results from their absence) versus motivators (cause satisfaction if fulfilled but not dissatisfaction if not fulfilled). Given that the Japanese consumers have high expectations (Reisinger & Waryszak, 1994), factors are more likely to be viewed as hygiene factors rather than motivators. As the Japanese service is very socially intensive (Kenhove & Desrumaux, 1997), it is especially likely that the social dimension is viewed as a hygiene factor.

RQ9. The Japanese will view the social dimension as a hygiene factor whereas the Swedes will not

2.3. QUESTION B - The characteristics of a Japanese store and how it differs from a Swedish store

Research Questions 10, 11 & 12 – Service evaluations

The culture of Japan is strikingly different from Western culture, and more importantly it is different in ways that promote the continuous evolvement of business practices. For instance, there is the Japanese willingness to adopt parts of foreign concepts and create their own Japanese versions that Porter (1990) emphasizes in his discussion of the automotive industry. Synodinos (2001) also mentions adopt-and-adapt-skill, focusing on their ability to "reject totalities in favor of adopting the bits and pieces of a system they find useful". This aspect of Japanese culture is of course an advantage for organizations and business in general, granting them competitive strength abroad (Johansson & Nonaka, 1996). But it has also created a mechanism that prevents Japanese companies from growing complacent.

We have previously alluded to this mechanism – the fact that satisfied customers today equal demanding customers tomorrow. Japanese consumers have grown used to high levels of innovation and customer focus (Fields et al, 2000). Japanese stores are *expected* to evolve, to improve and to push the envelope. The consumers demand innovation, and will take their business elsewhere if they do not get it. Consequently, Japanese stores have come to develop extensive systems and manuals in order to ensure spotless service, and that the customers get the treatment they deserve in their capacity of "gods" (Turpin, 1995; Johansson & Nonaka, 1996). This devotion to customers has helped the Japanese achieve internationally high levels of customer satisfaction (Johansson & Nonaka, 1996).

There are also other reasons that may account for the high level of service and performance in Japanese stores. The structure of the retail sector in Japan has been subject to considerable research. For such a developed country, Japan has a large number of independently owned, physically small retail outlets, a situation that has been promoted historically by legislation (Davies & Itoh, 2001). Add to this that small stores have continued to flourish today, in close proximity to large malls and shopping centres, and that there appears to be a remaining "small store"-mentality in the Japanese business climate. Store owners and store employees alike display a high devotion to service, neatness and customers. This might be a contributing factor to the high degree of service still retained in Japan (Keng et al, 1998).

We've previously argued that the Japanese customers are pickier than Western customers. We now argue that, given the premise that demanding customers force stores to improve and maintain high standards and that Japanese stores have been made to re-invent themselves over many years, the Japanese are more likely to rate the specific factors of the store environment higher than their Swedish counterparts. Despite their pickiness, Japanese stores should prove able to deliver service that meets the high expectations. Thus we arrive at the research questions that Japanese consumers will evaluate the store dimensions more positively than Swedish consumers:

RQ10. The Japanese will give the social dimension a higher evaluation score than the Swedes

RQ11. The Japanese will give the design dimension a higher evaluation score than the Swedes

RQ12. The Japanese will give the atmosphere dimension a higher evaluation score than the Swedes

Research Questions 13, 14 & 15 – A higher social interaction

The best Japanese companies regard their true competitive advantage as a combination of paying close attention to their customers' needs coupled with a willingness to continuously improve (the *kaizen* principle). It is also generally assumed that the customer does not walk into a store with a sense of entitlement. A customer may not necessarily feel welcome in a store, or may not be sure what he or she actually needs or wants to buy, or may lack the expertise needed to make a buying decision. The task of the salesperson is to make the customer feel welcome, help and guide the customer through the purchase, and finally ensure that the customer leaves with a sense of satisfaction (Johansson & Nonaka, 1996). This, of course, requires work.

Turpin (1995) in his survey of Japanese customer satisfaction quotes the words of a Japanese chairman "*A constant effort is needed to enhance customer satisfaction*". Turpin states that while the conception of customer satisfaction in Japan does not differ much from that in the West, in Japan it is pursued more vigorously. Turpin then goes on to identify 7 golden rules of customer satisfaction in Japan, which are as follows:

1. Define the corporate mission in terms of customer benefits.
2. Gain the long-term commitment of senior management.
3. Select the right people.
4. Train and retrain.
5. Measure and communicate quality standards.
6. Use technology to enhance customer satisfaction.
7. Creatively exceed customers' expectations.

These rules are guidelines based on the actual behavior and subsequent success of a selection of Japanese companies and store chains. Of particular interest to us are rule 4, 5 and 7, as they relate to the customer interaction that takes place in the store. Turpin himself also gives prominence to these three, stating that *"customer satisfaction strategy must heavily emphasize customer interfaces".*

Train and retrain. In Japan, it is unheard of to start a job without undergoing a training programme first. Training is considered a vital step in order to create a common goal for the workers, motivating them and helping them create customer satisfaction. This attitude is neatly encapsulated in this quote from a manager at an electrical appliance company: "*We make people first and in addition, we make electrical products*". Furthermore, inspired by Western companies, many Japanese employ thick training manuals that specify exactly what is expected from the worker, and how they should go about satisfying the customers. Turpin surmises that this clarity makes it easier to reward superior performance as well as create a sense of security for the workers, as they experience a greater certainty regarding what to do, and leads to an unusually low turnover rate of employees in companies that implement this practice.

Measure and communicate quality standards. Turpin also emphasizes the importance of performing regular surveys and distributing the results in the company. This is used both to identify areas of improvement, and to reward the workers that show the most customer consideration.

Creatively exceed customers' expectations. Japanese companies and stores excel at connecting with and exceeding customers' expectations. It is easily forgotten that this is a two-step process. First you need to find out what customers expect and wish for. Only afterwards can you strive to exceed these expectations and pre-empt the wants and wishes of the customers. Constantly changing customer expectations create a need for constant measurement and adaptation. Turpin exemplifies how this has been implemented in Japan by how some companies have created a "listening practice", where all new customer complaints are recorded and listened to at least twice, as well as being relayed to senior management.

Turpin also states that the Japanese have noticed that even if you over-deliver, customers will still set their expectations within reasonable boundaries.

The consequences of sales training, quality measurement and the pursuit of customer satisfaction are evident in the Japanese stores. All the checklists and manuals for employee behavior ensure that all Japanese customers receive the attention and help that is expected or requested. Customers are greeted, approached, listened to, helped, given recommendations, and bidden goodbye with practiced ease. While the interaction isn't necessarily scripted in terms of its content, there is definitely a proscribed pattern of behavior. The sales staff should always seek to approach customers and anticipate their needs.

Having a well-trained staff means that the inquisitive and risk averse customers can have their questions answered, often in great detail. And even if the salespeople do not know the answer to a specific question from a customer, their training ensures that they either know where to look or whom to ask.

Finally, the fact that most stores, even those not belonging to large chains, employ these kinds of training practices and process manuals means that the minimum level of service is much higher than in the West (and specifically, in Sweden). Even the stores that are considered lowscale in the Japanese market feature a high degree of service in order to meet customer expectations.

We therefore speculate that Japanese customers are on the receiving end of a larger number of service behaviors, that they place higher demands on the knowledge and initiative of the store staff, and that the minimum level of service is higher in Japan.

RQ13. Japanese customers in clothing stores are on the receiving end of a larger number of service behaviors (social interaction) than Swedish customers / The Japanese store creates more of a shopping experience where the staff is a crucial element.

RQ14. The Japanese place higher demands on the knowledge and initiative of the store staff than the Swedes do

RQ15. The minimum service level is higher in Japan compared to Sweden

Research Questions 16 & 17 – A skilled sales staff

The concept of "*The customer is always right*" is alien to Japanese thinking. The customer may be "God", a being to whom one owes devotion and respect, but that does not make the customer an expert capable of making informed decisions. Rather, it is expected that the salesperson will advise the customer using their own judgement and expertise. In Japan, the seller often assumes an advisory role (Johansson & Nonaka, 1996).

In Japan, conforming to the wishes of the customer paradoxically includes influencing the customer. A salesperson is expected to take an active role in displaying the products of a store, and by observing and asking questions determine whether it is something the customer should buy. Despite this, the Japanese do not view selling as a confrontational process, or a contest of wills, where the salesman seeks to sell and the customer seeks to avoid buying. Rather, the task of the seller is to make sure that the customer has given the items of the store due consideration, and make the customer feel as important as possible. The

elements of personal service in Japan are "extreme indulgence, infinite patience, sympathetic listening and quick response to demands" (Johansson & Nonaka, 1996). Even so, the ultimate aim of Japanese salespeople is still to make a sale. Their active stance regarding their customers means that they are more likely and more at ease with purposefully trying to persuade them to buy something.

Robert Cialdini (1993) lists 6 weapons of influence in his classification of the ways used to influence people. They are:

1. Reciprocation. The basic human tendency for returning favors in a disproportional fashion.

2. Commitment and Consistency. The tendency to readjust one's opinions to match one's behavior.

3. Social Proof. The tendency to conform to perceived group norms and opinions.

4. Liking. The disproportional tendency to be influenced by those we perceive as likeable.

5. Authority. The tendency to obey experts and authority figures.

6. Scarcity. The tendency to overvalue objects we believe to be scarce.

These 6 methods might serve as a way of classifying the different tactics used by Japanese salespeople, and also as a way of seeing if there is a greater degree of sophistication in the way the Japanese store staff seeks to influence their customers. Along with another important tool for influence Cialdini (1993) calls the *contrast principle*, the tendency to overvalue or undervalue things based on an externally imposed comparison, they might be used as a quick way of identifying possible influence tactics.
Based on the importance of personal selling in Japan, and the more active stance towards advising the customer, we hypothesize that Japanese salespeople are more skilled at influencing the choices and buying behaviors of consumers.

> *RQ16. Japanese salespeople are more skilled at influencing the choices and buying behaviors of consumers compared to Swedish salespeople*

In his book *Why We Buy* Paco Underhill (1999) describes what he calls "the science of shopping" – how the human animal reacts to its environment, both as a physical creature and as an emotional and intellectual being. One of his main arguments is that the aim of the retailer and the marketer is to design the store environment and related social interactions in such a way that:

1. The physical and mental limitations of the customer are overcome, making it easier for them to find the products they like, be exposed to information about what products they might buy and buy more products (e.g. bags to carry more, signs to indicate where things are).

2. The shop corresponds to the needs and profile of its intended target group by adapting the signage, playing the right music, using the right cues and creating the correct setting for social interaction.

3. The "positive" elements the customers find pleasant are increased, and the "negative elements" they find unpleasant are decreased. Underhill discusses the concepts of positive and negative time, i.e. time spent doing what you like and time spent doing what you dislike, and the fact that they appear to have disproportional diagnostic value when evaluating a store. Underhill further suggests that one of the aims of the store owner should be to increase positive time (for instance, create more time for browsing) and decrease negative time (less time spent standing in line to fitting rooms or the checkout counter)

(Underhill, 1999).

Underhill (1999) also goes on to list elements that shoppers love as well as elements they hate.
Loved elements include touching the merchandise, abundant mirrors, the process of discovery when shopping, the opportunity for talking and social interaction, being recognized and finding bargains.
Hated elements include too many mirrors, lines, being forced to ask dumb questions, goods out of stock, obscure price tags and intimidating/rude/slow/uninformed/distracted or simply stupid service.

A final concept of Underhill's science of shopping is what he calls the "geometry of the Big Three" or the three central aspects of the store – design, merchandising and operations. Underhill claims that these three things define the actual work being done in the store, because of their interconnection and interdependence. A decision regarding design affects both the merchandising and operations, since it translates into what items can be stocked and how they need to be stocked. Decisions regarding merchandising or operations have similar far-reaching effects. This means that there needs to be an alignment of purpose in the Big Three in order for a store to run a smooth and working operation.

These shopping design questions are of great importance in Japan, where local conditions magnify the need for stores to run smoothly and purposefully. This can mainly be attributed to the Japanese lack of time and space (Synodinos, 2001).

In Japan, lack of time among consumers is a widespread phenomenon. Lack of time has led to an increased importance of time-saving products and services, and the value attached to convenience in shopping in Japan. Pre-purchase search is also made difficult by lack of time. This has resulted in increased Japanese demands for delivery and for one-stop-shopping as well as a knowledgeable staff (Synodinos, 2001). Lack of space is also a problem for Japanese retailers, as it makes both storage and product transport more difficult. There have historically been more retailers per person in Japan, and fewer persons are thus served by every retailer, thus promoting the formation of long-term relationships (Synodinos, 2001). The combined effect in Japan of lack of time and lack of space is that consumers have grown particularly discerning when it comes to ease of access, the time it takes to shop, and swift assistance when needed.

In Japan, retailers have thus been obliged to deal proactively with the design issues addressed by Underhill. The Japanese excel when it comes to scarcity. The kaizen practice of not wasting limited resources even extends to concepts such as space or the customers' time and attention. Thus we hypothesize that Japanese stores will prove more skilled at maximizing potential opportunities for creating satisfaction by effectively managing store space and customers' time and attention.

RQ17. Japanese stores are more skilled at maximizing potential opportunities for creating satisfaction, and making the best of scarce resources like time, space and attention compared to Swedish stores

Research Question 18– An emotional aspect

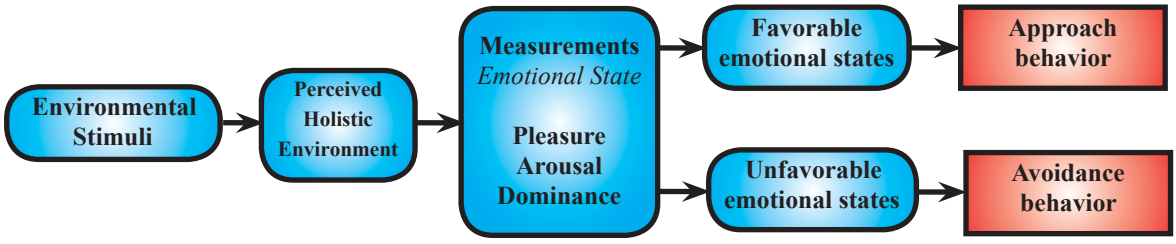
We have previously addressed that the store consists of three environmental dimensions – social factors, design factors and ambient factors (Kenhove & Desrumaux, 1997). Together these factors produce an emotional response in the custom to the store (Gilboa and Rafaeli, 2003). But what does an emotional response to a store environment entail? And might the degree or type of emotions produced by a Japanese store be different from those produced by a Western store?

As summarized by Gilboa and Rafaeli (2003), in 1974 Mehrabian and Russell presented a basic model of human emotion commonly used in marketing studies. This model claims that three dimensions constitute any affective response to any environment: pleasantness, arousal and dominance. The Pleasantness – Unpleasantness dimension relates to the degree that individuals feel happy, pleased, satisfied, or content. High Arousal–Low Arousal distinguishes between feelings of stimulated, excited, or frenzied and aroused and relaxed, bored or sleepy. Dominance–Submissiveness relates to the extent by which a person feels influential, in control, important, and autonomous or submissive, passive and lacking control. The dominance dimension's importance is disputed, and some researchers dismiss it altogether (Tai & Fung, 1997; Kenhove and Desrumaux 1997).

Tai & Fung (1997) give an overview of a work by Donovan and Rossiter who first employed the Mehrabian-Russell model as a framework in their study of atmospherics in 1982. They argued that the store atmosphere is experienced by consumers in terms of two major emotional states – pleasure and arousal – and a minor semi-emotional state – dominance, and that these emotional states are significant mediators of intended shopping behaviours within the store. The emotional responses induced by the store environment can affect the time and money that consumers spend in the store (Tai & Fung, 1997).
According to Kenhove and Desrumaux (1997), the response made to these two (three) emotional states can all be considered approach or avoidance behaviors. Approach behaviors include the willingness to stay in the store, to explore the store, to communicate with staff and others in the store, to spend more and to eventually return to the store. Avoidance behaviors include a desire to leave the store, avoid the staff and actively planning to avoid future visits.
Kenhoves and Desrumaux's study demonstrates that both pleasure and arousal induced by the store environment are strong predictors of behavioural intentions, and concludes that research should be dedicated towards studying what constitutes a pleasant and arousing environment.

Lee & Dubinsky (2003) similarly propose to classify the affective responses to various features of store salespeople (trustworthiness, expertise, empathy etc.) into positive emotion and negative emotions which in turn produce a relationship satisfaction, and ultimately a purchase intention. The ultimate behavior of the customer is linked to the emotions created by the store environment and the store staff.

Figure 4.



(Image taken and adapted from Tai and Fung, 1997)

The Japanese are allegedly better at creating satisfaction and persuading customers to buy. Could this be traced to the fact that their service behaviors create a more favorable emotional response, thus increasing approach behaviors? Since the link between emotions and behavior in a retail setting has previously been established, we do not propose to measure approach/avoidance-behavior. We merely aim to test if there is a difference in the emotional response produced by Japanese service and Swedish service, and if this may be a partial explanation of the favorable customer response to Japanese stores.

By performing this test we also hope to establish whether the Mehrabian-Russell model is applicable to Japanese consumers. Previous research by McKinney et al (2004) indicates that traditional buying process models may not be applicable in other cultural or minority culture settings.

RQ18. More desirable emotions are created in the Japanese service encounter compared to the Swedish service encounter

2.4. CULTURAL COMPARISON

The world is currently subject to globalization, and although there are forces restraining this development, the emerging globalizing forces are stronger. This results in a greater acceptance of ideas and products from other cultures and a willingness to engage in multilateral actions (Kanungo 2006).
However, Kanungo also states that people in different cultures respond in different ways and have different value systems which makes for difference in business practices. This indicates, in our opinion, that a service model cannot be transplanted as a whole from one culture to another, but that globalization might lead to an increasing willingness to embrace new service models. We believe that this makes it more feasible for a nation to look to another nation for ideas on how to revitalize it own businesses. Japan and the Japanese car industry provides a compelling example of this (Porter, 1990; Synodinos, 2001)

However, we foresee that some objections might arise to the applicability in the West of business practices from Japan, based on the assumption that the cultures are too far apart. But Japan is changing, and the cultural gap is shrinking.

Japan, in many ways, has tended to be a formulaic society as a consequence of the collectivistic culture. For instance, the unique and colorful teenage fashions in Tokyo are often a trend in a particular group, rather than a result of a desire to express individuality. However, due to Western influence, there has recently been a movement towards Western individuality among younger adults (Synodinos, 2001). Japan, in many ways, has also been moving closer to Western ideals of commerce and service, and the service component of certain transactions has actually been decreased, in order to focus on more value-adding activities (Johansson & Nonaka, 1996; Fields et al, 2000).

Keng et al (1998) argues that values typically characterizing Western societies, such as individualism and independence, will increasingly be adopted in collectivist Asian societies. As they phrase it, "*individuals who have been exposed to other cultures either passively through mass-media and communications systems or actively through living in or travelling to other cultures, will exhibit adaptability to different culture systems as they move from one culture to another*".

Furthermore, despite all the differences in culture, brand management, retail structure, new product development, advertising and many other marketing inputs between Japan and the West, the same patterns of brand-loyalty and brand choice for packaged goods apply (Keng et al, 1998).
Fields et al (2000) also finds that more anonymous and non-personal service has grown increasingly popular in certain categories of merchandise in Japan, and that similarly to Westerners, the desired degree of service entirely depends on what you are buying (Moye & Kincade, 2002).

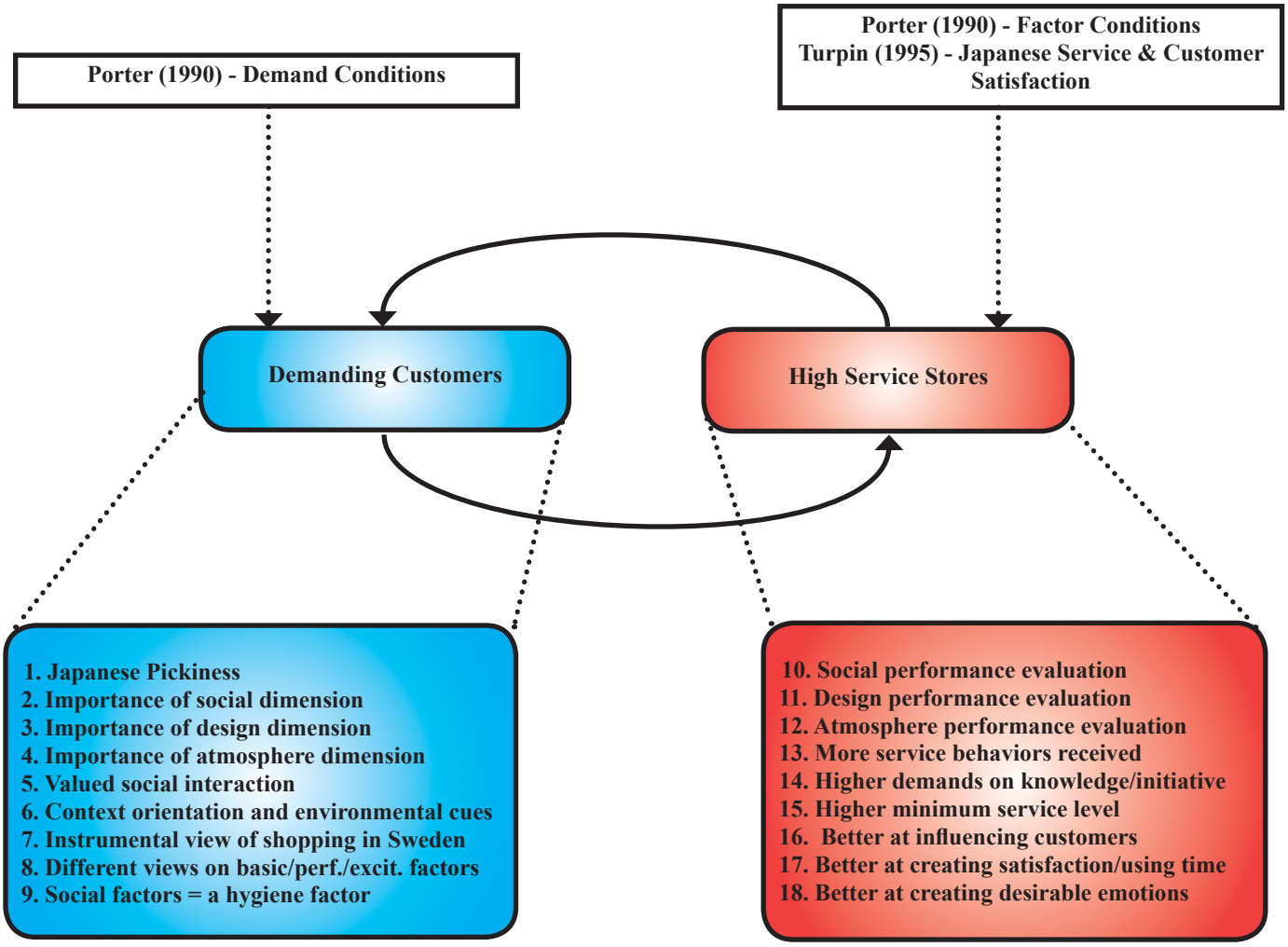
Since consumer behaviour today is highly similar, we predict that the same service behaviors in a Japanese

store also can be effective in a Swedish store.

2.5. THEORY CONCLUSION – A model of the question

Our two main inquiries – A and B – divides into 9 resarch questions each, intended to give an explanatory overview of the Japanese service culture and customer-store interaction. The research questions and the high consumer demand/high service level connections are modelled below.

Figure 5.



3. METHOD

In this section we explain how we went about examining our two main questions – what stores and what consumers we chose to focus on, our research approach, the different types of survey techniques we used, what measurements we used and their origin, how we assured the reliability and validity of these measurements, how we ensured the comparability of the data, and finally how we indexed the data.

Our overall method for examining our two main questions regarding Japanese customers and stores is based on more than one research approach, in order to approach what we consider a multifaceted phenomenon. Here we aim to discuss how we reasoned when preparing and conducting the examination. However, first we need to qualify two important choices we made. In order to conduct our study, intended to illuminate service culture in a larger Japanese context, we chose to focus more specifically on (1) female consumers and (2) clothing stores aimed at females or both genders.

Why clothing stores?

The reason we focused on clothing stores is because they are recognized as including both a high-service component and a product that needs to be displayed. The staff is required to create a high conversion rate, turning casual browsers into shoppers. The high percentage of recreational shoppers places a high demand on staff and management to create a pleasing environment, increasing the importance of all kinds of environmental cues. Moreover, the staff is also required to be highly knowledgeable about the technical data of the clothes, how to combine them and how fashionable they are, i.e. both hard facts, aestethics and trends. The demanding conditions of clothes stores in general would appear to make service lessons from them applicable elsewhere.

Another reason is because of the role clothing plays in the lives of the Japanese youth. Clothes shopping in Japan is at an all time high. The interest in clothes is one of the strongest parts of youth culture in Japan, and has created a large and varied market:

*What is known in Japan as the bubble economy—the economic boom of the nineteen-eighties—provoked massive speculation in the markets and in real estate, and Japan is still experiencing the prolonged, low-level hangover that has persisted since the bubble burst, in the early nineteen-nineties. But you wouldn't know that the country is in recession from the way young people spend money. Because of the recession and the inflation of real-estate prices, many young Japanese continue to live at home well into their twenties; buying clothes is one of the things that living rent-free in a small apartment with your parents permits you to do. (*Mead, 2002)

Consequently, in order to appeal to Tokyo youth, Japanese clothing stores are famous for their high service and their highly creative store design. Clothing stores seemed ideal for comparison with Sweden, especially considering that some international clothing chains have stores both in Tokyo and Stockholm, as well as the fact that the Swedish fashion industry according to the Swedish Trade Council (2007) has shown a great deal of interest in Japan (brands such as WESC already have established concept stores in Tokyo).

Why female consumers?

There are several reasons that make female Japanese consumers more important than their male counterparts when studying service. According to Skov & Moeran (1995) "*women have been, and still are, key figures in Japan's consumer culture – not only because they are their country's greatest spenders, but also because they form a group which has been most carefully observed, analysed and defined in marketing discourse.*"

Fields et al (2000) states that Japanese women have led the way in emphasizing the individual over the group in Japan. There is a large clique of single, affluent females devoted to shopping, who make up the

major part of Japanese fashion spending. Also, the stores aimed at females cater to a great number of subcultures and styles, and thus features great variety in design and service models.

Beyond the economic importance of young female consumers, there is also the issue of matching customers to store. Japanese clothing stores are heavily gender segmented, and a mixed group of survey takers and mystery shoppers would have proved impractical. In order to perform our examinations with the time and resources we had available, we had to limit ourselves to a single gender, and we found it easier to recruit female mystery shoppers.

We also had our reasons for limiting our group to younger females. According to Ikeo (2007), the younger generation tends to prefer surprises in the service encounter that exceed their expectations. They decide what the new trends are and thus, in order to satisfy this younger generation, the service level is kept high. If they buy the product and become satisfied, the product will spread to the other consumers groups. Shikuri confirms that the younger generations are more demanding than the older ones being hard to satisfy as they are well informed. This is true for people up to 30 years old. People that are older are easier to satisfy and also less informed consumers (Ikeo 2007, Shukiri 2007).

Conclusive vs. Exploratory

According to Malhotra (2006), research is often either conclusive or exploratory.[1] We have elected to use an exploratory approach for our thesis, in order to understand and explain the subtle interaction of Japanese consumers and Japanese service. We believed that while we were capable of arriving at conclusive statements in some of our inquiries, many research questions needed the context and openess provided by a more exploratory research, in order not to give a misleadingly simple picture of the complex nature of Japanese service culture. Our definite aim is to give a better understanding of Japanese service and the difference between Japanese and Swedish consumers by looking at their preferences, attitudes and evaluations. But we also hope to induce others to continue our investigations, and we thus address a number of questions where we lack complete answers. Our research activities include mystery shopping, surveys, observational sessions and interviews.

Note that we have consistently used a format of research questions, for the sake of the thesis structure and textflow, whereas the format and ratio of qualitative/quantitative content of the answers may vary. Some research questions may in fact be worded in such a manner that they cannot be conclusively proven to be true.

3.1. Overview of Empirical Data Collected

Data has been collected in Japan during the period January 2007 – April 2007. Data in Sweden has been collected April 2007 – May 2007. The data is both quantitative and qualitative. The quantitative data consists of (1) mystery shopping in Japanese and Swedish clothing stores, (2) a survey with Japanese customers outside clothing stores and (3) a general survey with Japanese consumers and Swedish consumers. The qualitative data consists of (4) interviews with Japanese academics, store personnel and consumer behaviour experts, (5) comments from mystery shoppers and (6) store observations made by the authors.

Table 3.1 Overview of data purpose

Data	Purpose
Mystery shopping evaluation form	Compare Swedish and Japanese service and look at differences in evaluations of Swedish and Japanese stores

[1] A conclusive research aims at testing specific hypotheses and examines relationships - to measure something. An exploratory research aims at providing insights and understanding of the nature of marketing phenomena - to understand.

Comments	Explore what Swedes and Japanese find surprising or worth mentioning in a clothing store (negative or positive)
Customer survey	Look at evaluation scores for a store for someone who actually bought something (but since the sample is small it has more of a supportive role)
General survey	Compare expectations on a clothing store and see if Swedes and Japanese differ along the dimensions of important, surprising, pleasant and necessary
Interviews	Hear what practitioners as well as academics have to say on the subject of differences in services and consumer behavior between Sweden and Japan
Observations	Study what the Japanese and Swedish store personnel do in the service encounter

Table 3.2 Overview of answers collected

Name	No. of answers	complete/incomplete
Evaluation form for mystery shopping		
Japan	129	121/8
Sweden	64	59/5
Customer Survey		
Japan	31	30/1
General Survey		
Japan	52	45/7
Sweden	55	50/5

Mystery Shopping

Part I – Japan

Pre-test

In order to include various different stores in different areas and price ranges, field studies to research clothing stores were made during January – March. The aim was to include both low scale clothing stores with midrange and up-scale ones. The categorization was made independently by the authors and then discussed until consensus was reached. A final observation took place a week before the actual event in which the stores subject to visit and the route were finalized. For a list of the stores visited se Appendix I.

Execution

4 Japanese women aged 23-25 visited 33 different stores during a weekend in March 2007. The first day started with a run-through in which the women were informed more in detail about the event and the procedures. The evaluation form used for each store was run through step-by-step and any questions the women had were sorted out in order to eliminate answer errors. When the team was ready, the mystery shopping began. The women were asked to enter a store, either by themselves or two-and-two. They should then look around, ask the personnel something, and try at minimum one piece of clothing

on. A purchase was not mandatory. When they were finished, they exited and immediately filled in the evaluation form. They were first given a trial run in a store not included in the material, in order to have them test the evaluation form and ask questions about it. Several stores were used simultaneously so as to avoid all four women being in the same store at the same time. The team took frequent coffee breaks to rest and replenish their strength. The day ended with a debrief in which the women made additional comments about each store. They were also asked questions about how the store personnel had interacted with them and which store was the best/the worst and why. The second day commenced in the same way with the exception of a shorter brief in the morning and a longer debrief in the evening where concluding comments about the entire weekend were made.

Part II - Sweden

Pre-test

In order to match the Japanese mystery shopping, a similar research of possible stores was made in Stockholm. A route with 15 stores located in the centre of Stockholm, from lowscale to upscale, was selected. Similar to Japan, the categorization of whether a store was lowscale, midrange or upscale, was made by the authors based on the price level and the clothes sold in the store. For a list of the stores visited se Appendix I.

Execution

4-6 Swedish women aged 16-25 (2 extra as reserves in the morning to cover for the fourth regular who could not join until after lunch) visited 15 different stores during a Saturday in April 2007. The same procedures for the mystery shopping in Japan were followed. For comparison with the main study in Japan, it was decided that 15 stores which resulted in 64 answers were statistically sufficient for the analysis.

Comments

During the mystery shopping in Tokyo and Stockholm, the mystery shoppers made comments about the stores in an open-ended question at the end of the store evaluation form. They were urged to mention anything special or unusual – both negative and positive – about the store and its personnel.

Customer survey

Additionally, in Japan a customer survey was conducted. We asked 31 customers outside different stores visited during the mystery shopping to answer questions regarding their purchase. The respondents were told that it was for a Swedish research project and were given a cookie as thank you for taking their time. The purpose of this survey is to support the main results of the Japanese mystery shopping. Since the response rate to this survey was unsatisfactory, a corresponding survey was not performed in Sweden.

General survey

A survey on general store preferences and expectations was conducted with 52 Japanese women, and 54 Swedish women to further explore the differences between Swedish and Japanese consumers. Respondents were asked to answer each question along four dimensions: important, surprising, pleasant and necessary.

Interviews

Interviews have been made with the following Japanese persons in Tokyo: Kyoichi Ikeo, Professor at Keio Business School; Daisuke Otobe, Marketing Director at Procter & Gamble Japan; Hikaru Yamamoto, Assistant Professor at Seikei University; Keiichi Ono, working with store promotion at Daimaru[2]; Yasuaki

[2] Daimaru is a Japanese department store. For more info see www.daimaru.co.jp

Shikuri, working with human resource management at Daimaru.

The interview subjects have been chosen to cover as many different aspects of Japanese service and consumer behavior as possible; the academic professors represent the theoretic perspective on a general national level, the P&G employee the perspective from a management level and the Daimaru employees the perspective from a "direct-contact-with-the-consumer" service context. Daimaru was also chosen in order to be able to take a closer look at what retail and service management really means for a Japanese clothing store in practice.

Observations

Observations of over 100 different stores in different shopping districts in Tokyo have been made by the authors during January-April 2007. These districts include Shibuya, Harajuku, Omote-Sando, Shibuya, Ginza and Asakusa. Everything from store personnel interaction and treatment to atmosphere and decorations has been observed. This also includes observations made during the mystery shopping event. In Stockholm, observations were made mainly during the mystery shopping event in April 2007.

3.2. Reliability and Validity

Mystery shopping is described by Malhotra (2006) as "an observer visiting a provider of goods and services as if they were really a customer and recording characteristics of the service delivery". In the case of our mystery shopping, we encouraged our mystery shoppers to behave as they normally do, spending as little or as much time as they wanted in the store (both in Japan and Sweden, the mystery shoppers sometimes also bought clothes in the store). Malhotra (2006) refers to this as *natural observation*. As Malhotra claims, "the advantage of natural observation is that the observed phenomenon will more accurately reflect the true phenomenon, as the behaviour occurs in a context that feels natural to the respondent".

The objects for study were already clearly defined by the evaluation form that the respondent answered after having visited a store. Additionally, the evaluation form and its questions was the same for each store, i.e. a *structured observation*. Malhotra says that a structured observation reduces the potential for observer bias and enhances the reliability of the data. Still, we must however raise the issue of bias. Naturally, as only 4-6 mystery shoppers were used in each country, the data is bound to be biased by their values and beliefs. Thus, we have conducted a general survey and a customer survey in order to make cross-analyses and support the findings from the Japanese mystery shopping. Additionally, interviews regarding consumer behaviour and Japanese service have taken place as well as own observations, to support and explain the main findings.

Pre-tests

Given that we were performing an international study, and that the majority of the concepts/variables/questions are taken from English academia, the majority of the study (surveys, evaluation form and interviews) was conducted in English. We did not want to increase the risk of measurement invariance (which will be discussed later in greater detail) due to translation issues and did not translate the general survey to Swedish as we concluded the Swedes to be fluent enough for the language used. Similarly, both the Swedish and the Japanese mystery shoppers were obliged to answer their evaluation forms in English. For the Japanese respondents, however, a translation of both the customer survey and the general survey was necessary due to lack of English skills. This was done by two Japanese students at Hitotsubashi University in Tokyo. After their translation, two students from Keio Business School (KBS) ran an additional check and made modifications in the language used. The inconsistencies or problems that they found were discussed and resolved, based on a similar method used by Kenhove and Desrumaux (1997).

Before the general survey, customer survey and mystery shopping were conducted, pre-tests were made both in Sweden and in Japan in order to correct potential errors. Friends, families and fellow students were asked to read through, answer the questions and let us know if anything was unclear. As a result of the pre-test, two questions in the general survey that the Swedish respondents found confusing were deleted (*How you are greeted or welcomed when you enter the store* and *How helpful the staff is*, measured along the dimensions how important, surprising, pleasant and necessary the phenomenon is). In the customer survey, a section asking for how the customer felt in the store was modified in order to fit the Japanese language and thinking. Feelings such as "safe", "important" and "strong" were modified (as the Japanese put it: *"If a store is not safe, the police will come and shut it down"*) and explained in a different way, though with the same meaning. The risk would otherwise have been confused Japanese respondents and incorrect answers. The general survey and customer survey which where translated to Japanese were read through and approved by nine students and one professor at KBS after these modifications.

To maximize comparability between the Japanese and the Swedish mystery shopping, for both countries the evaluation form was in English and only good English speakers were chosen as mystery shoppers. No modifications were made to the mystery shopping evaluation form after the initial pre-test where the mystery shoppers read through the form and made sure that they had understood everything.

Respondents test – comparison possibility

In Japan, mainly female students from Keio Business School (KBS) and girlfriends/wives of the male students were chosen to participate in the general survey. The idea was then to compare these answers with answers from students at Stockholm School of Economics (SSE) in Sweden. However, as KBS only hosts MBA students, the mean age is higher than the one at SSE. This posed a potential threat for the study in that the results between Swedish and Japanese consumers differ not because of the cultural differences, but because of age differences. Prior to engaging the study in Sweden, an age check using SPSS was thus made in order to compare results between groups to see if also older Swedish women and not only SSE students were necessary to rule out such a bias. By dividing the Japanese respondents into three different age groups, we could see that the two older age groups (25-30, 30+) rank the importance of various factors higher than the younger age group (15-24). Therefore, to not risk that the results would be biased by the age factor, also older Swedish respondents were used in order to have the same mean age in both the Swedish and the Japanese study. Mean age Japan=28.25, mean age Sweden=28.13.

SPSS and Question Batteries

In the field studies (mystery shopping evaluation form, general survey and customer survey), we have mainly used a 1-10 semantic differential scale from Reichheld's article *The one number you need to grow* (2003). The question batteries for the emotions that come from the article Kenhove and Desrumaux (1997) use a 1-5 Likert scale. Both the emotions and the scale have been used as designed by Kenhove and Desrumaux. According to Söderlund (2005), interval scales are often used when researching consumers' attitudes, preferences, satisfaction, emotions, perceptions and intentions. Apart from interval scales, nominal scales have been used for the demographic variables and a ratio scale for the questions *How much are you willing to spend in this store?* and *How much did you spend?*

The quantitative data have mainly been analyzed using mean comparison tests, correlation tests and regression analyses in the program SPSS 14.0. Additionally a *Fisher r-to-z transformation test* found online[3] by the help of Niclas Öhman, SPSS-guru at SSE, and unavailable in SPSS have been used. Our research question explores whether there is a difference between Japan and Sweden and if yes, what that difference is. Thus, the 2-tailed significance is used in all analyses. Results have been accepted at the 5% level.

[3] http://faculty.vassar.edu/lowry/rpop.html

[4] Several items are summarized to form a total score.

[5] Ask the same question twice and then measure the correlation between the two answers.

Adding to these analyses, the qualitative data have been used to explain and support the results from the quantitative analysis.

Internal consistency

To ensure *internal consistency reliability*[4] (Malhotra, 2006) in each index, Cronbach's alpha has been used to create indexes. An index has been created if Cronbach's alpha ≥ 0.7.

In the general survey, a *test-retest reliability*-test[5] (Söderlund, 2005) to check for equal means was made. The question *Your overall impression of the staff* was asked twice in the survey, once in the beginning and once at the very end (as far apart as possible) to increase reliability.

During the debrief in the mystery shopping, both authors were present and took notes of the mystery shoppers' answers to increase *intercoder reliability*[6] (Söderlund, 2005) and make sure all answers were interpreted correctly.

Good overall impression of the staff exists in two places in the general survey. For Japan, a correlation test shows that correlations between the paired samples (important vs. important, surprising vs. surprising etc.) are significant for all four sub-dimensions at the 1% significance level. T-tests show that there is no difference in means between important, pleasant or necessary. There is however, a significant difference between the surprising variables (mean 1=3.82, mean 2=4.64) but as a correlation still exist, we conclude that the test-retest reliability of the variables/questions in the survey is high (Söderlund, 2005). For Sweden, a test shows that correlations between the paired samples are significant for all four dimensions at the 1% significance level. There is no significant difference in means for any of the four dimensions, further increasing test-retest reliability.

Validity

As we have used different studies and methods to estimate and measure the same things, the *intermethodological validity*[7] of the results presented in the thesis are high (Söderlund, 2007). To increase *content validity*[8], questions and variables already tested in academic articles have been used. In the case of when we have not found variables or questions for what we want to measure, we have used theory from previous research to create our own. The theory used is presented for each variable or question battery. According to Söderlund (2005), content validity can also be increased if using an interval scale where two opposites of a factor are used (e.g. very bad – very good), a so called *semantic differential scale*. Thus we used a semantic differential scale and chose the interval 1-10 instead of 1-7 to further increase content validity as reliability increases with the number of steps (Söderlund, 2005).

The main questions and following variables in both the surveys and the evaluation form have been structured under three dimensions: social, design and atmosphere. Additionally, questions regarding emotions, satisfaction and loyalty have been used. The dimensions social, design and atmosphere have been chosen using Kenhove & Desrumaux (1997), Gilboa & Rafaeli (2003) and Tai & Fung (1997). We have then created the variables that belong to each dimension using these articles. For the analysis, an index has been created for each dimension. To maximize comparability between our studies, the same variables for both the mystery shopping and general survey (corresponding variable) have been used to create indexes. Variables that do not appear in both studies have been excluded from the indexes. All variables have however been used on variable level in the analysis. For the **mystery shopping evaluation form**, the following variables have been used to create indexes:

[5] Ask the same question twice and then measure the correlation between the two answers.

[6] More than one person interprets and classifies the respondent's answers.

[7] Studies separate from each other give the same results.

[8] To what extent the question covers the data in the theoretical variable one wishes to measure

Social dimension: *How you were greeted or welcomed when you entered the store, How the staff asked you what you were looking for, How knowledgeable the staff was about the store's products, The staff's attention and involvement in you and your purchase, How the staff suggested clothes and accessories for you to try on, How attractive the staff was, How the entire staff (at least more than one) helped out with your purchase, How the staff wore clothes available in the store, How the staff provided you with shoes for the fitting, How the staff helped you with getting another size if needed in the fitting room, How the staff helped with matching items ("Try together with this"), How the staff took care of the clothes afterwards (you did not have to hang them back yourself), Your relationship with the staff* and *Your overall impression of the staff.*

When creating an index for this dimension, the following variables were excluded: *How helpful the staff was, The staff's attitude towards you and your purchase, How the staff offered to adjust the clothes if necessary (e.g. pants to long, sleeve to short), How the cashiers wrapped the clothes, What do you think of the bag the cashiers gave you, How the cashiers let you choose which bag you wanted (size / color), How the cashiers asked for a point card (do you have / do you want?), How the cashiers / staff thanked you for your purchase* and *How the cashiers / staff followed you to the exit*. Cronbach's alpha social dimension Japan=0.917, Sweden=0.909.

Design dimension: *How attractive the store seemed from the outside, How spacious and easy to move around in the store was, How attractive the fitting rooms were, How sufficient the number of fitting rooms seemed, How attractive the inside of the store was, How well-decorated the inside of the store was, How clothes were presented in the store, Your overall impression of the store's layout*.

When creating an index for this dimension no variable was excluded. Cronbach's alpha design dimension Japan=0.949, Sweden=0.913.

Atmosphere dimension: *How crowded the store was, The background music played in the store, The level of noise and talk in the store, The lighting and brightness of the store, The colours and decorations inside the store, The cleanliness and tidiness of the store, The smell of the store, The temperature of the store, The air quality of the store, How the store matches your style* and *Your overall impression of the atmosphere in the store (music, light, air quality, smell, people etc.)*.

When creating an index for this dimension no variable was excluded. Cronbach's alpha atmosphere dimension Japan=0.937, Sweden=0.865.

For the **general survey** the following variables have been used to create indexes (for each variable the following four sub-dimensions have been used: important, surprising, pleasant and necessary). Four different indexes for each dimension (social, design, atmosphere) were created using the sub-dimensions (important, surprising, pleasant and necessary).

Social dimension: *That the staff greets or welcomes you when you enter the store, That the staff asks you what you are looking for, How knowledgeable the staff is about the store's products, That the staff's involvement in you and your purchase appears to be high, That the staff suggests things for you to try on, That the staff provides you with shoes for the fitting that suits the clothes, That the staff helps you with getting another size if needed in the fitting room, That the staff helps you with matching items ("Try together with this"), That the staff takes care of the clothes afterwards (you do not have to hang them back yourself or take them to the counter), That you get helped by more than one staff member with your purchase, That the staff is attractive (wears nice clothes and looks beautiful), That the staff wears*

clothes available in the store, That you feel that you have a relationship with the staff and *A good overall impression of the staff*.

When creating an index for this dimension, the following variables were excluded:
That the staff will adjust the clothes if necessary (e.g. pants to long, sleeve too short), That the staff will adjust the clothes for free or small fee, That the staff will adjust the clothes within one-two hours, That the cashiers wrap the clothes nicely, That the cashiers give you a nice bag, That the cashiers let you choose which bag you want (size / color), That the cashiers ask for a point card (do you have one? do you want one?), That the cashiers / staff thank you for your purchase, That the cashiers / staff follow you to the exit.

Cronbach's alpha social dimension important Japan=0.713, Sweden=0.831. Cronbach's alpha social dimension surprising Japan=0.919, Sweden=0.802. Cronbach's alpha social dimension pleasant Japan=0.768, Sweden=0.814. Cronbach's alpha social dimension necessary Japan=0.784, Sweden=0.834.

Design dimension: *How attractive the store seems from the outside, How spacious and easy to move around in the store is, That the fitting rooms are attractive and well-designed, That there is a sufficient number of fitting rooms, That the inside of the store is attractive, That the inside of the store is decorated with posters, furniture and other, That the clothes are presented attractively* and *A good overall impression of the store's layout*.

When creating an index for this dimension no variable was excluded. Cronbach's alpha design dimension important Japan=0.728, Sweden=0.815. Cronbach's alpha design dimension surprising Japan=0.929, Sweden=0.874. Cronbach's alpha design dimension pleasant Japan=0.835, Sweden=0.870. Cronbach's alpha design dimension necessary Japan=0.752, Sweden=0.815.

Atmosphere dimension: *That the store doesn't feel too crowded or packed with people, That the store plays background music that you enjoy, That the level of noise and talk in the store isn't too high, That the store is well-lit and bright, That the store is decorated in nice colors, That the store is clean and tidy, That the store smells nice, That the temperature of the store isn't too cool or too hot, That the air quality of the store is good, That the store matches your style* and *A good overall impression of the atmosphere in the store (music, light, air, smell, people).*

When creating an index for this dimension, the variable *That the store smells nice* had to be excluded for the sub-dimension "necessary" for the Swedes (Cronbach's alpha<0.7). This resulted in that the variable had to be excluded for both Japan and Sweden for the three sub-dimensions surprising, pleasant and necessary. This is because these three sub-dimensions will be used for a hygiene-motivator analysis later on and must thus contain the same variables. For the important sub-dimension, no variable was excluded as this index must match the corresponding index in the mystery shopping evaluation form for a basic-excitement-performance-analysis later on (the important sub-dimension is not part of the hygiene-motivator analysis).

Cronbach's alpha atmosphere dimension important Japan=0.888, Sweden=0.769. Cronbach's alpha atmosphere dimension surprising Japan=0.935, Sweden=0.889. Cronbach's alpha atmosphere dimension pleasant Japan=0.883, Sweden=0.803. Cronbach's alpha atmosphere dimension necessary Japan=0.884, Sweden=0.742.

For the **customer survey** the following variables have been used to create indexes. No variable was excluded when creating an index:

Social dimension: *Rate your relationship with the staff* and *Your overall impression of the staff*.

Correlation for these two variables is 0.696 and significant at the 1% level (Cronbach's alpha not used since there are less than three variables) which is satisfactory since the correlation is higher than 0.5 (Öhman, 2007).

Design dimension: *How attractive the store seemed from the outside, How spacious and easy to move around in the store was, How attractive the inside of the store was, How well-decorated the inside of the store was, How clothes were presented in the store,Your overall impression of the store's layout*.

Cronbach's alpha design dimension Japan=0.915.

Atmosphere dimension: *What did you think about the amount of people and crowdedness of the store, To what extent does the store match your style,What is your overall impression of the atmosphere in the store (background music, light, air quality, smell)*

Cronbach's alpha atmosphere dimension Japan=0.748.

For all studies and both nationalities, the variables could be grouped together with a Cronbach's alpha of 0.7 or higher for each dimension. We can thus conclude that the *nomological validity*[9] for these three dimensions in all studies is high.

Satisfaction

For the mystery shopping evaluation form and customer survey, we further checked the nomological validity by using a question battery put into an index for satisfaction from Söderlund (2005): *How satisfied are you with the store*, *Did the store match your expectations*, and *Imagine a perfect store. How well does this store match your idea of a perfect store.* Cronbach's alpha satisfaction index mystery shopping Japan=0.949, Sweden=0.908. Cronbach's alpha satisfaction index customer survey Japan=0.864.

To check the reliability of the three dimension indexes social, design and atmosphere, a correlation analysis with the satisfaction index was conducted for the mystery shopping, seeing as the environment and satisfaction are known to be connected (Kenhove and Desrumaux, 1997).

Table 3.3

Correlations - mystery shopping						
Satisfaction index	**Japan corr.**	**Sig.(2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	0.528	0.000	Yes	0.533	0.000	Yes
Design dimension	0.483	0.000	Yes	0.493	0.000	Yes
Atmosphere dimension	0.538	0.000	Yes	0.511	0.000	Yes

Table 3.4

Correlations – customer survey

[9] An existing theory regarding how variables affect each other is used.

Satisfaction index	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	0.690	0.01	Yes
Design dimension	0.697	0.01	Yes
Atmosphere dimension	0.496	0.01	Yes

The satisfaction index correlates positively with the three dimensions at the 1% significance level for both Japan and Sweden in the mystery shopping and for Japan in the customer survey, which strengthens the reliability of these dimensions in the analysis.

We believe satisfaction is not only a function of the social, design and atmosphere dimensions. We thus also included some control variables in all the three studies regarding clothes sold (general survey/customer survey and mystery shopping): *That the store is well-stocked in terms of sizes and different clothes/How well-stocked the store was in terms of sizes and different clothes, A good general price level in the store/How would you rate the general price level in the store* and *That you like the clothes sold by the store/How much did you like the clothes sold by the store.*

Furthermore, a study by Veloutsou et al (2005) indicates that some common satisfaction measures identified in previous studies can be used to gauge the relative service satisfaction effectiveness across international boundaries. The index is thus applicable in both Sweden and Japan.

Loyalty

To define loyalty, we have used two different dimensions of mental loyalty from Söderlund (2001): intentions and attitudes. We have created a loyalty index in the mystery shopping and the customer survey using three variables: *What is the probability of you coming back to the store* (intention), *What is the probability that you would recommend the store to a friend* (intention) and *How would you rate your relationship with the store* (attitude). Cronbach's alpha loyalty index mystery shopping Japan=0.927, Sweden=0.964. Cronbach's alpha loyalty index customer survey Japan=0.808.

Emotions

An emotions section which is based on Kenhove & Desrumaux (1997) is used in both the mystery shopping evaluation form and the customer survey. However some modifications have been made. When analyzing the results, indexes could not be generated on such an aggregated level as Kenhove & Desrumaux suggested, but more indexes using Cronbach's alpha have been created. In the case of the index *nervous arousal*, a correlation test has been used instead (only two variables). Some modifications to the emotions used have also been made to the customer survey which was translated to Japanese. In order to fit the Japanese language, some emotions could be not translated directly but emotions of equal meaning to the Japanese were used. Emotions used in the mystery shopping: *Happy, Pleased, Satisfied, Hopeful, Nervous, Uncomfortable, Frenzied, Awake, Active, Strong, In control, Important* and *Safe*. Emotions used in the customer survey (translated from Japanese to English): *Happy, Pleased, Satisfied, Exciting/Funny, Full of energy/Awake, Freedom to choose/walk around, Welcoming treatment/Feeling important, Safe* and *Uncomfortable/Nervous.* In the customer survey, no indexes were created; the emotions were analyzed on variable level only.

The following indexes were created in the mystery shopping:

Table 3.5

Index mystery shopping	**Emotions**	**Cronbach's alpha Japan**	**Cronbach's alpha Sweden**

Pleasure	Happy, pleased, satisfied, hopeful	0.894	0.889
Nervous arousal	Uncomfortable, nervous	0.847*	0.872*
Active arousal	Frenzied, awake, active	0.795	0.812
Dominance	Safe, strong, in control	0.752	0.799

*This is not a Cronbach's alpha, this is the correlation (2-tailed).

The Swedish respondents did not want to place the emotion *important* in the dominance index (where theory claims it belongs). To maximize comparability, the same variables must constitute each index. Because of this, *important* also had to be excluded from the Japanese dominance index and is thus a stand alone variable.

3.3. Comparability

When comparing results from different countries, we must check that the variables are comparable i.e. that respondents from different countries evaluate factors in a similar way. This is done using a *measurement invariance test* (Söderlund, 2007). According to Söderlund, this test is best done using a special test in SPSS 15.0 but as we do not have access to this new version of the program (SSE uses 14.0), we must choose another method. To check for measurement invariance, we have instead used three methods. One is a model by Ryan et al from Vandenberg & Lance (2000) which uses factor analysis to see that the impression of the variables and their inter-correlations are relatively similar in Japan and Sweden. The second is to check whether equal variances for each variable and dimension in comparing Sweden and Japan can be assumed or not. If equal variances can be assumed, the variables and dimensions are comparable (Öhman, 2007). The third is to compare the Japanese and Swedish respondents of the general survey regarding age and money spent on clothes each month.

Factor analysis. In the mystery shopping, we find that both countries grouped most social variables in one factor and design and atmosphere together in another (KMO Japan=0.893, KMO Sweden=0.731). In the general survey, an adequate factor analysis (KMO≥0.5)[10] could not be extracted for any sub-dimension. However, for both countries, the variables could be grouped under the social, design and atmosphere dimension using a reliability analysis with a Cronbach's alpha>0.7 for all sub-dimensions. This grouping could also be done for both countries in the mystery shopping and in the customer survey. Additionally, for the emotions indexes in the mystery shopping (pleasure, nervous arousal, active arousal, dominance) the variables could be grouped equally for both countries. Further, the same grouping is also true for the satisfaction index and the loyalty index which is the same for both countries in all studies. A t-test also shows that there is no significant difference between the means of the satisfaction index in the mystery shopping (mean Sweden=4.52, mean Japan=4.63) and equal variances for this index can also be assumed.

Equal variances test. If the majority of the variables show equal variances for Japan and Sweden we can conclude that, even though there may be differences, our results are valid (Söderlund, 2007). In the mystery shopping evaluation form, 70.2 per cent (47 out of 67) of the variables show equal variances. In the general survey this number is 72.7 per cent (130 out of 180 [4 dimensions x 45 factors = 180 variables]). For both the mystery shopping and the general survey, equal variances can be assumed for all three of the social, design and atmosphere indexes giving a 100% rate for both.

[10] http://www.ncl.ac.uk/iss/statistics/docs/factoranalysis.html

Miscellaneous test general survey. There is no significant difference in age (mean age Japan=28.25 years, mean age Sweden=28.13 years) and equal variances can be assumed. There is no significant difference in money spent each month (mean Japan=Yen 26 609/SEK 1565, mean Sweden =Yen 23 982/SEK 1411) and equal variances can be assumed.

With the results from these three methods, we conclude that the Japanese and Swedish mystery shoppers as well as general survey respondents evaluate the various variables in a similar way. Thus we conclude that the variables from the two countries are comparable and the results derived from the analysis valid.

3.4. Overview

As shown previously, indexes with the same variables in both the mystery shopping and the general survey have been created to maximize comparability. The customer survey, which is shorter than the other two, only contains the same variables for the satisfaction index and the loyalty index. In the following table you will find an overview of all indexes created and their Cronbach's alpha. Jap mystery=Japan mystery shopping, Swe mystery=Sweden mystery shopping, Jap gen=Japan general survey, Swe gen=Sweden general survey. Jap custom=Japan customer survey. Imp/Sur/Ple/Nec= Important/Surprising/Pleasant/Necessary.

Table 3.6

Index	Jap mystery	Swe mystery	Jap gen. Imp/Sur/Ple/Nec	Swe gen. Imp/Sur/Ple/Nec	Jap custom
Social dimension	0.917	0.909	0.713/0.919/0.768/0.784	0.831/0.802/0.814/0.834	0.696*
Design dimension	0.949	0.913	0.728/0.929/0.835/0.752	0.815/0.874/0.870/0.815	0.915
Atmosphere dimension	0.937	0.865	0.888/0.935/0.883/0.884	0.769/0.906/0.803/0.742	0.748
Satisfaction index	0.949	0.908	n/a	n/a	0.864
Loyalty index	0.927	0.964	n/a	n/a	0.808
Pleasure	0.894	0.889	n/a	n/a	n/a
Nervous arousal	0.847*	0.872*	n/a	n/a	n/a
Active arousal	0.795	0.812	n/a	n/a	n/a
Dominance	0.752	0.799	n/a	n/a	n/a

*This is not a Cronbach's alpha, this is the correlation (2-tailed).

4. EMPIRICAL DATA & ANALYSIS

In this section we present and analyze our data, and explore our research questions in order to test whether their propositions are true or false. The data is grouped by each research question, including both quantitative and qualitative data.

The abbreviations we use are as follows: "significance" is marked "sig.", "mean" marked "μ", "correlation" marked "corr.", "difference" marked "diff." and "significant yes/no?" marked "sig?" in the tables.

4.1. A COMPARISON OF SWEDISH AND JAPANESE CONSUMERS

1. The Japanese are pickier than the Swedes in evaluating a store experience

To test whether the Japanese are pickier than the Swedes along various dimensions, we have used the general survey and its importance scores to make t-tests. The following table summarizes the results on an aggregated level:

Table 4.1

Pearson t-test - general survey				
Dimension	**μ**	**Diff.**	**Sig. (2-tailed)**	**Significant?**
Social dimension				
Japan	7.16	1.44	0.000	Yes
Sweden	5.72			
Atmosphere dimension				
Japan	7.63	-0.27	0.255	No
Sweden	7.90			
Design dimension				
Japan	7.83	-0.23	0.298	No
Sweden	8.06			

On an aggregate level, the results clearly tell us that the Japanese are pickier than the Swedes regarding the social dimension. They are not, however, pickier regarding neither design nor atmosphere.

We have also looked at variable level for each dimension and made t-tests.

Social dimension
Regarding the social dimension, the Japanese gave a higher importance score for 14 out of 23 variables. Out of these 14, the difference was significant (2-tailed) for 12 at the 1% level and for 2 at the 5% level. The Swedes did not give a higher score for any social variable. In the following table we present the most interesting variables and findings from the social dimension:

Table 4.2

Pearson t-test - general survey					
Variable	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
That the staff provides you with shoes for the fitting that suit the clothes	7.08	3.04	4.04	0.000	Yes

That you feel that you have a relationship with the staff	7.90	4.13	3.77	0.000	Yes
That the staff follows you to the exit	5.33	1.81	3.52	0.000	Yes
That the staff will adjust the clothes if necessary	8.47	6.22	2.25	0.000	Yes
That the staff helps you with matching items	6.80	4.74	2.06	0.000	Yes

From the results, we can see that the Japanese expect more of the social encounter; relationship with staff is significantly higher for the Japanese. They also expect the staff to help out more during the shopping experience (help the customer with matching items, provide shoes for the fitting and adjust the clothes if necessary).

Interesting to note is that the Japanese find it relatively important that the staff follows them to the exit after the purchase whereas the Swedes would rather avoid this. This is confirmed in the qualitative data where our Swedish mystery shopper Sofie exclaimed on the subject of whether she would like the staff to follow her to the exit or not: "*What? Follow me to the exit like some stalker?! Ehhh….no thanks!*". Whereas the Japanese interpret this attention from the staff as a sign of politeness, the Swedish shoppers would appear to regard it more as a sign of suspicion or strange behavior on the behalf of the staff. In general, given the big difference in scores, it seems like the Japanese are a lot pickier than the Swedes regarding the social dimension.

Design dimension

Regarding the design dimension, the Japanese gave a higher importance score for 1 out of 8 variables with a significant difference (2-tailed) at the 5% level. The Swedes gave a higher importance score for 2 out of 8 variables with a significant difference (2-tailed) at the 1% level. These variables are presented in the following table:

Table 4.3

Pearson t-test - general survey					
Variable	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	
That the fitting rooms are attractive and well designed	6.51	8.20	-1.69	0.000	Yes
That there is a sufficient number of fitting rooms	8.33	9.13	-0.80	0.006	Yes
A good overall impression of the layout	9.00	8.29	0.71	0.027	Yes

In line with the aggregated design dimension, it does not seem to be much difference between the Japanese and the Swedes. If anything, the Swedes actually seem to be a bit pickier.

Atmosphere dimension

Regarding the atmosphere dimension, the Japanese gave a higher importance score for 2 out of 11 variables with a significant difference (2-tailed) for one of them at the 5% level and the other at the 1% level. The Swedes gave a higher score for 4 out of 11 variables with a significant difference (2-tailed) for 2 at the 5% level and 2 at the 1% level. These variables are presented in the following table:

Table 4.4

Pearson t-test - general survey					
Variable	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**

That the store does not feel too crowded	8.12	8.83	-0.71	0.023	Yes
That the store plays background music that you enjoy	5.42	6.72	-1.30	0.008	Yes
That the store is decorated in nice colours	7.45	6.48	0.97	0.012	Yes
That the store smells nice	6.31	7.78	-1.47	0.001	Yes
That the store isn't too cool or too hot	7.27	8.65	-1.38	0.000	Yes
That the store matches your style	8.83	7.63	1.20	0.005	Yes

On an aggregated level, there is no difference but on variable level, we find that the Swedes seem to be pickier than the Japanese regarding the atmosphere.

So far, the general survey has given us support for our research question's proposition that the Japanese are pickier than the Swedes regarding the social dimension.

Service evaluation

In the mystery shopping, we can see what scores the Japanese and the Swedes give a certain type of service given that it has occurred or not. For instance, if the staff greets the customer when she enters, what does the Japanese customer think about this and is there a difference with what the Swedish customer thinks? And what if it does not occur? Given our research question, the Japanese should be less satisfied than the Swedes if a service does not occur. The following tables from Anova-analyses show the result of this analysis:

Table 4.5

ANOVA - mystery shopping					
Greeted you	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.40	4.48	1.92	0.000	Yes
Sweden	6.78	2.66	4.12	0.000	Yes
Diff.	-0.38	1.82			
Sig.(2-tailed)	0.856	0.000			
Sig?	No	Yes			

Asked what you were looking for	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.62	4.81	1.81	0.000	Yes
Sweden	6.12	3.47	2.65	0.000	Yes
Diff.	0.50	1.34			
Sig. (2-tailed)	0.850	0.003			
Sig?	No	Yes			

Suggested clothes for you to try on	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.48	4.51	1.97	0.000	Yes
Sweden	5.57	4.81	0.76	0.874	No
Diff.	0.91	-0.30			
Sig. (2-tailed)	0.799	0.922			
Sig?	No	No			

More than one staff member helped you	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	5.63	3.75	1.88	0.000	Yes
Sweden	6.35	3.03	3.32	0.000	Yes

Diff.	-0.72	0.72			
Sig. (2-tailed)	0.342	0.494			
Sig?	No	No			

Wore clothes sold in the store	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.12	n/a	n/a	n/a	n/a
Sweden	5.94	3.47	2.47	0.000	Yes
Diff.	0.18	n/a			
Sig. (2-tailed)	0.852	n/a			
Sig?	No	n/a			

Provided shoes for the fitting	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.74	3.77	2.97	0.000	Yes
Sweden	8.33	5.95	2.38	0.229	No
Diff.	-0.84	-2.18			
Sig. (2-tailed)	0.585	0.000			
Sig?	No	Yes			

Got another size if needed during fitting	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.74	4.41	2.33	0.000	Yes
Sweden	7.58	2.71	4.87	0.000	Yes
Diff.	-0.84	-1.70			
Sig. (2-tailed)	0.584	0.000			
Sig?	No	Yes			

Helped you with matching items	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	6.52	4.43	2.09	0.000	Yes
Sweden	6.25	4.95	1.30	0.675	No
Diff.	0.27	-0.52			
Sig. (2-tailed)	0.996	0.541			
Sig?	No	No			

Took care of the clothes afterwards	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	7.03	4.42	2.61	0.000	Yes
Sweden	7.00	1.77	5.23	0.000	Yes
Diff.	0.03	2.65			
Sig. (2-tailed)	1.000	0.001			
Sig?	No	Yes			

Results so far show us that if a service does occur, there is no significant difference between the Japanese and the Swedes in the evaluation of the service. If, however, a service does not occur, in most cases the Swedes are less satisfied than the Japanese. The Swedes are less satisfied than the Japanese for the variables *How the staff greeted you, How the staff asked you what you were looking for, How the staff helped you with getting another size if needed during the fitting* and *How the staff took care of the clothes afterwards*. The only time when

the Japanese are less satisfied than the Swedes is for the variable *How the staff provided you with shoes that suit the clothes for the fitting*.

Small sample

The mystery shoppers were also asked to fill in a section if they bought anything in the store. As the number of times anything was bought is very small, the results for the variables *How the staff offered to adjust the clothes if necessary, How the staff let you choose bag, How the staff asked for a point card* and *How the staff thanked you for your purchase,* did not generate any differences. For one variable, however, a difference was significant:

Table 4.6

ANOVA - mystery shopping					
Followed you to the exit	**Yes μ**	**No μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Japan	9.00	5.00	4.00	0.026	Yes
Sweden	n/a	9.00	n/a	n/a	n/a
Diff.	n/a	-4.00			
Sig. (2-tailed)	n/a	0.016			
Sig?	n/a	Yes			

Here we see a clear difference between Japanese and Swedes in that, as previously mentioned, the Swedes are relieved when the staff does not follow them to the exit whereas the Japanese are more satisfied when the staff does, due to different conceptions of politeness.

All in all, the Japanese are not less satisfied than the Swedes when a service does not occur; on the contrary it seems that it is the Swedes that are less satisfied. We found this odd and decided to look deeper into this. During the debrief in the mystery shopping in Japan, the Japanese mystery shoppers told us that in some stores where they felt they did not belong, they were actually more pleased and relieved when left alone by the staff. As the Japanese mystery shopper Kanae said about the store Marni: *"I was afraid to try something on in this store"*. The Swedish mystery shoppers on the other hand, found no problem entering expensive stores and trying on expensive clothes. To find support in the quantitative data for this, we looked at the emotion index nervous arousal (*nervous* and *uncomfortable*).

Table 4.7

Pearson t-test - mystery shopping					
Emotion index	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Nervous arousal	2.79	2.43	0.36	0.048	Yes

As the t-test shows us, the Japanese feel more uncomfortable and nervous than the Swedes with a difference significant at the 5% level.

We further explore the nature of the *nervous arousal* further by looking at correlations with the dimensions and the control variables:

Table 4.8

Pearson correlation test – mystery shopping						
Nervous arousal battery	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	-0.233	0.011	Yes	-0.296	0.018	Yes

Design dimension	-0.359	0.000	Yes	-0.229	0.068	No
Atmosphere dimension	-0.522	0.000	Yes	-0.527	0.000	Yes
General price level	-0.185	0.038	Yes	-0.122	0.344	No
How well-stocked the store was	-0.269	0.002	Yes	-0.210	0.102	No
Overall impression of the clothes	-0.498	0.000	Yes	-0.287	0.024	Yes

In the table we see that, for the Japanese, all variables, directly (*general price level, how well-stocked the store was, overall impression of the clothes*) or indirectly (social, design and atmosphere dimension), when given a high evaluation score lowers nervous arousal, i.e. a good atmosphere makes the customer feel comfortable. For the Swedes, not as many variables affect their *nervous arousal*. Most interesting to note, in line with our possible explanation for why the Japanese does not give lower evaluation scores when a service does not occur, is that *general price level* (1=very bad, 10=very good) affects nervous arousal negatively for the Japanese at the 5% level whereas this correlation is not significant for the Swedes. That is, if the price level is not good (i.e. expensive) this makes the Japanese more nervous and uncomfortable but does not affect the Swedes in the same way.

This result is also supported by a regression analysis that looks at what drives nervous arousal. For Japan (R2=0.330, Condition index=9.7), what drives *nervous arousal* is *atmosphere dimension* (beta=-0.547) and *general price level* (beta=-0.242). For Sweden (R2=0.278, Condition index=8.5) only *atmosphere dimension* (beta=-0.527) drives *nervous arousal*. The Swedes are thus not affected by the price level whereas the Japanese are.

To conclude, the quantitative data supports the qualitative which states that the Japanese are actually rather left alone when they feel they do not belong in the store (e.g. price level too high, no intention of buying). This may explain why, in general, the Japanese give higher scores when a service does not occur, even though our research question's proposition states they should not.

Case of Zara

Another way to analyze pickiness is to compare the evaluations from the same store. The store Zara was visited both during the Swedish and Japanese mystery shopping and thus serves this purpose. Tests were made to see if, in accordance with our research questions, the Japanese do not give as high evaluations as the Swedes (since they are pickier). Only two results were significant:

Table 4.9

Mann-Whitney test - mystery shopping					
	Japan μ	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Loyalty Index	4.75	8.13	-3.38	0.047	Yes
Number of services received	5.00	2.00	3.00	0.039	Yes

A higher evaluation for Zara by the Swedes could be found for the *loyalty index* and a higher level of *social interaction / number of services received* could be observed for the Japanese store at the 5% significance level.

Results show that, given the same clothes and design in both countries but more social interaction in Japan, the Swedes are more loyal than the Japanese and the Japanese are harder to satisfy – they demand more of the clothes and the service they receive. Even though the number of services received is higher in the Japanese Zara, the Japanese are neither more satisfied with the store personnel nor with the store (there was no significant difference). No other differences for the Zara store could be found. This appears to be consistent with what we surmised regarding Porter (1990) and Turpin (1995) – that stores in Japan develop more services as the Japanese request it, and that this drives store evolution.

It is also interesting to look at the mystery shoppers' comments on the Zara store. The Swedish mystery shopper Kristina said that *"the staff actually took care of the clothes after the fitting but rather reluctantly and she told to me: 'well we would like you to take care of the clothes yourself you know' so the staff was not very nice"*. The Japanese mystery shoppers were also displeased with Zara. All four mystery shoppers exclaimed angrily after coming out of the store *"there was no mat (in the fitting room)!"*. Apparently it is very important for the Japanese that there is a mat in the fitting room so they do not have to step on the floor (which the Japanese mystery shoppers by the way referred to as "dirty" in the case of Zara) with their feet if trying on clothes which requires removal of shoes beforehand.

Words from the experts

"Japanese consumers are very demanding, maybe the most demanding in the world" (Ono, 2007)

Ono tells that the Japanese customers expect a very high level of service. Ikeo (2007) agrees with this and says that compared to Western consumers, Japanese consumers are more quality conscious (both in terms of the product and the service delivered) - everything should be 100 per cent perfect! Thus, Japan has a higher service level because the Japanese consumers expect it. An attentive staff, making sure that every customer is satisfied, is viewed as an hygiene factor by Japanese consumers (they take this for granted) as opposed to Western consumers who rather see this as an motivator (they become positively surprised by this). (Ikeo, 2007)

On the subject of quality, the Japanese consumers are not only demanding for the relevant parts of the product or service; according to Otobe (2007), requirement towards the quality is total even for irrelevant aspects. As an example, Otobe talks about fabric softener. This product sometimes gets opaque due to temperature change. Outside of Japan, no consumer and no retailer would complain about the look of the product inside of a colored bottle. However, in Japan consumers would. (Otobe, 2007)

Apart from quality, speed is also important for Japanese consumers. Japanese consumers like to have fresh clothes that follow the latest trends so quick time-to-market is a key factor for success. The Japanese expect the latest. (Ikeo, 2007)

Although results were not as evident in the mystery shopping as in the general survey, the Japanese are clearly pickier regarding the social dimension, as is to be expected of a collectivistic society. The result concerning the other dimensions on a variable level is more ambiguous, but the results on the aggregated level show an equal level of rated importance. On the whole, we conclude that this can be taken to mean that the Japanese are pickier, though the pickiness is unexpectedly unidimensional. The clear bias towards the social dimension is however consistent with Reisinger and Waryszak (1994) and Fields et al (2000), which indicate that the customer demands are high especially in the social dimension

RQ1. *The overall conclusion is that the Japanese are pickier than the Swedes regarding the social dimension, and equally picky regarding design and atmosphere.*

2. *The social dimension is more important for the Japanese than for the Swedes*

As we showed in the previous analysis for the first research question, the Japanese give the social dimension higher importance score, both on an aggregated level and on variable level. In some cases, the difference in score is as much as 4 points which, given that it comes from a 1 – 10 scale, clearly shows that the Japanese

think the social dimension is much more important than the Swedes think.

By looking at what drives satisfaction, we can rank the dimensions to find out which is the most important along with the control variables *Impression of clothes, General price level* and *How well-stocked the store was* and compare Japan and Sweden.

Table 4.10

Regression analysis - mystery shopping		
Satisfaction index	**Variable**	**Beta values**
Japan	Impression of clothes	0.558
R2=0.687	Social dimension	0.220
Condition index=15.6	General price level	0.171
	Atmosphere dimension	0.149
Sweden	Impression of clothes	0.458
R2=0.783	Well-stocked store	0.451
Condition index=18.1	Atmosphere dimension	0.291
	Social dimension	0.208
	Design dimension	-0.274

For the Japanese, the social dimension is the second most important after impression of clothes for the satisfaction with the store. For Swedes, however, the social dimension comes in fourth place. It thus seems that the social dimension is relatively more important for the Japanese than for the Swedes. The same results are given by the customer survey:

Table 4.11

Regression analysis – customer survey		
Satisfaction index	**Variable**	**Beta values**
R2=0.680	Social dimension	0.620
Condition index=11.7	Impression of clothes	0.424

For the buying customers in Japan, the social dimension is even the most important factor, even more important than the actual clothes sold in the store.

Regarding the social dimension, it is also interesting to look at the relationship between the customer and the staff:

Table 4.12

Pearson t-test - general survey					
Importance score	**Japan μ**	**Sweden μ**	**Diff**	**Sig. (2-tailed)**	**Sig?**
That you feel that you have a relationship with the staff	7.90	4.13	3.77	0.000	Yes

Here we find that the Japanese perceive the relationship with the staff to be more important than the Swedes at the 1% level. This is consistent with the proposal that the Japanese need to feel a sense of belonging in a store, and that a more caring and attentive relationship with the staff is desired (Fields et al 2000; Winsted 1997).

To further investigate this, we used the mystery shopping to look at correlations between *relationship with staff* and *relationship with store*:

Table 4.13

Pearson correlation test – mystery shopping						
Your relationship with the staff	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Your relationship with the store	0.723	0.000	Yes	0.509	0.000	Yes

Using a Fisher r-to-z transformation test we find that the difference in correlations between *relationship with staff* and *relationship with store* is stronger for the Japanese than for the Swedes at the 5% level (2-tailed sig.=0.0122, z=2.25). Thus, relationship with the staff is more important for the Japanese for the total impression of the store. By looking at the customer survey, we find that the correlation between *relationship with staff* and *relationship with store* has a value of 0.557 and is significant at the 1% level. This strengthens the proposal based on Winsted (1997) that Japanese customers depend on the sales staff as guides to the store which is an essential reason for bonding with the store.

RQ2. *By looking at the mystery shopping and the general survey, with support from the customer survey, we conclude that the social dimension is more important for the Japanese than for the Swedes.* ***The proposition is true.***

3. ***The design dimension is more important for the Japanese than for the Swedes***

To explore whether this research question can be accepted or rejected we look at the importance scores from the general survey and the regression analysis from the mystery shopping.

Table 4.14

Pearson t-test - general survey					
Importance score	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Design dimension (all design variables included)	7.83	8.06	-0.23	0.298	No
How attractive the store seems from the outside	8.23	7.91	0.32	0.358	No
How spacious and easy to move around in the store is	7.71	8.07	-0.36	0.275	No
That the fitting rooms are attractive and well designed	6.51	8.20	-0.69	0.000	Yes
That there is a sufficient number of fitting rooms	8.33	9.13	-0.80	0.006	Yes
That the inside of the store is attractive	8.44	8.31	0.13	0.688	No
That the inside of the store is decorated with posters, furniture etc.	5.84	5.83	0.01	0.983	No
That the clothes are presented attractively	8.35	8.70	-0.35	0.260	No
A good overall impression of the store's layout	9.00	8.29	0.71	0.027	No

By looking at the importance scores for the design dimension we find that results vary. Sometimes the Japanese rate the importance higher and sometimes the Swedes rate the importance higher. Further, looking at the regression analysis for satisfaction (Figure 4.10), we find that the design dimension is not significant for the Japanese and negative for the Swedes.

It would appear that the aesthetic sensitivity to products described by Synodinos (2001) does not extend to the environment, and that while the Japanese rely on retail sources in their purchase (Kawabata &

Rabolt 1999), they do not attach a greater importance to them than the Swedes. A possible inference is that the Japanese pickiness only extends to the social dimension and the merchandise itself. We note, however, that the Swedes have a more demanding attitude towards fitting rooms.

RQ3. *We cannot conclude that the design dimension is more important for the Japanese.* ***The proposition is false.***

4. The atmosphere dimension is more important for the Japanese than for the Swedes

To explore whether this proposition is true or false we look at the importance scores from the general survey and the regression analysis from the mystery shopping.

Table 4.15

Pearson t-test - general survey					
Importance score	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Atmosphere dimension	7.63	7.90	-0.27	0.255	No
That the store does not feel too crowded	8.12	8.83	-0.71	0.023	Yes
That the store plays background music that you enjoy	5.42	6.72	-1.30	0.008	Yes
That the level of noise and talk is not too loud	7.53	7.64	-0.11	0.793	No
That the store is well-lit and bright	7.33	7.38	-0.05	0.910	No
That the store is decorated in nice colours	7.45	6.48	0.97	0.012	Yes
That the store is clean and tidy	8.65	8.87	-0.22	0.432	No
That the store smells nice	6.31	7.78	-1.47	0.001	Yes
That the temperature of the store isn't too cool or too hot	7.27	8.65	-1.38	0.000	Yes
That the air quality of the store is good	7.75	8.02	-0.27	0.488	No
That the store matches your style	8.83	7.63	1.20	0.005	Yes
A good overall impression of the atmosphere	8.88	8.80	0.08	0.764	No

Similar to the design dimension, the results vary. It seems as if Swedes are pickier than the Japanese regarding the atmosphere as their means are generally higher. Further, looking at the regression analysis for satisfaction (Figure 4.10), we find that the atmosphere is ranked in fourth place for the Japanese and in third place for the Swedes. It appears to be relatively more important for the Swedes.

Of interest is the relative importance of *matches your style* and that *decorated in nice colours* to the Japanese, and the relative importance of purely atmospheric factors like smell, temperature and background music to the Swedes. It is possible that *matches your style*-item strongly takes into account the merchandise itself, and gives credence to our proposition that the Japanese pickiness also manifests itself in the case of merchandise (compare Synodinos, 2001).

RQ4. *We conclude that the Japanese is not pickier than the Swedes regarding the atmosphere. Rather, it seems to be the opposite with Swedes being pickier.* ***The proposition is false.***

5. *The Japanese attach more value to social interaction in a buying situation and social interaction has a more profound effect on how they evaluate a store compared to the Swedes*

As the social dimension is more important for the Japanese, it is also interesting to see what effects this have. As seen in Table 4.2, *relationship with staff* is significantly higher for the Japanese. With a correlation analysis we find, quite expected, that *relationship with staff* correlates positively with the *design dimension* and the *atmosphere dimension* for both the Japanese and the Swedes (using a Fisher r-to-z test we find no difference in correlations with a 2-tailed 5% significance). However, when looking at correlations with "theoretically non-social" variables we find differences between the Japanese and the Swedes:

Table 4.16

Pearson correlation test – mystery shopping						
Your relationship with the staff	**Japan**	**Sig. (2-tailed)**	**Sig?**	**Sweden**	**Sig. (2-tailed)**	**Sig?**
Design dimension	0.228	0.009	Yes	0.472	0.000	Yes
Atmosphere dimension	0.268	0.002	Yes	0.435	0.000	Yes
How well stocked the store was in terms of sizes and different clothes	0.452	0.000	Yes	0.314	0.014	Yes
Your impression of the clothes sold	0.438	0.000	Yes	0.391	0.002	Yes
The general price level in the store	0.156	0.079	No	-0.106	0.416	No
How much are you willing to spend in this store?	0.210	0.017	Yes	0.164	0.200	No

In this test, we find that all variables except *how much are you willing to spend in this store* and *general price level* correlates with *relationship with staff* for both the Japanese and the Swedes. Using Fisher-to-r transformation tests we find that there is no significant difference in correlations for the variables that are significant for both countries (*design dimension, atmosphere dimension, well-stocked* and *impression of clothes*).

For Sweden, a correlation with neither *general price level* nor *willingness to spend* is significant. For Japan, a correlation with *willingness to spend* is significant at the 5% level. That is, the Japanese staff has the ability to influence how much the customer spends in the store, whereas the Swedish staff has not. This shows that the Japanese are more receptive and open towards the staff. We also believe this shows that the Japanese staff is better trained and uses a larger variety of techniques to influence the customer compared to the Swedish staff. This will be further discussed in research question 17. It also shows that both Japanese and Swedes are influenced by the relationship with staff, although the Japanese to a greater extent.

It is interesting to take a closer look at two of the control variables where there is a clear difference between Japan and Sweden. The first one is *general price level*. The correlation with *relationship with staff* was not significant for neither country but if we however take a look at all the other social variables, we find correlations on variable level for four of them (two for each country):

Table 4.17

Pearson correlation test – mystery shopping		
General price level	**Japan corr.**	**Sig. (2-tailed)**
How the staff helped with getting another size if needed in the fitting room	0.212	0.019
How the staff took care of the clothes afterwards	0.184	0.040

Pearson correlation test – mystery shopping

General price level	Sweden corr.	Sig. (2-tailed)
How the entire staff helped out with your purchase	-0.300	0.019
How attractive the staff was	-0.323	0.011

For the Japanese, the two social variables that correlate with *general price level* have a positive influence on the perception of *general price level* (1=very bad, 10=very good), i.e. the staff makes the clothes seem more "worth the price". For the Swedes, however, the two social variables that correlate with *general price level* have a negative influence, i.e. the staff makes the clothes seem less "worth the price". This implies that the more attractive the staff is, the more expensive the store is perceived. We believe that this – a negative impact on the price level – could be an effect of that a high level of service is more common in expensive stores in Sweden, whereas in Japan the majority of the stores, in spite of price range, provide a high level of service.

The other variable is *willingness to spend.* Correlation with *relationship with staff* was significant for the Japanese at the 5% level but not for the Swedes. By taking a closer look at the other social variables that *willingness to spend* correlates with, our findings are further supported:

Table 4.18

Pearson correlation test – mystery shopping						
How much are you willing to spend in this store?	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Your relationship with the staff	0.210	0.017	Yes	0.164	0.200	No
How the staff asked what you were looking for	0.241	0.007	Yes	0.173	0.171	No
How helpful the staff was	0.262	0.003	Yes	0.217	0.085	No
How knowledgeable the staff was about the store's products	0.257	0.003	Yes	0.218	0.084	No
The staff's attitude towards you and your purchase	0.267	0.002	Yes	0.212	0.093	No
The staff's attention and involvement in you and your purchase	0.200	0.023	Yes	0.190	0.133	No
How attractive the staff was	0.396	0.000	Yes	0.092	0.470	No
How the staff wore clothes available in the store	0.269	0.002	Yes	0.075	0.559	No
How the staff helped you with matching items	0.196	0.030	Yes	0.137	0.232	No
Your overall impression of the staff	0.267	0.002	Yes	0.192	0.132	No

For Japan, *willingness to spend* correlates with 10 of the social variables, whereas for Sweden it does not correlate with any of the variables. This further shows that the relationship with the staff and the overall social interaction is important for Japanese consumers, adding value to their shopping experience. It also shows that the Japanese staff is more involved in the customers' purchases (helping out with sizes and styles, showing matching clothes that fit the specific customer etc.).

The analysis shows us that relationship with staff has greater impact on other store variables for the Japanese compared to the Swedes in terms of number of "non-social" variables influenced. We also see that more value is created for the Japanese than for the Swedes since some social variables have a positive effect on perceived price level and many social variables influence willingness to spend (for the Swedes no such value is created as the effect of social variables is either negative or non-existent). Our proposition,

based on Synodinos (2001) and Kawabata & Rabolt (1999), that the Japanese view their store interaction as more of a guided tour which aids them in their purchase decision, and that their relationship and evaluation of the staff affect both their overall evaluation of the store and their willingness to spend, would seem to be confirmed.

RQ5. *Thus we conclude that the Japanese attach more value to the social interaction in a buying situation than the Swedes.* ***The proposition is true.***

6. ***The Japanese are more context-orientated and sophisticated in a buying situation(a larger number of factors affect their purchase; and the totality or the whole impression of the store matters for the Japanese).The Japanese are more sensitive to environmental cues than Swedes.***

We believe the Japanese are more sensitive to environmental cues than the Swedes. That is, their purchase decision and shopping experience is easier influenced by more social, design and atmosphere factors and they are thus what we call more sophisticated buyers. We have already seen that the Japanese are more sensitive than Swedes to environmental cues in the case of *general price level* and *willingness to spend*. But in the previous research question we looked more at positive and negative values. In this research question, we are more interested in the number of variables that correlate with our control variables (*general price level, impression of clothes, how well-stocked the store was*) and *willingness to spend*. We also look at the number of variables that affect *overall impression of staff*, *overall impression of layout* and *overall impression of atmosphere* through regression analysis.

First we look at general price level (1=very bad, 10=very good) to see how many variables in each dimension it correlates with (maximum number of variables: social dimension=16, design dimension=8, atmosphere dimension=11):

Table 4.19

Pearson correlation test – mystery shopping		
General price level	**Japan correlation No. of variables**	**Sweden correlation No. of variables**
Social dimension	**2** (both at the 5% level)	**2** (both at the 5% level)
Design dimension	**2** (1 at the 5% level, 1 at the 1% level)	**0**
Atmosphere dimension	**2** (both at the 5% level)	**2** (1 at the 5% level, 1 at the 1% level)
Sum	**6**	**4**

Here we find that more variables correlate with *general price level* for Japan than for Sweden (6 to 4).

Next we take a look at *impression of clothes*:

Table 4.20

Pearson correlation test – mystery shopping		
Impression of clothes	**Japan correlation No. of variables**	**Sweden correlation No. of variables**
Social dimension	**13** (3 at the 5% level, 10 at the 1% level)	**12** (5 at the 5% level, 7 at the 1% level)
Design dimension	**8** (all 8 at the 1% level)	**7** (1 at the 5% level, 6 at the 1% level)
Atmosphere dimension	**11** (all 11 at the 1% level)	**5** (1 at the 5% level, 4 at the 1% level)
Sum	**32**	**24**

Here we find that more variables correlate with *impression of clothes* for Japan than for Sweden (32 to 24).

Now we look at *how well-stocked the store was*:

Table 4.21

Pearson correlation test – mystery shopping		
How well-stocked the store was	**Japan correlation No. of variables**	**Sweden correlation No. of variables**
Social dimension	**15** (1 at the 5% level, 14 at the 1% level)	**6** (3 at the 5% level, 3 at the 1% level)
Design dimension	**8** (all 8 at the 1% level)	**8** (all 8 at the 1% level)
Atmosphere dimension	**11** (all 11 at the 1% level)	**4** (2 at the 5% level, 2 at the 1% level)
Sum	**34**	**18**

Here we find that more variables correlate with *how well-stocked the store was* for Japan than for Sweden (34 to 18). The difference is especially significant for the social dimension, which we believe also is a result of the Japanese staff being more helpful and proactive in guiding the customers through the store collection.

Finally we look at *how much money are you willing to spend in this store*:

Table 4.22

Pearson correlation test - mystery shopping		
Willingness to spend money	**Japan correlation No. of variables**	**Sweden correlation No. of variables**
Social dimension	**10** (3 at the 5% level, 7 at the 1% level)	**0**
Design dimension	**7** (all 7 at the 1% level)	**0**
Atmosphere dimension	**11** (1 at the 5% level, 10 at the 1% level)	**3** (1 at the 5% level, 2 at the 1% level)
Sum	**28**	**3**

Here we find that more variables correlate with *willingness to spend* for Japan than for Sweden (28 to 3!). This is the most evident result of these four test variables, where we find a huge difference between Japan and Sweden, especially since neither the social nor the design dimension correlate with the *willingness to spend* at all for Sweden.

All four test variables show us that for Japan, there are more correlations compared to Sweden, i.e. more elements in the store influence the shopping experience for the Japanese.

Regression analysis

To further explore whether the Japanese are more sophisticated or not, we look at regression analysis for *overall impression of staff*, *overall impression of layout* and *overall impression of atmosphere*. There is no difference in the number of variables driving satisfaction as previously presented (table 4.10).

Table 4.23

Regression analysis – mystery shopping		
Overall impression of staff	**Variable**	**Beta value**
Japan	How the staff took care of the clothes after the fitting	0.184
R2=0.802	Staff's attitude towards you and your purchase	0.514
Condition index=11.7	How attractive the staff was	0.254
	How the entire staff helped out with your purchase	0.142
Sweden	How the staff took care of the clothes after fitting	0.214
R2=0.888	Staff's attitude towards you and your purchase	0.661
Condition index=11.7	How the entire staff helped out with your purchase	0.225

The regression analysis for *overall impression of staff* differs between the Japanese and the Swedes in that the Japanese also attach importance to *how attractive the staff was*. More variables influence the Japanese than the Swedes. An interesting thing worthy of notice is that the same factors are involved in both countries. This indicates that some lessons from Japanese clothing stores may be transferred to a Swedish context with a positive result. This will be further discussed in section 5.2.

Table 4.24

Regression analysis – mystery shopping		
Overall impression of layout (design)	**Variable**	**Beta value**
Japan	How clothes were presented	0.412
R2=0.906	Attractiveness	0.259
Condition index=11.7	Colours and decorations	0.183
	How well-decorated the store was	0.175
Sweden	Attractiveness	0.436
R2=0.902	How well-decorated the store was	0.376
Condition index=11.7	Colours and decorations	0.185

Regression analysis for *overall impression of the layout* for the Japanese includes one more variable compared to the Swedes: *how clothes were presented in the store*, which turns out to be the most important factor for the Japanese. Once again more variables influence the Japanese impression compared to the Swedish.

Table 4.25

Regression analysis – mystery shopping		
Overall impression of atmosphere	**Variable**	**Beta value**
Japan	Matches your style	0.433
R2=0.809	Cleanliness and tidiness	0.226
Condition index=11.7	Level of noise and talk	0.147
	Smell	0.133
	Temperature	0.131
	How helpful the staff was	0.109
Sweden	How the entire staff helped out	0.370
R2=0.659	Matches your style	0.357
Condition index=11.7	Smell	0.307
	Spacious and easy to move around	0.282

As we can see in the table, more variables affect the evaluation of the atmosphere for the Japanese compared to the Swedes (6 to 4). Interesting to note is that for both countries, a social variable drives *impression of atmosphere*. For the Swedes, it is actually the most important variable, whereas for the Japanese it is the least important. This implies that the social dimension to a further extent (relative to the other variables) influences the atmosphere for the Swedes compared to the Japanese.

The correlations tests showed us that more factors influence the shopping experience for the Japanese compared to the Swedes. Similarly, in the regression analysis we found that for each dimension (social, design, atmosphere), more variables influenced the overall impression.
The high context-sensitivity mentioned by Money and Graham (1999) seems to have far-reaching consequences for customers' store evaluation, and the multi-dimensional demand noted by Reisinger and Waryszak (1994) is clearly present in how Japanese customers evaluate their store experience.
The implications of Johansson & Nonako (1996) that the Japanese seek to satisfy their customers by continuous efforts on every imaginable level/store dimension, and that Japanese customers in their turn have high expectations on and take into consideration all dimensions, would also appear to be true.

RQ6. *We thus conclude that Japanese are more sophisticated and sensitive to environmental cues, i.e. more variables affect their purchase decision and shopping experience, compared to the Swedes.* ***The proposition is true.***

7. *The Swedes have a more instrumental view of clothes buying than the Japanese*

To follow up on the previous research question where we showed that the Japanese are more sophisticated buyers, more sensitive to environmental cues, we now want to explore the possibility of Swedes having a more instrumental view of clothes buying. That is, they are more rational and not affected in the same way by environmental cues. We test this by looking not only at, as in the previous research question, how many variables correlate with *willingness to spend* but what kind of variables these are. In this analysis we have also included the control variables (*general price level, impression of clothes, how well-stocked the store was*). We start by looking at differences at the aggregated dimension level and then explore the variable level.

Table 4.26

Pearson correlation test – mystery shopping						
How much are you willing to spend in this store?	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	0.266	0.002	Yes	0.248	0.048	Yes
Design dimension	0.380	0.000	Yes	-0.045	0.724	No
Atmosphere dimension	0.441	0.000	Yes	-0.029	0.822	No

In the case of Japan, *willingness to spend* correlates with all dimensions significant at the 1% level. For Sweden, however, only the social dimension correlation is significant at the 5% level.

When moving from dimension level to variable level, we find similar results. For Japan, *willingness to spend* correlates with 30 variables and for Sweden with 5 variables. All variables that correlate for Sweden also correlate for Japan. These variables are: *temperature, how the store matches your style, overall impression of the atmosphere, impression of clothes sold* and *how well-stocked the store was*. Apart from the fact that less factors correlate for Sweden, those that do are mainly rational variables (matches your style, impression of clothes, well-stocked). This implies that the Swedes are more rational shoppers, not being as influenced as the Japanese by environmental cues and thus having a more instrumental view of shopping.

Another interesting piece we found was that the correlation between *relationship with staff* and *overall impression of layout* is stronger for Sweden than Japan:

Table 4.27

Pearson correlation test – mystery shopping						
Relationship with staff	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Overall impression of layout	0.197	0.026	Yes	0.558	0.000	Yes

Using a Fisher r-to-z transformation test we can confirm that this correlation is stronger for the Swedes than for the Japanese at the 1% level (2-tailed sig.=0.0061, z=2.74). This could mean either that the Swedish staff is better at influencing the layout, or that the Swedish staff is more seen as part of the layout by the Swedish customers, whereas the Japanese regard the staff as a stand alone entity. This theory is also partly confirmed by table 4.25 where we find that a social variable is more important as a driver of *overall impression of the atmosphere* for the Swedes compared to the Japanese.

We have shown that *willingness to spend* correlates with more dimensions and variables for Japan compared to Sweden. We have also showed that the majority of the variables that correlate for Sweden are control variables, which supports the proposition made in our research question. Finally we found an interesting correlation between *relationship with staff* and *overall impression of layout* as well as a higher importance of a social factor for *overall impression of atmosphere* (see previous research question) which suggests that the Swedish customers may view the staff as more part of the layout and atmosphere rather than a stand alone entity. We find that the Swedes behave in accordance with the theories summarized and presented by Money and Graham (1999), which indicate that Westerners are less context-sensitive than the Japanese, in that they are more likely to ignore environmental cues and focus on a selection of explicit social signals from the staff, taking a smaller total number of factors into account.

RQ7. *We conclude that the Swedes have a more instrumental relationship towards a clothes purchase compared to the Japanese, i.e. are more rational.* ***The proposition is true.***

8. ***The Swedish and the Japanese have different views on what constitutes basic factors, excitement factors and performance factors***

This analysis is conducted in three steps where Japan and Sweden is compared in each step along the three dimensions social, design and atmosphere. To determine whether a dimension is a basic, excitement or performance factor, both the general survey and the mystery shopping evaluation form is used. As previously mentioned, to be able to compare these two surveys, the same variables must constitute each dimension which we did in the methodology section (see section 3.3). In *Step 1* we check the general survey and rank the importance of each dimension. In *Step 2* we make a regression analysis towards the satisfaction index and check the beta scores for each dimension. Finally, in *Step 3* we produce a 2x2 table of the results which will tell us whether we are dealing with basic factors, performance factors or excitement factors.

Step 1. Importance ranking – general survey

Table 4.28

Dimension ranking Japan	**μ**	**Median**
1. Design	7.83	7.88
2. Atmosphere	7.63	7.82
3. Social	7.16	7.41

Dimension ranking Sweden	**μ**	**Median**
1. Design	8.06	8.00
2. Atmosphere	7.90	8.05
3. Social	5.72	5.86

As we can see, both Japan and Sweden rank the dimensions equally. The mean for each dimension will be used to mark the place on the x-axis in the 2x2 table (explicit self-stated importance).

Step 2. Regression analysis – mystery shopping

In the regression analysis, the control variables *general price level*, *impression of clothes* and *well-stocked* were also included to maximize the validity of the beta scores for the three dimensions.

Table 4.29. a

Dependent variable satisfaction index Japan R2=0.687	**Beta value**	**Sig. (2-tailed)**	**Sig?**
1. Social	0.220	0.000	Yes
2. Atmosphere	0.149	0.039	Yes
3. Design	-0.117	0.214	No

Figure 6.

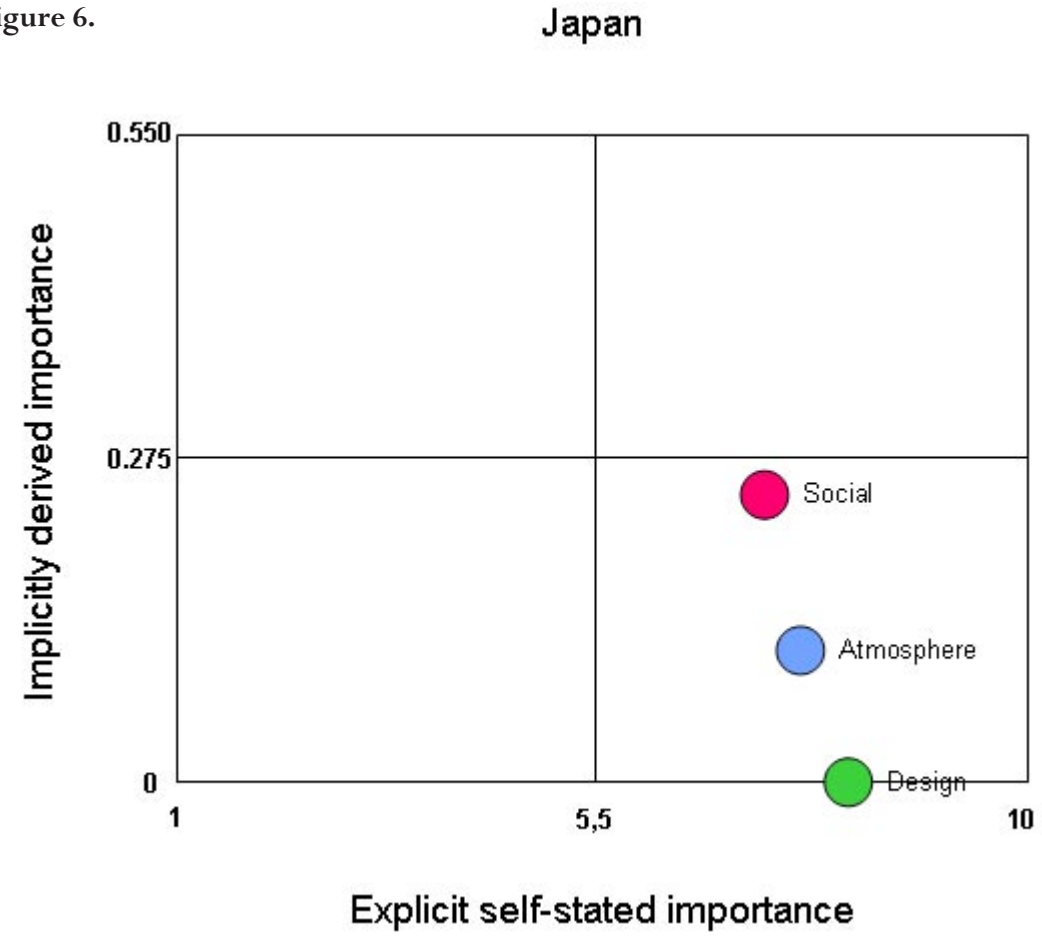


Figure 7.

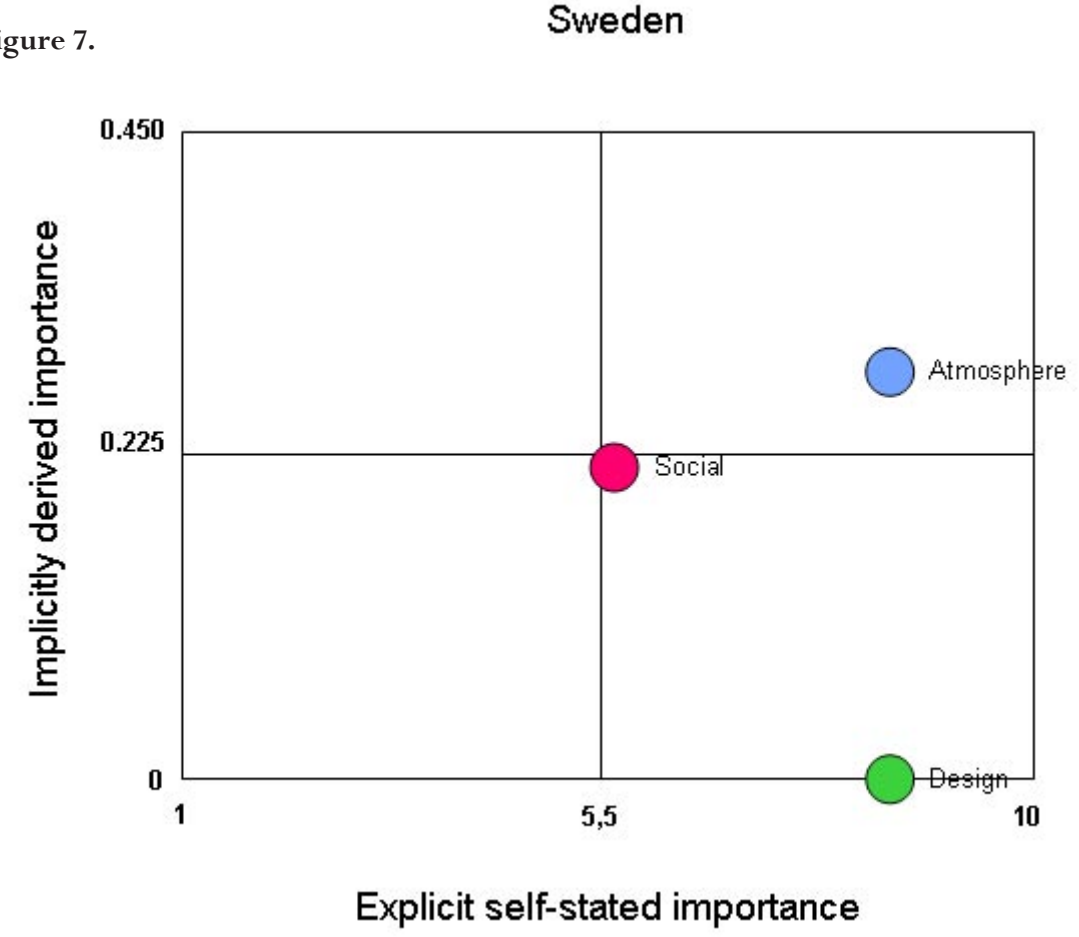


Table 4.29. b

Dependent variable satisfaction index Sweden R2=0.783	**Beta value**	**Sig. (2-tailed)**	**Sig?**
1. Atmosphere	0.291	0.002	Yes
2. Social	0.208	0.005	Yes
3. Design	-0.274	0.008	Yes

As we can see in tables 4.29.a and 4.29.b, the variables are not ranked in the same way as in step 1, i.e. they are different for Sweden and Japan. For the Japanese, the social dimension is the most important dimension whereas for the Swedes it is the atmosphere dimension. For Japan, the design dimension is not significant and for the Swedes the value is negative. The design dimension will thus be assigned the beta value of 0 for both countries in the 2x2 table as 0 is the lowest number. The beta values will be used to mark the place on the y-axis (implicitly derived importance).

Step 3. 2x2 table

The x-axis in our 2x2 table is made out of the importance score where the minimum number is 1, the maximum number is 10 and the middle is 5.5 in accordance with our interval scale. The y-axis is made out of the regression analysis for each country where 0 is the minimum value and the maximum value is the highest beta-value in the regression for each country. Maximum beta value for Japan is 0.558 (*impression of clothes*) and maximum beta value for Sweden is 0.458 (*impression of clothes*). Since the maximum beta values are different, we have made two different tables, one for each country *(see page 57)*.

For Japan (*Figure 6*), all three dimensions fall into the category of basic factors. For Sweden (*Figure 7*), atmosphere fall into the category of performance factor whereas social and design go as basic factors (social dimension forming a borderline case).

From this analysis we can conclude that Japanese and Swedes have different views on what constitutes basic, excitement and performance factors. The Japanese take more for granted (all dimension are basic factors) and will be disappointed if any of the dimensions are not satisfactory whereas the Swedes are less demanding with social and design being basic factors but atmosphere a performance factor (if it is satisfactory, the Swedes will be more satisfied whereas if it is unsatisfactory, they will not become satisfied).

This means that, according to Matzler and Sauerwine's (2002) framework, the Japanese take all three dimensions for granted, regarding them as part of the necessary composition of a store. The Japanese and Swedish customers have different views on what constitues basic and performance factors, with the Japanese being more demanding in accordance with the data presented by Reisinger and Waryszak (1994).

RQ8: *The Japanese regard all three dimensions as basic factors, whereas Swedes regard atmosphere as a performance factor and social and design as basic factors.* ***The proposition is true.***

9. ***The Japanese will view the social dimension as a hygiene factor whereas the Swedish will not***

Apart from the basic-excitement-performance analysis, we have also conducted an analysis to determine whether a factor is a hygiene factor or a motivator using the general survey. This is similar to the previous

analysis and serves the purpose of exploring the dimensions further. In the previous analysis, we could only look at dimension level whereas in this we can also look at variable level.

We have categorized the variables into three categories: *hygiene factor*, *true motivator* and *false motivator* by using the three sub-dimensions surprising, pleasant and necessary. As we have a 1-10 scale, numbers 1 to 5.5 are low scores and 5.5 to 10 are high scores. A variable can be classified as a hygiene factor if the mean score of necessary is higher than 5.5, and the mean score of surprising is lower than 5.5. The logic behind this is that if something is necessary to occur (higher than 5.5), the customer should not be surprised if it does (lower than 5.5.) which marks a hygiene factor. The opposite relationship is true for the motivator. A variable is classified as a motivator if the mean score of necessary is lower than 5.5, and the mean score of surprising is higher than 5.5. To determine whether the motivator is false or true we use the sub-dimension pleasant. If the score for pleasant is higher than 5.5 it is a true motivator, if it is lower than 5.5., it is a false motivator.

First we take a look at the aggregated dimension level (H=hygiene factor, TM=true motivator, FM=false motivator):

Table 4.30

Mean analysis – general survey				
Dimension	**Necessary μ**	**Surprising μ**	**Pleasant μ**	**Factor**
Social dimension				
Japan	7.01	4.22	7.13	H
Sweden	5.36	5.15	6.68	-
Design dimension				
Japan	7.53	4.41	7.98	H
Sweden	7.57	5.17	8.40	H
Atmosphere dimension				
Japan	7.47	4.69	7.91	H
Sweden	7.37	5.03	8.15	H

For Japan, all dimensions are hygiene factors. For Sweden, however, only the design and atmosphere dimension can be classified as hygiene factors. The Social dimension is neither a hygiene factor nor a motivator which leads us to the conclusion that is varies among Swedish consumers. This further supports our first research question's proposition that Japanese are pickier since they regard the social dimension as a hygiene factor whereas the Swedes do not.

Now we take a look at variable level for the social dimension. A summary of country and variables are presented in the following table (H=hygiene factor, TM=true motivator, FM=false motivator):

Table 4.31

Mean analysis – mystery shopping		
Variable	**Japan**	**Sweden**
That the staff greets you	H	H
That the staff asks you what you are looking for	-	-
How knowledgeable the staff is about the store's products	H	H
That the staff's involvement in you and your purchase appears to be high	H	H
That the staff suggests things for you to try on	-	FM
That the staff provides you with shoes for the fitting that suits the clothes	H	TM
That the staff helps you with getting another size if needed in the fitting room	H	H
That the staff helps you with matching items	H	TM
That the staff takes care of the clothes after the fitting	H	H

That you get helped by more than one staff member with your purchase	FM	FM
That the staff is attractive (wears nice clothes and looks beautiful)	H	-
That the staff wears clothes available in the store	H	H
That you feel that you have a relationship with the staff	H	TM
That the staff will adjust the clothes if necessary	H	-
That the staff will adjust the clothes for free or a small fee	H	-
That the staff will adjust the clothes within one-two hours	H	TM
That the cashier wrap the clothes nicely	H	H
That the cashier give you a nice bag	H	H
That you can choose which bag you want	TM	TM
That the cashiers ask for a point card	H	-
That the cashiers thank you for your purchase	H	H
That the staff follows you to the exit	-	FM
A good overall impression of the staff	H	H

Table 4.32

Country	Hygiene factors	True motivators	False motivators	Non-classifiable
Japan	18	1	1	3
Sweden	10	5	3	5

As expected, more variables are regarded as hygiene factors by the Japanese compared to the Swedes (18 to 10). Our proposition is thus supported in that the Japanese will regard the social dimension as a hygiene factor whereas the Swedes will not, since the majority (78.3 %) of the variables are classified as hygiene factors for the Japanese whereas it is a minority for the Swedes (43.5 %). That is, higher demands and expectations are placed upon the staff by the Japanese compared to the Swedes.

Especially interesting to note is that relationship with staff is regarded as a hygiene factor by the Japanese and a true motivator by the Swedes. It further also supports our findings that the relationship with staff is more important for the Japanese than for the Swedes.

An implication of that Swedes regard some variables as true motivators, is that practises from a Japanese store can be implemented in a Swedish store with positive results. Since they are true motivators, they are likely to boost satisfaction for the Swedish customers. The fact that more variables are non-classifiable for the Swedes compared to the Japanese tells us that, in line with the analysis of the aggregated social dimension, whether they are hygiene factors or motivators varies among Swedish consumers. It also confirms, as Fields et al (2000) claims, that the relationship between customer and store personnel is more clearly defined in Japan, since the number of non-classifiable variables is lower in Japan compared to Sweden.

RQ9:We conclude that the social dimension, both on an aggregated level and on variable level, is viewed as a hygiene factor by the Japanese whereas for the Swedes it is not. ***The proposition is true.***

4.2. THE CHARACTERISTICS OF THE JAPANESE STORE

10. The Japanese will give the social dimension a higher evaluation score than the Swedes

If the service level in Japan is higher and a Japanese store is better at satisfying its customers' needs compared to a Swedish store, the Japanese will give the different dimensions a higher evaluation score. To test this, we have looked at each dimension both on an aggregated level as well as on variable level. We start with the social dimension:

Table 4.33

Pearson t-test - mystery shopping					
Dimension	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	5.61	4.54	1.07	0.000	Yes

On an aggregated level, the Japanese mean is higher than the Swedish with a difference of 1.07 significant at the 1% level. Even though the Japanese are pickier (higher expectations and demands) than the Swedes regarding the social dimension, they still give it a higher evaluation score. This implies that the Japanese store personnel are better at fulfilling its customers' needs and requests compared to the Swedish store personnel.

Now we take a look at variable level:

Table 4.34

Pearson t-test - mystery shopping					
Variable	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
How you were greeted	5.60	4.14	1.46	0.000	Yes
How the staff asked you what you are looking for	5.43	4.17	1.26	0.000	Yes
How helpful the staff was	5.98	3.94	2.04	0.000	Yes
How knowledgeable the staff was	6.07	4.97	1.10	0.001	Yes
The staff's attitude towards you and your purchase	5.88	4.30	1.58	0.000	Yes
The staff's attention and involvement in you and your purchase	5.67	3.83	1.84	0.000	Yes
How the staff suggested clothes for you to try on	5.57	4.89	0.68	0.070	No
How attractive the staff was	5.57	5.45	0.12	0.743	No
How the entire staff helped out with your purchase	5.28	4.40	0.88	0.013	Yes
How the staff wore clothes available in the store	6.12	5.35	0.77	0.014	Yes
How the staff provided you with shoes for the fitting	5.27	6.06	-0.79	0.026	Yes
How the staff helped you with another size if needed	5.27	3.63	1.64	0.000	Yes
How the staff helped with matching items	5.21	5.03	0.18	0.601	No

How the staff took care of the clothes afterwards	6.78	3.35	3.43	0.000	Yes
Your relationship with the staff	5.22	3.90	1.32	0.000	Yes
Your overall impression of the staff	5.84	4.41	1.43	0.001	Yes

As we can see in the table, 12 of our 16 variables are given a higher score by the Japanese compared to the Swedes. Only one of the variables, *How the staff provided you with shoes for the fitting* is given a higher score by the Swedes. Most worthy of notice is *How the staff took care of the clothes afterwards* with a difference of 3.43 points (!) at the 1% level, *How helpful the staff was* with a difference of 2.04 at the 1% level and *The staff's attention and attitude towards you and your purchase* with a difference of 1.84 at the 1% level. In line with the analysis on the aggregated level, this tells us that the Japanese store personnel are better at meeting the customers' needs compared to the Swedish store personnel, i.e. the service is better.

Our interview with Yamamoto (2007), however, led to claims that there are both good and bad characteristics of Japanese service. The good characteristics are its promptness, politeness, humbleness and hospitality, whereas its bad characteristics are shown in two ways: (1) The staff is sometimes mechanically polite, smiling and bowing instead of providing essential value to the customer and, (2) too much service (not requested by the customer, not necessary – time consuming, producing waste). (Yamamoto, 2007)

These findings, particularly for the social dimension, is consistent with Turpin (1995) and Johansson & Nonaka (1996) descripitions of Japanese service as focusing on the treatment of customers as being socially above the staff, and the use of checklists and training programs to ensure that all customers are treated royally.

RQ10**: Both on an aggregated level and variable level, the Japanese give the social dimension a higher evaluations score than the Swedes.* ***The proposition is true.

11. The Japanese will give the design dimension a higher evaluation score than the Swedes

Similarly to the previous research question, we test whether the Japanese give a higher score to the design dimension both on an aggregated level and variable level:

Table 4.35

Pearson t-test - mystery shopping					
Dimension	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Design dimension	6.04	5.44	0.6	0.048	Yes

On an aggregated level, the Japanese give the design dimension a higher evaluation score with a difference of 0.6 at the 5% level.

Now we take a look at variable level:

Table 4.36

Pearson t-test - mystery shopping					
Variable	**Japan μ**	**Sweden μ**	**Diff**	**Sig. (2-tailed)**	**Sig?**
How attractive the store seemed from the outside	5.87	5.25	0.62	0.093	No
How spacious and easy to more around in the store was	6.09	5.86	0.23	0.561	No

How attractive the fitting rooms were	6.27	5.03	1.24	0.001	Yes
How sufficient the number of fitting rooms seemed	6.13	5.42	0.71	0.083	No
How attractive the inside of the store was	5.83	5.58	0.25	0.474	No
How well decorated the inside of the store was	6.07	5.38	0.69	0.054	No
How clothes were presented in the store	5.97	5.38	0.61	0.083	No
Your overall impression of the store's layout	6.08	5.59	0.49	0.168	No

On variable level, there is only a significant difference for one variable even though the mean score appears to be higher for all variables for Japan. This is *how attractive the fitting rooms were* where the Japanese give a higher evaluation at the 5% level. The Swedes do not give a higher score for any variable.

Even though there is only one significant difference on variable level, there is a significant difference at the aggregated level where the Japanese give a higher evaluation score than the Swedes. It is interesting to note that even though the Japanese are not pickier than the Swedes for this dimension (see research question 1), they still receive better service, i.e. the Japanese store is, again, better at meeting its customers' needs.

RQ11: *The Japanese give a higher evaluation score for the design dimension on the aggregated level.* ***The proposition is true.***

12. The Japanese will give the atmosphere dimension a higher evaluation score than the Swedes

Finally we test the third dimension atmosphere, to explore differences in evaluation scores given:

Table 4.37

Pearson t-test – mystery shopping					
Dimension	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Atmosphere dimension	5.92	5.86	0.06	0.817	No

There is no significant difference between the mean scores at the aggregated level. Now we take a look at variable level:

Table 4.38

Pearson t-test - mystery shopping					
Variable	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
How crowded the store was	6.20	6.02	0.18	0.653	No
The background music played in the store	5.85	5.47	0.38	0.246	No
The level of noise in the store	6.05	5.44	0.61	0.071	No
The lighting and brightness of the store	6.37	5.90	0.47	0.134	No
The colours and decorations inside the store	6.10	5.93	0.17	0.604	No
The cleanliness and tidiness of the store	6.52	6.61	-0.09	0.783	No
The smell of the store	5.77	6.65	-0.88	0.001	Yes
The temperature of the store	6.21	6.44	-0.23	0.419	No
The air quality of the store	5.66	6.52	-0.86	0.002	Yes
How the store matches your style	4.65	3.94	0.71	0.070	No
Your overall impression of the atmosphere in the store	5.71	5.63	0.08	0.802	No

On variable level, there is only a difference for two variables: *smell of the store* and *air quality of the store* and in these cases, the Swedes gives a higher score than the Japanese.
The difference in both the atmosphere and the design dimension are notably weaker compared to the social dimension. This is however consistent with some of the implications given by the results of research question 1, which indicate that Japanese pickiness mainly extends to the social dimension. Consequently, there has been a comparatively weaker need for Japanese store owners to excel in terms of design and atmosphere. (Johansson & Nonaka, 1996)

This is strongly indicated by the fact that Japanese actually give similar or lower evaluations than the Swedes in terms of atmosphere. Thus, we have to conclude that our proposition, that the Japanese will give a a higher evaluation score to the atmosphere or ambient dimension, is false.

RQ12: *Neither on aggregated level nor variable level do the Japanese give a higher evaluation score.* ***The proposition is false.***

---

13. Japanese customers in clothing stores are on the receiving end of a higher number of service behaviors (social interaction) than Swedes/The Japanese stores create more of a shopping experience where the staff is a crucial element

To measure whether the Japanese is at the receiving end of a higher number of services or not, we have used the boxes that the mystery shoppers could tick if a service occurred or not (1=service did occur, 2=service did not occur). We have both measured how many services each mystery shopper received on average and explored the frequency of each service. In the average number test, the maximum number of services is 9 (the maximum number of services in the evaluation form is 14 but 5 of these only concern the actual buying part and as our sample is very small in this section, we did not include these in this analysis).

Table 4.39

Pearson t-test – mystery shopping					
Factor	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Average number of services received	5.29	2.48	2.81	0.000	Yes

The result tells us that the Japanese customer receives on average 2.81 more services in each store compared to the Swedish customer, i.e. the social interaction is higher in Japan.

Frequency test
In this analysis the value "1" indicates that the service occurred and value "2" that it did not. Thus a lower mean implies that the service occurs more often.

Table 4.40

Pearson t-test – mystery shopping					
Service received by the staff	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Greeted you	1.43	1.64	-0.21	0.007	Yes
Asked what you were looking for	1.67	1.73	-0.06	0.397	No
Suggested clothes for you try on	1.49	1.89	-0.40	0.000	Yes
More than one staff member helped you	1.20	1.59	-0.39	0.000	Yes

Wore clothes sold in the store	1.00	1.24	-0.24	0.000	Yes
Provided shoes for the fitting	1.52	1.95	-0.43	0.000	Yes
Got another size if needed during the fitting	1.64	1.81	-0.17	0.011	Yes
Helped you with matching items	1.64	1.94	-0.30	0.000	Yes
Took care of the clothes after the fitting	1.10	1.70	-0.60	0.000	Yes

For all variables except *Asked you what you were looking for*, Japan receives a lower score indicating that these services occur more often in a Japanese store compared to a Swedish store. From these results we can derive that the Japanese store personnel are more involved in their customers' purchase and are also more proactive suggesting things to try on, providing shoes for the fitting and helping the customer with matching items. They also help the customers more in that they more often take care of the clothes after the fitting (the customers do not have to hang them back themselves) and get the customers another size if needed in the fitting room. Finally they create more of a welcoming atmosphere as they more often greet the customers when they enter the store and summons more staff members to help out if necessary. This bears out the observations of Turpin (1995) that part of the Japanese service expertise is the ability to make customers feel welcome all through their visit, and to ensure that all customers are as close to optimally treated as possible.

RQ13: *In our analysis of this research question we have both shown that the Japanese customer receives more services on average compared to the Swedes, and that each service except for one occurs more often in Japan compared to Sweden.* ***The proposition is true.***

14. The Japanese place higher demands on the knowledge and initiative of the store staff than the Swedes do

To research this question we look at the emotion index scores, in order to see if the emotion pattern differs between Sweden and Japan.

Table 4.41. a.

Mean analysis – mystery shopping					
Emotion index	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Pleasure	3.15	3.37	-0.22	0.159	No
Nervous arousal	2.79	2.43	0.36	0.048	Yes
Active arousal	2.96	3.45	-0.49	0.000	Yes
Dominance	3.31	3.81	-0.50	0.000	Yes
Important	2.91	2.80	0.11	0.544	No

As we can see in Table 4.41.a., the Japanese receive lower scores for both *active arousal* (*frenzied, active* and *awake*) and *dominance* (*strong, in control* and *safe*) than the Swedes. We believe this is a function of the Japanese service system where the initiative for social interaction lies not, as in a Swedish store, with the customer but with the staff. As observed during the mystery shopping, the Japanese customer is used to being guided through the store by the staff and places both higher demands on the knowledge and initiative of the store staff. This could explain why emotions such as *active* and *strong* receive lower scores for Japan compared to Sweden:

Table 4.41.b.

Pearson t-test - mystery shopping					
Emotion	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Active	2.87	3.59	-0.72	0.000	Yes
Strong	3.26	3.61	-0.35	0.041	Yes

From this it seems like the Japanese customer is more passive. This is confirmed by our interviews with Yamamoto (2007) and Otobe (2007) who claim that Japanese compared to Westerners, see the staff not only as store personnel but also as fashion coordinators. In the words of Otobe *"When I buy a suit, they also recommend shirts and ties that match the suit."* The Japanese customer relies on the store staff to be able to tell her what's hot right now and what the right look just for her is. Yamamoto says that sales clerks are usually more trained in Japan. They have knowledge to answer any questions customers may have. However, she also states that a weakness of the Japanese staff may be that they lack creative service because they are trained to follow the rules of the manuals (Yamamoto 2007). This is consistent with the overview of Turpin, though he places less emphasis on the drawbacks of staff training and manuals (Turpin 1995).
To conclude, the Japanese place more trust in the store personnel than the Swedes does, i.e. they are not as active and do not feel as strong in the buying situation as the Swedes do.

When looking at correlations with the social dimension for *active arousal* and *dominance*, we find that there is no difference between the Swedes and the Japanese correlation for *active arousal* (Japan correlation=0.377, Sweden correlation=0.467), but for dominance there is:

Table 4.42

Pearson correlation test – mystery shopping						
Dominance	**Japan corr.**	**Sig. (2-tailed)**	**Sig?**	**Sweden corr.**	**Sig. (2-tailed)**	**Sig?**
Social dimension	0.318	0.000	Yes	0.111	0.384	No

Thus, whether the Japanese customer feels dominant or not is related to the amount of social interaction in the store, whereas for the Swedish customer it is not. This implies that Swedish customers are more independent, whereas the Japanese require the attendance and assistance of the staff in order to feel in control. We have already discussed that the Swedish customer is neither as accustomed nor open to social interaction as the Japanese is. However, the Swedish mystery shopper Alessandra admits that *"if I have to choose between the personnel being too pushy versus totally ignoring my existence, I rather have them being too pushy"*. As always, there is however clearly a limit as our slightly chocked Swedish mystery shopper Sofie experienced in the store Reiss: *"A man in the staff decided that I should buy a red dress and urged me to try it on and then also got me a pair of super high heeled shoes for the fitting. Then he followed me around the entire store everywhere talking to me in French! He was crazy! He wanted me to buy the dress so desperately he offered me a discount, I had to run out of the store to escape from him!"*

In the general survey, we have already showed in Table 4.5 that the Japanese find it more important that the staff helps out with matching items, suggests things for you to try on, and asks you what you are looking for than the Swedes do. In other words, the Japanese expect the staff to be more knowledgeable and take more initiatives. This is confirmed by our Japanese mystery shopper Michiko: *"They should know what I am looking for after 5 minutes. They should not ask me questions but study my behaviour and what I am looking at and then come to the conclusion of what I am looking for and what kind of customer I am from that"*. Demands like Michiko's is the reason Japanese stores keep improving, in accordance with the theories of Porter (1990) and Turpin (1995), forcing staff to become both more attentive and more proactive.

RQ14: Concluding, the Japanese appear to be more passive customers compared to the Swedes, relying and placing

higher demands on the knowledge and initiative of the staff. ***The proposition is true.***

15. The minimum service level is higher in Japan than in Sweden

If indeed Japan provides a generally higher level of service compared to Sweden, the top/bottom 5 stores for Japan should provide a higher number of services than the top/bottom 5 stores in Sweden. The results are presented in the following table:

Table 4.43

Mean test – mystery shopping			
Average number of services received (max=9)			
Japan store	**μ**	**Sweden store**	**μ**
Top			
1. Buona Giornata	7.25	1. Diesel	6.00
2. Le Souk/Vigny	7.00	2. Reiss	5.25
3. Morgan	7.00	3. MQ	5.20
4. Fragile	7.00	4. Mathilde	4.25
5. Milpano	6.75	5. Dry Lake	3.50
Bottom			
5. Lulu	4.00	5. Coctail	1.00
4. Ralph Lauren	3.50	4. Karen Millen	1.00
3. Marni	3.25	3. Massimo Dutti	0.80
2. Natural Vintage	2.75	2. Filippa K	0.50
1. Uniqlo	2.25	1. Pari C	0.40

As we can see in the table, the top 5th store in Japan (Milpano) provides more services than the top 1st store in Sweden (Diesel) and the bottom 5th store in Japan (Lulu) provides more services than the top 5th store (!) in Sweden. Both on top level and bottom level, the Japanese stores beat the Swedish in terms of number of services received.

According to Yamamoto (2007), in both the case of salespeople and customers, the people with the lowest education and income level have a relatively decent amount in both. In Japanese society, it is relatively difficult to be different from others. And being a homogenous society, Yamamoto claims that it is difficult to be the only service provider not adopting a special kind of service provided by others. This accelerates the spread of good service, raising the bottom level of the service. (Yamamoto 2007).

As previously also shown in Table 4.39, the average number of services received is higher in Japan. Finally, the highest number of services received is also higher in Japan and the lowest number received in Sweden is lower than in Japan.

RQ15: *We can conclude that the minimum service level is higher in Japan than in Sweden.* ***The proposition is true.***

16. Japanese salespeople are more skilled at influencing the choices and buying behaviours of

consumers compared to Swedish salespeople

We have previously shown in the quantitative data that the Japanese salespeople appear to be more skilled at influencing the customer since *willingness to spend* correlates with 10 social variables for Japan and 0 for Sweden (although at an aggregated level it correlates for both countries).

Now we take a closer look at this by discussing some of the techniques used in the Japanese stores. Some of the manipulation tactics we observed the Japanese sales staff using correspond very well to Cialdini's *weapons of influence* (1993), used to engineer automatic responses. No corresponding techniques could be observed in Swedish stores, where staff was passive and mainly interacted with customers when they explicitly demanded it. The following techniques have been identified during the mystery shopping and observational sessions in Japan:

1. Reciprocation.
Compliments. In general, the Japanese staff bestows lots of compliments on the customer, especially in proportion to how much the customer tries on. This creates a growing sense of obligation, and a feeling of having to buy *something* to pay the nice person back.

Samples and small gifts. Often the customer is presented with a small gift, either before or after a purchase, to encourage customers to return (and subconsciously, make them feel obliged to return the favor).

Concessions. After the salesperson has made the customer consider a sale, her or she will usually offer some kind of extra rebate "just because it's you", or present a (fictitious) obstacle to the purchase that will be removed, all for the sake of the customer. By appearing to make a concession, the customer feels the need to make a concession in turn. Another version of this is to ask the customer about the intended usage occasion, suggest something expensive, and when the customer refuses, present something less expensive and saying something on the lines of "*But* [the expensive one] *would have looked beautiful on you. You must at least buy* [the less expensive item]". By creating the impression of that somehow both the customer and the salesperson have made a common sacrifice, and by implying that the customer has automatically committed to buying *something*, it creates a sense of obligation in the customer. "Because I didn't do A, I have to do B."

2. Commitment and consistency.
Constant companions and baskets. Commitment, and the need for consistency, is a commonly used technique in Japanese clothing stores. A basic variant is to make the customer try on as much clothes as possible, either by having a salesperson assist her and carry the clothes she selects or, in less upscale stores, by providing her with a basket to put the clothes in while browsing. The more time people spend trying things on, and the more clothes they try, the higher the chance of them feeling a commitment towards buying.

Fitting rooms. The staff in clothing stores also makes good use of one of the idiosyncrasies of the Japanese clothing stores: no shoes allowed in the changing room. Since people have to take off, and later put their shoes back on, a window of time is created when the customer is completely at the mercy of the seller. While the customer is removing or putting on her shoes and while trying clothes on, the sales clerk gathers other clothes from the store, recommending the customer to try them on. Removing the shoes makes it more likely that the customer will accept more things to try on, and thus increases the likelihood of buying.

Yes-questions. The sales staff also often makes the customer more suggestible by using a string of questions

with the given answer of "yes". It starts small and builds from there "Do you like it here?", "Would you like me to put this back?", "Do you think this looks good/bad on you?" – creating a pattern of yes-answers and imposed agreeableness. Once the customer starts responding with positive answers, the consistency-principle make them more likely to accept the suggestions of the staff, i.e. answer other questions with yes.

Tailor. While the customer is trying things on, the salespeople mix their compliments on how gorgeous the customer looks with asking her if she thinks it fits as well as she would like. If the customer responds "yes", she has partially committed towards buying it. If she responds with a "no", the salespeople say they will check whether the tailor they cooperate with can take care of it, thus making the customer involuntarily commit to more assistance from the store, and thus increasing the sense of obligation.

Filling out applications. Most Japanese stores have some kind of (often free) membership card or special club the customer can join, in order to receive special invitations to sales, information and a general price reduction. The act of filling out a form or an application is in itself a powerful act of commitment, because it creates a bond between the customer and the store. The consistency-principle makes it more likely that those who've filled out an application will return to the store.

3. Social Proof.

Popularity. The staff will try to explicitly make clear that the clothes are very popular – that it's the latest, trendiest thing to wear. The stock phrases of Japanese salespeople is filled with expressions like "very popular", "trendy", "a lot of people buys this" and "my friend has just one like it".

Staff dressed as customers. In clothing stores the clerks tend to dress in a fashion that resembles their customers' style and wear the clothes sold in the store. This fills the three-fold purpose of making the staff look more like the customers (similarity is a powerful social proof), makes claims that the clothes are popular and good to wear more believable, and displays the clothes effectively.

4. Liking.

Attractive staff. The staff is expected to devote nearly as much time to making themselves look attractive, as to making the store look attractive. According to Cialdini (1993), persuasion is much easier when a person is perceived as attractive.

5. Authority.

Fashion coordinators. The emphasis on attractive staff mentioned above also has a purpose beyond making the customers like the staff more. As previously indicated by Yamamoto (2007) the sales staff strives to achieve the status of fashion coordinators, and present themselves as such. Being dressed to the teeth is a way of giving credence to their claim of being experts at fashion.

6. Scarcity.

Only one in stock. The staff will in conversation often emphasize the rarity of the item they're trying to sell and the fact that the popularity of the item may lead to someone else buying the last one in the shop. Apart from appealing to the desire of Japanese youth to own rare or unique items, this argument also speeds up the decision process and may serve as a last resort in the case of hesitant customers.

Engineered scarcity. An interesting specialty of Japanese fashion stores is the practice of engineering scarcity, and creating extremely limited collections of clothes. This gives Japanese salespersons a powerful tool when persuading customers, as essentially *everything* is part of some limited edition.

Time Limits. Some popular brand clothing stores have created a system of having the customers form a line outside, and only allow a limited number of people in for a limited amount of time. The pressure created by the limit makes it more likely that the customers will buy something (the scarce element being time).

A very common technique of influencing customers that does not fall comfortably into any of the 6 categories above is *laddering*. The staff will show several of the less attractive or normal clothes in the store in rapid succession, and then demonstrate one or several of the more attractive clothes. The contrast in style, or in price, makes the customer more likely to buy the last items shown (presumably the most attractive, and the most expensive). This technique is based on the contrast principle, and can be used both to make clothes appear more attractive or less expensive.

Further light was shed on the influence of Japanese salespeople by interviews made with people at Daimaru, one of the most renowned department stores in Japan. The staff at that department store chain is continuously trained in different sales techniques and how to treat the customers in the best way. The case of Daimaru and our own observations show us that the Japanese sales staff is rigorously trained and sets an example other countries can follow.

"Anyone who enters our store is a customer and all of the customers should be treated equally. We are educated not to say 'we cannot do it'."(Shikuri, 2007)

Ono (2007) confirms that Daimaru have guidelines and strategies for how to approach and serve the customers. These include for instance how to wait for the customer to take her time, how to take care of her, approach timing, talking (what to say when) and recommendations of clothes. This is a never ending process; twice to three times a month Daimaru educates the staff. The training is a joint project between a sales consulting company and Daimaru's own sales check department. This department gets feedback on service given both directly from employees and from customer surveys. Together with the sales consultants, they then train the staff continuously (Ono 2007).

Shikuri gives two examples of techniques the staff is taught; "Dynamic Waiting" and "Echo Greeting". Dynamic Waiting is the act of not standing in the store statically as this will make the customer nervous, but move around and watch the customer while attending to simple tasks such as folding clothes etc. Echo Greeting is the act of greeting a customer as she enters the store. When the first one of the store personnel notices the customer, he/she calls out "irasshaimase" (May I help you? Welcome!). The rest of the staff is then expected to echo this greeting by also calling out "irasshaimase". Shikuri also mentions the many correspondence courses related to all of the components of the store (sales, planning, advertising, management, accounting etc.) that a Daimaru employee can participate in for a small fee (Shikuri 2007). For an overview of the Daimaru feedback and training system, see *Figure 8*. It demonstrates how institutionalized the process of feedback and improvement for organizations and staff alike is in Japan - improving isn't encouraged, it's mandatory.

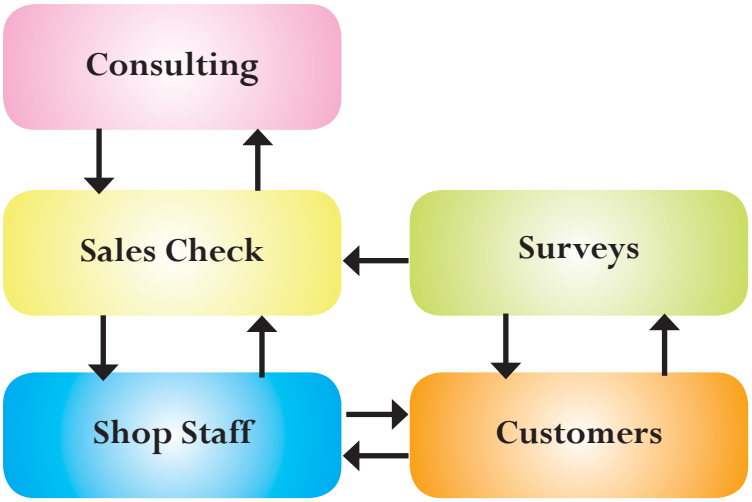


Figure 8

It would appear, based on the wide-spread use of influence techniques, and the obvious effort devoted by stores like Daimaru to train their salespeople to approach and talk to customers, that the Japanese are more skilled at influencing customers.
It is hard to give a sense of how skilled the manipulation of customers actually is, since the Japanese perform it with such ease and also devote an equal amount of time to convincing the customer what a great purchase they've made. One of the main points that distinguish the Japanese salespeople from their Western counterparts is their dedication towards not only making a sale, but making the customer feel good about the sale afterwards, by continuously reaffirming and rationalizing the purchase.

RQ16: *Many influence techniques were in use in the clothing stores of Tokyo, and the training program at Daimaru supports the notion of the Japanese as skilled influencers.* ***The proposition is true.***

---

17. Japanese stores are more skilled at maximizing potential opportunities for creating satisfaction, and making the best of scarce resources like time, space and attention, compared to Swedish stores

We have shown that the Japanese customer is at the receiving end of a higher number of services, starting upon entering the store and finishing upon leaving. We have also talked about the Japanese staff guiding the customer through the store, helping out at every stage in the purchase. We can also confirm this with the customer survey, where *spacious and easy to move around* correlates with *relationship with staff* (correlation=0.665 significant at the 1% level (2-tailed)). This would seem to indicate that having the staff act as guides to the store and helping the customer when needed, makes the store seem more spacious.

But to really give a picture of how a customer might experience the store and the service in a Japanese clothing store, below we present a selection of the interesting retail findings our observations in Japan have yielded. The second person perspective is used throughout this section, in order to give a sense of the customer experience, to give the material an inspirational feel and paint a more vivid picture of how Japanese stores emphasize details. We call this section "Welcome to a Japanese Clothing Store".

Welcome to a Japanese Clothing Store!

Some of the things happen every time you visit a store whereas others occur more seldom. Here you will find a list of all things we have noticed happen or can be found in a Japanese clothing store. Irrashaimase!

Staff Basics

- There is almost always one staff member available for each customer. He/she takes care of you from entering the store, guiding you through the fitting and then wrapping your things, thanking you for your visit with a bow when you leave the store.
- When in hurry, the staff will mobilize more members for you, reducing the time of your purchase, even without you requesting it.

Upon entering the store the staff…

… Welcomes you into the store with a greeting (when you enter the store or walk by it).
… Bows to you, showing their courtesy.
… Tries to establish a personal relationship by asking things such as how you are feeling, what you do for a living etc.
… Urges you to try items on and offers you their help.
… Proposes different items to match the ones you have selected; picks out clothing items just for you (that they think suit you and your style).

Store Display

- Not only the floor but also the walls are used to present clothes, shoes and bags sold in the store.
- Clothes, shoes and bags are displayed in various ways, creating a dynamic store: on mannequins, on hangers, on shelves and tables. Depending on what kind of customer you are (where you look, how you move around the store etc.), you will always find something. The clothes will find you.
- TV-screens on walls show videos and pictures from the brand's latest fashion show as well as editorial pictures from fashion magazines.
- Magazines with articles featuring the brand can be found next to the featured clothes, at the cashier and in connection with the fitting rooms. Customers can browse these magazines and recognize the popularity of the brand. Additionally, customers that have read about the clothes in the magazine will be reminded (cues). In total, it is a major in-store use of ads and branding material in order to give you a better idea of the store's desired image.
- In some low-end stores, the clothing item is on display on the wall, and underneath it, there are stacks with the particular item, so the consumers can look at the item without having to "disturb the stack" except for when looking for the right size.
- Mirrors are a frequent element in the stores. It is impossible not to spot yourself in the mirror at least once (according to Underhill (1999) this creates a positive feeling when seeing yourself, you slow down in the store and not only take time to look at yourself, but also at the clothes in the store).
- The Japanese are good at creating an illusion of a homey feeling (using object like hat stands, tea cups, sofas, bowls and paintings to create a more lived-in space), making the customer feel at ease.
- Sometimes different parts of the store are used for different price levels – the customer does not have to waste their time in the store on things they know they cannot afford, they can browse the "safe haven" without worries.
- Another variant is to use different colours and image in different parts of the store – each section matches the particular kind of clothes sold in that section (adventure & sports, casual, party, office, beach wear, underwear etc).

Fitting Room Basics

- You always take off your shoes in the fitting room (makes it cleaner and more convenient, especially if

it is raining outside and you do not want to step on a wet floor caused by a previous customer). Instead, there is a mat to stand on.
- Most of the time, you have to use a thin paper tissue to cover your face with so as not to connect the clothing item with your face, causing your make-up to rub off onto the item (lowers the risk of damaged goods as well as your make-up).
- When you are finished trying the items on, you always give them to the personnel telling them which you would like to buy and which you do not want. They will then put the ones you do not like back for you and bring the things you would like to buy to the cashier. All you have to do is to either go out of the store or proceed to the counter.

During the fitting, the staff…
… Says "sorry for waiting" if you have to queue for the fitting room.
… Keeps track of your turn. You do not have to wait in queue for the fitting room which allows you to browse freely around in the store while waiting for your turn (in which you might find something else you also would like to try on – turning negative time into positive time).
… Provides shoes of your choice so you can try the item together with appropriate shoes. Often you can choose both color and heel height.
… Helps you with size and style, getting you a different size or a matching item if wanted (and often matching items without you requesting it).
…Will find you another item based on your opinion of the first item ("OK, you do not like the length of that as it makes you look shorter, well how about this dress then?") if the item you tried on was not satisfactory. The staff in general is quite skilled at using "reflective" techniques to mirror the opinions and emotions of the customer
… Provides refreshments for tired and thirsty customers.

Clothes Basics
- A Japanese clothing store often does not only sell clothes, but a particular style and image including everything from underwear, clothes, bags and shoes to jewelry and other accessories.
- Sometimes the store only keeps one of each item in the store so as to invoke exclusivity (if an item is bought, it is replaced by a new one from the back-office). A variant of this is that the store keeps one of each size of each item in the store for fitting purpose only, and when the customer decides she wants to buy it, the staff fetches a new "un-tried-on" piece from the back of the store. This way, you know you will buy a completely new item, undamaged by other customers having tried it on.
- A common feature is "sets". The store sells sets of clothes and accessories at a discount price (you have to buy both), e.g. top and shirt, dress and top, top and necklace etc.
- The Japanese often mix items on sale with items not on sale, in order to expose bargain seekers to the new collection as well, and create more of a "treasure hunt"-like experience for shoppers.
- Some Japanese stores provide baskets or simply salespersons to assist the shoppers and carry their clothes, thus enabling them to take and try on more clothes from the shelves.

Regarding the clothes, the staff…
… Knows/Tells you what fabric and material the item is made of.
… Knows/Tells you who designed the item (giving the garment an identity).
… Knows/Tells you the origin of the item (same as above).
… Asks you for what occasion you are looking for clothes (office, party, casual) and what your friends or colleagues normally wear for such an occasion, and thus establishes a more personal tone when discussing style.
… Adjusts pants, jeans, jackets etc. that are too long/short free-of-charge or for a very small fee to make

them perfect for you. These adjustments are made within the hour or at the latest the next day.

At the cashier, the staff…
… Wraps the clothes very nicely in thin paper/silk paper and then put them in a elegant bag.
… Lets you choose which bag you want (size and color/style).
… Take you current bags (from previous purchases) and put them, together with your new purchase in a bigger bag (easier to carry).
… Put plastic around the bag if it is raining outside so as to prevent your newly purchased clothes from getting wet.
… Give you a suit bag for your suit, in case you need one, free of charge.

When exiting the store, the staff…
… Follows you to the exit and then bows while thanking you for your purchase
… Bows and thanks you for coming to the store even if you did not buy anything, leaving you with a positive feeling towards the store

This is the sum of the Japanese store, from entering to exiting. The many devices, cues and tricks used in the design of the store as a whole would seem to provide some interesting pointers for stores in the Western world.

Comments and brief analysis of the Japanese store
The above observations map neatly onto the framework established by Underhill (1999):

The physical and mental limitations of the customer are overcome
There is a large number of compensating and supporting mechanisms used in the Japanese store. Signs, mirrors, wall hangings and sections ordered by price/color/size help the customers find what they want. Helpful staff aids the customers in answering questions the shoppers barely knew they had, like who the designer is and the most efficient way of taking care of or washing the clothes. The staff also asks questions intended to help the customers make decisions on what to buy, and allowing the staff to help them efficiently. Baskets and shopping assistants make sure that shoppers may browse and pick clothes without becoming overburdened.

The shop corresponds to the needs and profile of its intended demographic
Much of the environment of a Japanese store is specifically engineered to send the correct signals – posters, music, the wall and floor decorations, videos, colors, staff and the accessories sold often hold cues aimed at reinforcing the values of a certain group. The prepared questions used by the Japanese salespeople often involve direct questions about a shopper's personal style, work, and intended use, in order to ensure maximum fit. The Japanese ambition appears to be a customization of the store and service, shaping them and adapting them to fit the individual customer.

The "positive" elements the customers find pleasant are increased, and the "negative elements" they find unpleasant are decreased.

The Japanese devote much effort to incorporating what Underhill calls the loved elements (touching, the process of discovery, mirrors, personal social interaction) while excluding hated elements (no need for dumb questions, staff standing in line for you, and clear product/price-information). As we have seen in some of the examples above, the staff works continuously to minimize negative time and maximize positive time for the customer in the store. The customer never has to wait long periods doing nothing

in the store – either when waiting in line for the fitting room or the cashier, the staff lets the customer browse the store until called upon when she becomes the first in the line ("thank you for waiting/sorry for waiting"). The Japanese have designed a service system where the customer is guided through every step of the purchase as efficiently as possible.

The "big Three" – design, operations and merchandise – are in an unusually precise and intentional arrangement in most Japanese stores. The overall composition allows the salespeople to focus on customers, even while taking care of the merchandise (see the note on Dynamic Waiting in Research question 16). Everything is geared towards allowing the staff to take an active hand in displaying the goods of the store, and making sure the customer leaves feeling appreciated and recognized.

For the Japanese it's all about details. And that means ALL details: image, vision, smell, clothes, music – everything fits together, creating harmony in the store. By going for a strong overall impression connecting all the senses to the experience, a powerful memory is created (Pine & Gilmore, 1998).

RQ17: *Based on the large variety of behaviors devoted to customer satisfaction and efficient utilization of time and space we observed, we find that our conjecture is plausible.* ***The proposition is accepted.***

18. More desirable emotions are created in the Japanese service encounter compared to the Swedish service encounter

Table 4.44

Mean analysis – mystery shopping					
Emotion index	**Japan μ**	**Sweden μ**	**Diff.**	**Sig. (2-tailed)**	**Sig?**
Pleasure	3.15	3.37	-0.22	0.159	No
Nervous arousal	2.79	2.43	0.36	0.048	Yes
Active arousal	2.96	3.45	-0.49	0.000	Yes
Dominance	3.31	3.81	-0.50	0.000	Yes
Important	2.91	2.80	0.11	0.544	No

We were initially puzzled by the fact that despite the high service, no difference in *pleasure* or *importance* was to be found. Rather, the Japanese mystery shoppers display a higher *nervous arousal*, lower *active arousal* and lower *dominance*. This seems strange in light of the fact that the rest of our study shows that the Japanese appear willing to interact with the salespeople in various ways and stay long in certain stores, i.e. approach behaviors.

We can speculate on the fact that as the Japanese are more socially oriented and context-dependent, the Merabian-Russell model is not in fact applicable. The passive Japanese need the proactive staff to take charge and help them, and need help with their decisions. The central assumption of M-R is that the environment itself will create a pleasurable and aroused state, in which shoppers take independent action.

The approach-avoidance measurement might not be applicable to the Japanese, whose behavior can only be characterized as dependent. There's an in-built assumption to arousal-pleasure, which doesn't take the

impact of non-Western culture on shoppers into account. Thus, the theories of Tai & Fung (1997) and Kenhove and Desrumaux (1997) regarding the interaction of environment and the consumer might not be applicable in Japan.

The data also indicates that Swedes, as opposed to the Japanese, may feel in control without feeling important, i.e. attention from staff is rare. The answer might lie in our qualitative interviews, as discussed in Research Questions 1 and 14.

RQ18: *Less desirable emotions appear to be created in the Japanese stores.* ***The proposition is false.***

4.3. Summary of Research Questions

Research Questions	True/False
1. The Japanese are pickier than the Swedes in evaluating a store experience	True*
2. The social dimension is more important for the Japanese than for the Swedes	True
3. The design dimension is more important for the Japanese than for the Swedes	False
4. The atmosphere dimension is more important for the Japanese than for the Swedes	False
5. The Japanese attach more value to social interaction in a buying situation and social interaction has a more profound effect on how they evaluate a store compared to the Swedes	True
6. The Japanese are more context-orientated and sophisticated in a buying situation (a larger number of factors affect their purchase; and the totality or the whole impression of the store matters for the Japanese). The Japanese are more sensitive to environmental cues than the Swedes.	True
7. The Swedes have a more instrumental view of clothes buying compared to the Japanese	True
8. The Japanese and the Swedes have different views on what constitutes basic factors, excitement factors and performance factors	True
9. The Japanese will view the social dimension as a hygiene factor whereas the Swedes will not	True
10. Japanese will give the social dimension a higher evaluation score than the Swedes	True
11. Japanese will give the design dimension a higher evaluation score than the Swedes	True
12. Japanese will give the atmosphere dimension a higher evaluation score than the Swedes	False
13. Japanese customers in clothing stores are on the receiving end of a larger number of service behaviors (social interaction) than Swedish customer	True
14. The Japanese place higher demands on the knowledge and initiative of the store staff than the Swedes do	True
15. The minimum service level is higher in Japan compared to Sweden	True
16. Japanese salespeople are more skilled at influencing the choices and buying behaviors of consumers compared to Swedish salespeople	True**
17. Japanese stores are more skilled at maximizing potential opportunities for creating satisfaction, and making the best of scarce resources like time, space and attention compared to Swedish stores	True**
19. More desirable emotions are created in Japanese service encounter compared to the Swedish service encounter	False

* Only concerning the social dimension. Results do not show that the Japanese are pickier concerning neither the design nor the atmosphere dimension.

** This analysis is purely qualitative and presents no statistical evidence in favour of the research question's proposition

5. DISCUSSION AND CONCLUSIONS

In this section we summarize the findings from the analysis, and present both theoretical and practical implications based on these.

5.1. Conclusions

A. How do Swedish and Japanese female clothing store customers differ from each other?
The average female Japanese clothing store customer has higher expectations upon the store (e.g. high-heeled shoes should be available in the fitting room) and is more demanding (e.g. relies more on the staff) compared to the average female Swedish clothing store customer.

In general, the Japanese are pickier than the Swedes concerning the social dimension. The social dimension is also more important for the Japanese. We also see this in that the Japanese attach more value to social interaction in a buying situation. Here we found that the store staff has a positive influence on the perceived general price level in the store for the Japanese, whereas for the Swedes the staff has a negative influence on the price level. In terms of the design dimension and the atmosphere dimension, there is no difference between Japanese and Swedish customers in either pickiness or perceived importance. Further differences between the Japanese and Swedes show us that the Japanese are more context-oriented (a larger number of factors affect their purchase) whereas the Swedes have a more instrumental view of clothes shopping (little extra value added apart from clothes and price).

Japanese and Swedish consumers also differ on the subject of basic, excitement and performance factors. For the Japanese, all dimensions (social, design and atmosphere) fall into the category of basic factors. For the Swedes, the atmosphere dimension falls into the category of performance factor whereas the social and the design dimensions go as basic factors. Further examining this area we find that the Japanese, in accordance with the Japanese being pickier, regard all dimensions (social, design and atmosphere) as hygiene factors (i.e. if they are not satisfactory the customer will become dissatisfied) whereas the Swedes only view the design dimension and the atmosphere dimension as hygiene factors. Also on variable level we find this pattern in that a majority of the social variables are viewed as hygiene factors by the Japanese whereas only a minority of the social variables are viewed as hygiene factors by the Swedes. Instead, some of the social variables such as *that the staff provides shoes for the fitting, that the staff helps you with matching items* and *that you feel that you have a relationship with staff* are viewed as true motivators by the Swedes, which implies that these practises can me copied from a Japanese store with positive results on satisfaction, loyalty and profits (See advice given in The List in 5.2).

B. What are the important characteristics of a Japanese clothing store and how does it differ from a Swedish clothing store?
As we can see from the analysis, the Japanese give the Japanese service higher scores in both the social dimension and the design dimension compared to the Swedes, i.e. the Japanese stores are better at meeting its customers' needs in these areas compared to the Swedish stores. There is no difference in the atmosphere dimension.

The Japanese consumers are also on the receiving end of a higher number of services. From the analysis we find that on average, the Japanese consumers receive on average 5.29 number of services whereas the Swedish receives on average 2.48 number of services (service is here seen as social interaction as defined in our key words section) and the minimum service level is higher in Japan than in Sweden. We have also shown that the Japanese create more of a total experience compared to the Swedes, welcoming the

customer into the store, guiding her through all the steps in the shopping experience and then thanking her for her visit. This also goes hand in hand with the fact that the Japanese place higher demands on the initiative and knowledge of the store personnel, viewing them as nothing short of fashion coordinators. As they are viewed as fashion coordinators, the Japanese put more faith in the store personnel, becoming more passive and relying on the store personnel to guide them whereas the Swedes are more dominant and active. The Japanese also find that having a relationship with staff is more important than the Swedes do. Altogether, the Japanese store personnel are better at influencing the choices and buying behaviours of the customers compared to the Swedes.

Further talking about creating a whole shopping experience, as Japanese give attention to every single detail in their service approach, we have also shown that they are better than the Swedes at maximizing positive time and eliminating negative time in the store. For example, instead of having to wait in line for the fitting rooms, the Japanese staff takes care of the items you want to try on and keeps track of your line in the queue so you can browse the rest of the store's items freely while waiting.

Concluding, when comparing Japanese consumers with Swedish consumers, Japanese stores with Swedish stores, we find that the Japanese stores and consumers are more in sync than the Swedish stores and Swedish consumers are. That is, the Japanese stores are better at meeting and exceeding their customers' needs. The Japanese have created a positive spiral where the high demanding consumers have fostered a high level of service, which then places higher expectations on the stores leading to more demands, fostering a higher level of service and so on. Not only clothing stores entering Japan but also clothing stores in Sweden can learn from the creative and service minded Japanese. The List (section 5.2) is a compilation of advice and recommendations given by the authors for how to be accepted by the picky Japanese, and how to boost satisfaction, loyalty and profits for a store in Sweden which we strongly recommend any clothing store owner to read.

5.2. Practical Implications

Here we explore what clothing stores in general can learn from Japanese retail management. We present the list with recommendations, based on our empirical data and our analysis, for stores wanting to enter Japan as well as stores operating in Sweden.

In total, a lot of different things occur in a Japanese clothing store and the best thing is that a lot of these things can be copied and implemented in Swedish clothing stores. Especially the general Japanese consensus thought: "Okyakusama wa kamisama desu". Swedish store personnel could treat the customer with respect, as a personal guest, with positive results on customer satisfaction as an effect. For Swedish clothing stores seeking to enter Japan, the whole package with many of the services and actions mentioned in "Welcome to a Japanese Clothing Store" (Section 4, Research question 17) should be implemented in order to please the picky Japanese. Remember, the Japanese consumers do not forgive so easily, they are exit consumers rather than voice consumers. They expect foreign stores to abide by their demands and Japanese standards, not the other way around. However, also a Swedish store operating in Sweden can learn from the Japanese.

The List

Following you will find "The List" with our recommendations. First of all, the essential basics for survival for Swedish stores seeking to enter Japan. And second of all, modified versions of the actions we authors believe, based on the Swedish mystery shopping, can boost sales, customer satisfaction and loyalty for clothing stores operating in Sweden. Implications for stores entering Japan are marked with the letter "**J**" and implications for stores in Sweden are marked with the letter "**S**".

Staff Basics

(J) - The customer/staff ratio is higher in Japan than in Sweden. Try to have one staff member available for each customer who can take care of the customer throughout the whole shopping experience.

(S) - For the Swedish customers, the social interaction is not as required as for the Japanese so the customer/staff ratio does not need to be as high as in Japan. However, the store should make sure that there is always at least one staff member available at the fitting room that helps the customers with sizes and matching items.

(J) (S) - The staff should treat the customer as a personal guest rather than a stranger with money, and make them feel at home and welcomed. Creating a positive atmosphere can work wonders!

Upon entering the store the staff should…

(J) (S) … Welcome the customer into the store with a greeting

(J) … Urge the customer to try items on and offer their help. Remember, in Japan the staff is also seen as a fashion coordinator and is expected to be proactive rather than responsive (as compared to Sweden).

(S) … Encourage the customer to try items on and offer her their help (but without being too pushy of course) – giving the customer that extra nudge she needs.

(J) (S)… Propose different items to match the ones the customer have selected. The Swedish customer does not trust the staff as much as the Japanese customer does, but even so, proposing items, even only for the purpose of the fitting ("this will show you what the jacket looks like together with a proper shirt") can boost sales.

Store Display

(J) (S) - Since space is limited (especially in Japan), not only the floor but also the walls should be used to present clothes, shoes and bags sold in the store.

(J) - If available, magazines with articles featuring the brand should be placed in the store. For the Japanese, brand image is extremely important and everybody wants what everybody else wants (a very homogeneous society) and if your brand is features in a magazine, you should use this to create an image of popularity of your brand.

(S) - Mirrors could be used to a greater extent as this makes the customer slow down and take a look at herself as well as the clothes presented in the store.

(J) (S) - The store should present a consistent image (all details are relevant): image, vision, smell, clothes, music – everything should fit together.

Fitting Room Basics

(J) (S) - Cover the floors in the fitting room with a mat so the customer can take off her shoes. For the Japanese the mat is very important (all four Japanese mystery shoppers where very angry with Zara for not having a mat in the fitting room). The idea of a mat can also be copied in a Swedish store since fitting of items where shoes have to be taken off anyway will be more pleasant as the socks will not get wet or dirty.

(J) - Provide the customer with a thin paper tissue to cover her face in order to protect both garment and make-up.

(J) - After the customer is done with the fitting, the staff should always take care of the clothes. If the customer wants to buy something, the staff should take the clothes to the cashier for her. If she does not want to buy anything, the staff should hang the clothes back for her and thank her for visiting the store.

(S) - If the customer does not have to hang clothes that she does not wish to buy back after fitting, it would reduce negative time in which she can browse items instead. This could easily be arranged by having a rack in connection to the fitting rooms for this purpose.

During the fitting, the staff should…

(J)… Say "sorry for waiting" if a customer has to queue for the fitting room

(J) (S) … Keep track of the customer's turn if possible so she does not have to queue herself.

Japan: A general rule is to have many fitting rooms so no waiting is needed. In the case of the store being small and the customer has to wait, the staff should keep track of her turn so she can browse other items while waiting. Also, while waiting, the staff should take care of the items the customer wants to try on so she does not have to carry these around the store herself.

Sweden: This of course requires, as previously recommended, that at least one member of the staff helps out at the fitting rooms at all times. In the time the customer can browse the store while waiting for her turn, she might find something more she wants to try on.

(J) (S) …Provide high heeled shoes for the customer.

Japan: Provide shoes of the customer's choice (size, color etc.) so she can try the item on together with appropriate shoes. Often, a pair of high heeled shoes can be left in the fitting room to save time so the customer does not have to ask for it unless the size or heel height is wrong.

Sweden: The staff does not have to ask each customer what size or heel height she prefers; instead a pair could be left in each fitting room along with a sign on the wall stating that a different size/heel height can be fetched upon request.

(J) … Always come and ask the customer how the fitting goes and help the customer getting her a different size, style or a matching item if wanted.

(S) … Help the customer with size and style, getting her a different size or a matching item if wanted (further reducing negative time, especially if leaving the fitting room to get a different size means she has to give the room to another customer and stand in line once again).

Regarding the clothes, the staff should…

(J) … Know the material the item is made of and how to handle it

(J) (S) … Ask the customer for what occasion she is looking for clothes (office, party, casual) and what her friends or colleagues normally wear for such an occasion increasing the chances of the staff recommending something that the customer likes.

(J) … Adjust pants, jeans, jackets etc. that are too long/short free-of-charge or for a very small fee. These adjustments should be made within the hour or at the latest the next day.

(S) … Establish a collaboration with a local tailor to be able to adjusts pants, jeans, jackets etc. that are too long/short for a small fee to make them perfect for each customer. As Swedish customers are not as accustomed to this as the Japanese, a sign could be put on the wall in the fitting rooms, informing the customer of this possibility.

At the cashier, the staff should…

(J) …Wrap the clothes very nicely in thin paper/silk paper and then put them in a nice bag.

(J) (S) …Take the customer's current bags and new purchase and put them in a bigger bag since this both makes it easier for customer to carry and is a great area of exposure for your brand/store – the customer becomes an advertising element.

(J) (S) … Put plastic around the bag if it is raining outside so as to prevent the customer's newly purchased clothes from getting wet.

When exiting the store, the staff should…

(J) … Follow the customer to the exit and bow while thanking the customer for her purchase, or at least bow and thank her at the cashier.

(S) …Thank the customer properly for her purchase and visit.

We would also like to add some final words of warning, conveyed by two of our interview subjects, as more Swedish and other international companies prepare to explore the Japanese market.

"The biggest problem facing foreign companies entering Japan is the so called globalization versus localization. Western retailers tend to be global retailers that like to standardize their operations throughout the world. It is an efficient operation but service and quality is standardized and not locally adapted. Retailers come to Japan as the first country outside the Western world and try to launch a store in the same fashion as in the West. A Western styled store, however, is very difficult to market in Japan - they need to localize their product and service system."(Ikeo 2007)

"Given that most stores provide decent service and product, a foreign clothing company wanting to succeed in Japan should provide expected service including total coordination service (what items to wear together, when and how). In order to stand out and make an impression, they should give creative advice and service (if requested by the customer), giving them a competitive advantage compared to the Japanese stores". (Yamamoto 2007)

5.3. Theoretical implications

In this section we present what we believe form the three main theoretical contributions of this thesis. The first might be called the Wheel of Excellence, or the demand/development circle, a further development of the theories of Porter (1990) and Turpin (1995). The second is a critique of the M-R model as presented by regarding its deficiency in explaining the link between instore environment and behavior in non-Western cultures. The third is the new concept we wish to establish in order to characterize the sum of the service provided by Japanese stores: *kami-sama-service*.

First contribution – the Wheel of Excellence

Turpin (1995) proposed that a *kaizen* process starting with "good training" through four links ultimately lead to "satisfied customers", that the values and behaviors imparted to staff is what ultimately makes a difference. Porter (1990) proposed that demanding consumers and scarce resources have a positive effect in ensuring the continous development of better products and services by fueling innovation. Our thesis indicates that Japanese consumer are in fact highly demanding, and that Japanese stores make efficient use of scarce resources in order to satisfy their customers. It further implies that the act of satisfying customers may contribute to make them more demanding (seen in how, for instance, the high personal service in Japan has become something of a hygiene factor). It is our firm opinion that the creation of satisfied customers leads to more demanding customers, in turn creating a need for better training of salespeople. The concept can be illustrated like this:

Figure 9.

This can be visualized in a "***Wheel of Service Excellence***" (seen above), as adapted from Turpin's description of the kaizen-process. We do not believe this to necessarily be a bleak vision of increasingly demanding customers, constantly eroding the margin of profit. Rather, a study of Japan indicates that while customer grow more demanding they still show a surprising understanding of what kind of demands are reasonable (Turpin 1995). The difference is mainly one of increased desire for innovation, and a lower tolerance for failure – essentially healthy benchmarks for a company that wishes to remain competitive. There is also the effect of an enhanced ability to compete internationally as proposed by Porter (1990), which makes it plausible that spoiling one's customers at home and dealing with their soaring expectations might prepare a company for the demands of international markets (as evidenced historically by Japan).

Finally, our study of Japan leads us to believe that training programs for salespeople combined with a high regard for the customer (okyakusama), result in the increasing ability of staff to consistently close more sales while making customers feel the exchange was worthwhile. It is our firm belief that the Wheel of Excellence might make an interesting starting point for service providers wishing to improve their ability, and ultimately, their profitability.

Second Contribution – Emotions in Japan

Our analysis of emotions in the store environment did not turn out as expected, with Japanese customers displaying more negative emotions in visiting stores, in terms of nervousness, dominance and arousal.

We traced the problem to a cultural issue – the Western tendency to act independently versus the Japanese tendency to seek a sense of belonging and mutual dependence – which might mean that measures of importance and dominance might not be conventionallly linked to environmental cues or behavior in Japan.

Though we cannot tell with an absolute degree of certainty, it seems probable that the M-R model (Kenhove and Desrumaux, 1997) might have to go through some modification in order to be of use in Japan, and that the link between in-store emotions and approach/avoidance-behavior may be different in non-Western collectivistic cultures. We believe that this might form an interesting topic for future research.

Third Contribution - Kamisama-service

Kami is the Japanese words for god, or spiritual being, while the suffix *-sama* denotes respect, indicating a benevolent god worthy of worship. In Japan, the salespeople are encouraged to view their customers like these gods – to view them as beings to be respected, aided, and worshipped, but who aren't necessarily wiser and need guidance to make decisions.

We wish to introduce the concept of ***kamisama-service***, a specific type of customer-oriented lean service centred around the concept of actively approaching customers, treating them as valued guest, providing speedy service and with the ultimate intention of making customers feel as good as possible about the whole service buying process – when entering the store, during the purchase, and afterwards.

This service concept, a distillation of Japanese service at its best, is intended to counteract retail approaches that are too ***merchandise-focused*** (where the seller spends the majority of their time stocking shelves and adjusting merchandise, viewing customers as a distraction from their "work") or too ***sales-focused*** (where the seller plays a game merely aimed at making the customer pay, not taking into account the totality of the customer's experience).

The rule of kamisama-service is the salesperson's obligation to act as a guide to the store – not because the customer can't manage herself, but because it is an opportunity to actually educate and make the customer more discerning, teaching her what to notice and look for. *Kamisama-service* means viewing shopping as an opportunity for mutual growth, creating motivated employees and loyal customers.

As a final note, we have found the use of the three store dimensions (social, design and atmosphere/ ambient) an effective approach to looking at the interaction of environment, store evaluation and behavior, and believe further studies might be made into their usefulness as way of determining how store environments can be improved.

5.4. Concluding comments

The purpose of this thesis have been to explore the differences between female Japanese and Swedish clothing store consumers, differences between the characteristics of a Japanese and Swedish clothing store and what lessons can be learned from Japanese service management. We have explored this by using mystery shopping, observations, surveys and interviews. Our results show that Japanese customers are more demanding and have higher expectations upon the store and its staff compared to Swedish customers and that a Japanese store is better at meeting its customers' needs and creating a full shopping experience compared to a Swedish store.

5.5 Critique of the study

First off, even though more than one method of study was used in this thesis, each study was relatively small. In Japan, only four mystery shoppers were used, and in Sweden only six. Further, the mystery shoppers only covered the age group of 16-25. However, given the scope and purpose of this thesis, we find the method adequate since it is complemented with two extra studies (general survey and customer survey where we also sought out complementary age groups) to enhance the validity.

Additionally, only 33 stores in Japan and 15 stores in Sweden were subject to mystery shopping. Even though both lowscale, midrange and upscale stores were visited in order to base our findings on a

diversified group of stores, the sample would preferably have been higher and is also a recommendation for future studies.
As only clothing stores have been researched, our findings may not be applicable in other store industries such as electronics, furniture, office supplies etc. For this, a greater research is needed. Although we strongly believe that the general Japanese approach of "okyakusama wa kamisama desu" is applicable in every service encounter no matter what industry, its implications differ depending on industry.

From a theoretical point-of-view, the cultural aspect poses a problem. No matter what area of research, culture as a component, as in this cross-cultural study, is always tricky. This is due to that culture is a phenomenon that is difficult to study, as exemplified by our troubles regarding instore emotions linked to behavior. Previous cultural studies have been made comparing Japan with the US and other Western countries, and have identified some general differences,and indicated that the US and Scandinavia are comparatively homogenous when contrasted with Japan. This is why Swedish and Western culture are used interchangeably throughout the thesis, though we are aware that this approach is far from unproblematic.

5.6. Future Studies

This thesis has only opened the door to the world of Japanese consumers and Japanese service management and there is much yet to be researched. Our thesis is but the beginning of a truly interesting area of study.
In order to overcome some of the weaknesses of this study, as discussed in the previous section, a more thorough mystery shopping with more mystery shoppers, more observations over a longer period of time, more stores, and a greater variety of age groups and type of clothing stores could be conducted. The area of research can also expand including not only clothing stores but any kind of store as well as restaurants, hotels etc. in order to get a thorough understanding of the differences between Japanese and Western service practices. Lessons learnt from these kinds of studies would also offer implications that can be more applicable for service management in general rather than only concern clothing stores. Another type of further research would look into the results of Japanese service adopted by clothing stores outside Japan. The research topic would be whether the steps to take and lessons to learn presented in this thesis truly generate higher levels of satisfaction, loyalty and profits (as we believe they do). That is, a study that compares days when "okyakusama wa kamisama desu" is implemented with days when it is not.

In any case, we hope more researches will discover and dig deeper into the treasure chest that is Japanese service management. And remember - Okyakusama wa kamisama desu.

6. REFERENCES

6.1. BOOKS

Cialdini, Robert B. (1993), *"Influence – Science and Practice"*, 3rd edition, HarperCollins College Publishers, New York

Fields, George; Katahira, Hotaka; Wind, Jerry & Gunther, Robert E. (2000), *"Leveraging Japan - Marketing to the New Asia"*, 1st edition, Jossey-Bass Inc. Publishers, California

Johansson, Johny K. & Nonaka, Ikujiro (1996), *"Relentless - The Japanese Way of Marketing"*, 1st edition, HarperCollins Publishers, New York

Malhotra, Naresh K. & Birks, David F. (2006), *"Marketing Research - An Applied Approach"*, Updated 2nd European Edition, Pearson Education, Harlow

Moon, Hwy-Chang (1999), *"Restructuring Japanese Business for Growth"*, 1st edition, Kluwer Academic Publishers, Norwell

Skov, Lise & ,Moeran Brian (1995), *"Women, Media and Consumption in Japan"*, 1st edition, Curzon Press, Richmond

Söderlund, Magnus (2005), *"Mätningar och mått – i marknadsundersökarens värld"*, 1st edition, Liber, Malmö

Söderlund, Magnus (2001), *"Den lojala kunden"*, 1st edition, Liber, Malmö

Underhill, Paco (1999), *"Why We Buy - The Science of Shopping"*, 1st edition, Simon & Schuster, New York

6.2. ARTICLES

Björklund, Axel (2007), "Förälskad i Stockholm", Dagens Nyheter, 5:e maj

Bäckström, Kristina (2006), "Understanding Recreational Shopping: A New Approach", *International Review of Retail, Distribution and Consumer Research*, Vol. 16, No. 2, May, pp. 143-158

Davies, Gary & Itoh, Hajime (2001), "Legislation and retail structure: the Japanese example", *International Review of Retail, Distribution and Consumer Research*, Vol. 11, No. 1, January, pp. 83-95

Gilboa, Shaked & Rafaeli, Anat (2003), "Store environment, emotions, and approach behaviour: applying environmental aestethics to retailing", *International Review of Retail, Distribution and Consumer Research*, Vol. 13, No. 2, April, pp. 195-211

Griffith, David A., Myers, Matthew B. & Harvey, Michael G. (2006), "An Investigation of National Culture's Influence on Relationship and Knowledge Resources in Interorganizational Relationships Between Japan and the United States", *Journal of International Marketing*, Vol. 14, No. 3, 2006, pp. 1–32

Herzberg, Frederick (1968), "One More Time: How Do You Motivate Employees?", *Harvard Business Review*, Vol. 46, No. 1, pp. 53-62

Kanungo, Rama Prasad (2006), "Cross Culture and Business Practices: Are they Coterminous or Cross-verging?", *Cross Culture Management: An International Journal*, Vol. 13, No. 1, pp. 23-31

Kawabata, Hiroko & Rabolt, Nancy J. (1999), "Comparison of clothing purchase behaviour between US and Japanese female university students", *Journal of Consumer Studies & Home Economics*, Vol. 23, No. 4, December, pp. 213-223

Keng, Kau Ah, Uncles, Mark, Ehrenberg, Andrew & Barnard, Neil (1998), "Competitive brand-choice and store-choice among Japanese consumers", *Journal of Product & Brand Management*, Vol. 7, No 6, pp. 481-494

Kenhove, Patrick Van & Desrumaux, Patrick (1997), "The relationship between emotional states

and approach or avoidance responses in a retail environment", *International Review of Retail, Distribution and Consumer Research*, Vol. 7, No. 4, October, pp. 351
Lee, Sanghyun & Dubinsky, Alan J. (2003), "Influence of salesperson characteristics and customer emotion on retail dyadic relationships", *International Review of Retail, Distribution and Consumer Research*, Vol. 13, No. 1, January, pp. 21-36

Matzler, Kurt & Sauerwein, Elmar (2002), "The factor structure of customer satisfaction; An empirical test of the importance grid and the penalty-reward-contrast analysis", *International Journal of Service Industry Management*, Vol. 13, No. 4, pp. 314-332

McKinney, Leticia N., Legette-Traylor, Dana, Kincade, Doris H. & Holloman, Lillian O. (2004), "Selected Social Factors and the Clothing Buying Behaviour Patterns of Black College Consumers", *International Review of Retail, Distribution and Consumer Research*, Vol. 14, No. 4, October, pp. 389-406

Mead, Rebecca (2002), "Shopping Rebellion - What the kids want", *The NewYorker*, Issue of March 18th

Money, Bruce R. & Graham, John L. (1999), "Salesperson Performance, Pay, and Job Satisfaction: Tests of a Model Using Data Collected in The United States and Japan", *Journal of International Business Studies,* Vol. 30. No 1. pp. 149-172

Moon, Hwy-Chang & Lee, Donghun (2004), "The Competitiveness of Multinational Firms, A Case Study of Samsung Electronics and Sony", *Journal of International and Area Studies*, Vol. 11, No. 1, pp. 1-21

Moye, Letecia N. & Kincade, Doris H. (2002), "Influence of usage situations and consumer shopping orientations on the importance of the retail store environment", *International Review of Retail, Distribution and Consumer Research*, Vol. 12, No. 1, January, pp. 59-79

Pine II, Joseph B. & Gilmore, James H. (1998), "Welcome to the Experience Economy", *Harvard Business Review,* July-August, pp. 97-105
Porter, Michael E. (1990), "The Competitive Advantage of Nations", *Harvard Business Review*, March-April Issue, pp. 73-93

Reich, Robert B. (1990), "Who is Us?", *Harvard Business Review*, Vol. 68, pp. 53-64

Reichheld, Fredrick F. (2003), "The One Number You Need to Grow", *Harvard Business Review,* December Issue, pp. 46-54

Reisinger, Yvette & Waryszak, Robert Z. (1994), "Tourists' Perceptions of Service in Shops – Japanese Tourists in Australia", International Journal of Retail & Distribution Management, Vol. 22, No. 5, pp. 20-28

Synodinos, Nicolaos E. (2001), "Understanding Japanese consumers: Some important underlying factors", *Japanese Psychological Research, Special Issue: Consumer Behavior*, Vol. 43, No. 4, pp. 235-248

Tai, Susan H.C. & Fung, Agnes M.C. (1997), "Application of an environmental psychology model to in-store buying behaviour", *International Review of Retail, Distribution and Consumer Research*, Vol. 7, No. 4, October, pp. 311-337

Turpin, Dominique V. (1995), "Japanese Approaches to Customer Satisfaction: Some Best Practices", *Long Range Planning*, Vol. 28, pp. 84 – 90

Vandenberg, Robert J. & Lance, Charles E. (2000), "A Review and Synthesis of the Measurement Invariance Literature: Suggestions, Practices, and Recommendations for Organizational Research", *Organizational Research Methods*, Vol. 3, No. 1, January, pp. 4-70

Veloutsou, Cleopatra, Gilbert, Ronald G., Moutinho,

Luiz A. & Goode, Mark M.H. (2005), "Measuring transaction-specific satisfaction in services – Are the measures transferable across cultures?", *European Journal of Marketing*, Vol. 39, No. 5/6, pp. 606-628

Winsted, Kathryn Frazer (1997), "The Service Experience In Two Cultures: A Behavioural Perspective", *Journal of Retailing*, Vol. 73, No. 3, pp. 337-360

6.3. INTERVIEWS & LECTURES

Ikeo, Kyoichi; Professor at Keio Business School (Japan), 2007-01-31 and 2007-03-12

Moon, Hwy-Chang, Visiting Professor, Keio Business School lecture (Japan), 2007-02-27

Ono, Keiichi; Daimaru employee (Japan), 2007-02-28
Otobe, Daisuke; Marketing Director at Procter & Gamble (Japan), 2007-02-13

Rundin, Thomas; Marketing Manager at Dell Sweden, Stockholm School of Economics lecture (Sweden), 2005-05-17

Shikuri, Yasuaki; Daimaru employee (Japan), 2007-02-28

Söderlund, Magnus; Center Director at Center for Consumer Marketing and Associate Professor at Department of Marketing and Strategy at Stockholm School of Economics (Sweden), 2007-01-02

Yamamoto, Hikaru; Assistant Professor at Seikei University (Japan), 2007-02-28

Öhman, Niclas; PhD Student and SPSS guru at Department of Marketing and Strategy, Stockholm School of Economics (Sweden), 2007-04 – 2007-06

6.4. Internet

Newcastle University's homepage (2007-05-12) http://www.ncl.ac.uk/iss/statistics/docs/factoranalysis.html

VassarStat's homepage, Fisher r-to-z transformation test: http://faculty.vassar.edu/lowry/rpop.html (2007-05-12)

Swedish Trade Council's homepage: http://www.swedishtrade.se/svenskexport/nr3_2006/upplevelse.aspx (2007-08-19)

WESC's homepage: http://www.wesc.com (2007-08-19)

7. APPENDICES

APPENDIX I – Stores and myster shoppers

This appendix gives you an overview of the stores visited and our mystery shoppers.

Stores visited in Tokyo

Ralph Lauren
Natural Vintage
Fragile
Max & Co
Lotus Bootie Butti
L'est Rose Paris
Foxey
Buona Giornata
Zara
Milpano
Indio
Vanilla
Litira
Moussy
United Arrows
Mango
Labala
Jayro White
Uniqlo
Lulu
Carlife
V.I.S.
Sisley
Paul Stuart
Babylone
ANAP
Ingni
FCUK
Morgan
Clear Impression
Marni
GAP
Le Souk / Vigny

Stores visited in Stockholm

MQ
Pari C
Massimo Dutti
Diesel
Replay
Coctail
Reiss
H&M
Louise Edman
Monroe
Dry Lake
Mathilde
Karen Millen
Filippa K
Zara

Mystery shoppers

Sweden

Alessandra Johansson Cavalera, 23
Rebecca Gulam, 22
Malin Roos, 16 (substitute*)
Kristina Sawaguchi, 24
Sofie Tedenstad, 22
Tilda Wikström, 16 (substitute*)

Japan

Michiko Fukasawa, 24
Nozomi Hoshikawa, 23
Kanae Osugi, 25
Noriko Shimotomai, 24

* Used during two hours when Kristina was unavailable

APPENDIX II – Quantitative Surveys

Here you will find all three quantitative studies performed: the mystery shopping evaluation form, the general survey and the customer survey.

1. Mystery shopping evaluation form

PRIOR TO VISIT

Mystery shopper:_____ Store:_____ District:_____

AFTER VISIT

Evaluate the following factors on a scale from 1-10 where 1 is the lowest score and 10 the highest. If a question asks you about something that did not occur (for example, if the staff didn't greet you when entered the store), you must do 2 things: (1) rate the absence of the factor (presumably low), and (2) tick the box below the question to tell us that it didn't occur.

STORE PERSONNELL

How you were greeted or welcomed when you entered the store

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

☐ **(Tick this box if this did not occur at all)**

How the staff asked you what you were looking for

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

☐ **(Tick this box if this did not occur at all)**

How helpful the staff was

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How knowledgeable the staff was about the store's products

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The staff's attitude towards you and your purchase

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The staff's attention and involvement in you and your purchase

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How the staff suggested clothes and accessories for you to try on

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

☐ **(Tick this box if this did not occur at all)**

How attractive the staff was

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How the entire staff (at least more than one staff member) helped out with your purchase

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

☐ **(Tick this box if this did not occur at all)**

How the staff wore clothes available in the store

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the staff provided you with shoes for the fitting
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the staff helped you with getting another size if needed in the fitting room
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the staff helped you with matching items ("Try together with this)
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the staff took care of the clothes afterwards (you did not have to hang them back yourself)
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

Your relationship with the staff
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your overall impression of the staff
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

BUYING (fill out only if you bought something)
How the staff offered to adjust the clothes if necessary (e.g. pants to long, sleeve too short)
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)** ☐ **(Tick this box if it was not necessary)**

How the cashiers wrapped the clothes
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

What do you think of the bag the cashier gave you?
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How the cashiers let you choose which bag you wanted (size/color)
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the cashiers asked for a point card (do you have/do you want?)
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the cashiers/staff thanked you for your purchase
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

How the cashiers/staff followed you to the exit
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**
☐ **(Tick this box if this did not occur at all)**

STORE DESIGN

How attractive the store seemed from the outside
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How spacious and easy to move around in the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How attractive the fitting rooms were
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How sufficient the number of fitting rooms seemed
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How attractive the inside of the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How well decorated the inside of the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How clothes were presented in the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your overall impression of the stores' layout
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

STORE AMBIENCE

How crowded the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The background music played in the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The level of noise and talk in the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The lighting and the brightness of the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The colors and decorations inside the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The cleanliness and tidiness of the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The smell of the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The temperature of the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The air quality of the store

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How the store matches your style

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your overall impression of the atmosphere in the store (music, light, air, smell, people, etc.)

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Merchandise & Prices

How well-stocked the store was in terms of sizes and different clothes

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

The general price level in the store

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your impression of the clothes sold by the store

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

STORE IMPRESSION

How satisfied are you with the store?

Very unsatisfied 1 2 3 4 5 6 7 8 9 10 **Very Satisfied**

Did the store match your expectations?

Not at all 1 2 3 4 5 6 7 8 9 10 **Very much**

Imagine a perfect store. How well does this store match your idea of a perfect store?

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How much are you willing to spend in this store? ☐**/SEK**_____

What is the probability of you coming back?

Very Low 1 2 3 4 5 6 7 8 9 10 **Very High**

What is the probability that you would recommend the store to a friend?

Very Low 1 2 3 4 5 6 7 8 9 10 **Very High**

How would you rate your relationship with this store?

Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How much did you spend? ☐/SEK_____ ☐ (Tick this box if you did not buy anything)

How did you feel in the store?

unhappy	**1**	**2**	**3**	**4**	**5** **happy**
annoyed	**1**	**2**	**3**	**4**	**5** **pleased**
unsatisfied	**1**	**2**	**3**	**4**	**5** **satisfied**
despairing	**1**	**2**	**3**	**4**	**5** **hopeful**
calm	**1**	**2**	**3**	**4**	**5** **nervous**

comfortable	**1**	**2**	**3**	**4**	**5**	**uncomfortable**
sluggish	**1**	**2**	**3**	**4**	**5**	**frenzied**
tired	**1**	**2**	**3**	**4**	**5**	**awake**
inactive	**1**	**2**	**3**	**4**	**5**	**active**
weak	**1**	**2**	**3**	**4**	**5**	**strong**
out of control	**1**	**2**	**3**	**4**	**5**	**in control**
unimportant	**1**	**2**	**3**	**4**	**5**	**important**
unsafe	**1**	**2**	**3**	**4**	**5**	**safe**

2. General survey

GENERAL SURVEY

Age:_____

How much do you spend on clothes every month?

_____

We would like you to rate these different factors in a clothing store, based on how important, surprising, pleasant or necessary they are.

STORE PERSONNELL

That the staff greets or welcomes you when you enter the store

Not important	1	2	3	4	5	6	7	8	9	10	**Very Important**
Not surprising	1	2	3	4	5	6	7	8	9	10	**Very Surprising**
Not pleasant	1	2	3	4	5	6	7	8	9	10	**Very Pleasant**
Not necessary	1	2	3	4	5	6	7	8	9	10	**Very necessary**

How you are greeted or welcomed when you enter the store

Not important	1	2	3	4	5	6	7	8	9	10	**Very Important**
Not surprising	1	2	3	4	5	6	7	8	9	10	**Very Surprising**
Not pleasant	1	2	3	4	5	6	7	8	9	10	**Very Pleasant**
Not necessary	1	2	3	4	5	6	7	8	9	10	**Very necessary**

That the staff asks you what you are looking for

Not important	1	2	3	4	5	6	7	8	9	10	**Very Important**
Not surprising	1	2	3	4	5	6	7	8	9	10	**Very Surprising**
Not pleasant	1	2	3	4	5	6	7	8	9	10	**Very Pleasant**
Not necessary	1	2	3	4	5	6	7	8	9	10	**Very necessary**

[All further questions in the general survey are presented without the accompanying items, in order to reduce length. The same questions have been used consistently.]

How helpful the staff is
How knowledgeable the staff is about the store's products
That the staff's involvement in you and your purchase appears to be high
That the staff suggests things for you to try on
That the staff provides you with shoes for the fitting that suit the clothes
That the staff helps you with getting another size if needed in the fitting room
That the staff helps you with matching items ("Try together with this")
That the staff takes care of the clothes afterwards (you do not have to hang them back yourself or take them to the counter)
That you get helped by more than one staff member with your purchase
That the staff is attractive (wears nice clothes and looks beautiful)
That the staff wears clothes available in the store
That you feel that you have a relationship with the staff
That the staff will adjust the clothes if necessary (e.g. pants to long, sleeve too short)
That the staff will adjust the clothes for free or small fee
That the staff will adjust the clothes within one-two hours
That the cashiers wrap the clothes nicely
That the cashiers give you a nice bag
That the cashiers let you choose which bag you want (size/color)
That the cashiers ask for a point card (do you have one? do you want one?)
That the cashiers/staff thank you for your purchase
That the cashiers/staff follow you to the exit
A good overall impression of the staff

STORE DESIGN

How attractive the store seems from the outside
How spacious and easy to move around in the store is
That the fitting rooms are attractive and well-designed
That there is a sufficient number of fitting rooms
That the inside of the store is attractive
That the inside of the store is decorated with posters, furniture etc.
That the clothes are presented attractively
A good overall impression of the store's layout

STORE AMBIENCE

That the store plays background music that you enjoy
That the level of noise and talk in the store isn't too high
That the store is well-lit and bright
That the store is decorated in nice colors
That the store is clean and tidy
That the store smells nice
That the temperature of the store isn't too cool or too hot
That the air quality of the store is good
That the store matches your style
A good overall impression of the atmosphere in the store (music, light, air, smell, people)

MERCHANDISE & PRICES

How well-stocked the store is in terms of sizes and different clothes
A good overall impression of the staff
A good general price level in the store
That you like the clothes sold by the store

3. Customer survey (English version, the original version is in Japanese)

Dear respondent,
Thank you so much for taking your time with this study. We are a team from Sweden investigating Japanese retail management and the service system. This is the reason we have approached you. We would like you to answer a couple of questions about the impression of the store you just visited. All your answers will be confidentially handled so please feel free to answer according to your true feelings. As a token of our gratitude, we will give you a small gift.

/Heléne Melin & Karl Wikström

Store:_____ District:_____
Age: _____

Evaluate the following factors on a scale from 1-10 where 1 is the lowest score and 10 the highest:

STORE PERSONNELL

Rate your relationship with the staff
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your overall impression of the staff
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

STORE DESIGN

How attractive the store seemed from the outside
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How spacious and easy to move around in the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How attractive the inside of the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How well decorated the inside of the store was
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

How clothes were presented in the store
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

Your overall impression of the store's layout?
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

STORE AMBIENCE

What did you think of the amount of people and the crowdedness of the store?
Very bad 1 2 3 4 5 6 7 8 9 10 **Very Good**

APPENDIX III – Store Documentation

Here follows some of the photo documentation of the mystery shopping/observational sessions. In these pictures there are examples of creative clothes placement,the use of mirrors and magazines, the common practice of having furniture and everyday objects scattered around the store, and some photage of one of our mystery shoppers (Michiko) being assisted by a salesperson.


NEW