

**QUALITY ANALYSIS OF THE SERVICES AND CONSUMER  
SATISFACTION OF BUSINESS UNITS IN RETAIL  
IN THE REPUBLIC OF KOSOVO**

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**ABSTRACT**

*Quality of services and consumer satisfaction are a powerful impact that helps in achieving the goals of the organization and consumer as well. This study is a contribution in relation to quality analysis of services and consumer satisfaction of business units in retail in the Republic of Kosovo. The actual level of quality services is not sufficient for accepting the consumers' perceptions related to quality of the services offered by business units in retail. Since business units in retail offer variety of goods and services, it is necessary to identify actions, which are the most important dimensions evaluated by consumers for the quality of services. The aim of this paper is to conceive and consolidate a better definition on building a positive experience in business units in retail in the Republic of Kosovo, and to offer quality services to consumers. This research will provide a good analytic base, which is needed to analyse the quality of services and consumers' satisfaction in business units in retail, which operate in Kosovo, and will pay a special attention to ETC enterprise.*

**Keywords:** Quality of services, consumers' satisfaction, reliability, understanding of quality, retail.

**1. INTRODUCTION**

The paper "Quality analysis and consumers' satisfaction in the Republic of Kosovo" aims to treat the determined factors in the context of the problem, with the special focus on ETC enterprise.

Arguments in this research are explained systematically, by treating overall knowledge related to the quality of services and consumers' satisfaction.

The overview of the problem will be presented in the first part, and an attempt will be done to argue through this research, and to demonstrate the importance of offering quality services to consumers, evaluation of quality and consumers' satisfaction, to explain the reasons for the study of this thesis, to define the aim of the problem, to define hypothesis of the research and to arise questions related to this research.

The scientific methods, through which information will be gathered for this study, will be deductive and inductive ones, quality and quantity methods, empiric information will be gathered through survey, whereas collection of primary data will have a direct impact on the quality and quantity of the information.

## **2. GENERAL KNOWLEDGE RELATED TO THE QUALITY OF SERVICES**

In terms of a dynamic standard and an economic life, this is described by diverse activities and extraordinary competitive environments, businesses need to understand the importance of the client. Quality is raised by clients. They create values and act upon them. Whether an organization provides quality services or not, doesn't depend on consumers' reaction regarding the satisfaction that they get from product consumption, since the highest level of satisfaction affect higher levels of consumers' satisfaction [8]. Enterprises are often challenged in terms of managing and offering qualified services, which represent value for the consumers. The role and importance of qualitative services and consumers' satisfaction is uncontested in terms of business development and growth in a certain segment, as well as on creation of competitive advantage. In order to win in today's market, it is necessary to build relationship with consumers, not only in building products, since the creation of relationship with targeted consumers means having a superior value against competitors [14, 15, 16]. Businesses in general, know the importance of the consumer, who determines their success, and in this context businesses are challenged to design and place qualitative products, which would be of consumers' satisfaction. If we take this under consideration, one can see that qualitative services are uncontested, when it comes to the success of business units in retail. Identification and definition of that what consumers really expect and desire is decisive for retail business units. In this aspect it is extremely professional for the marketing to be seen and evaluated by the business, as its philosophy and inseparable part.

## **3. ASSESSMENT OF QUALITATIVE SERVICES AND CONSUMERS' SATISFACTION**

In circumstances of a dynamic and competitive development, marketing as a process, permanently adds acting abilities of organizations, especially in the aspect of management. This has generally been focused on several marketing strategies such as: product, pricing and promotional strategies. Only few organizations have gone beyond the saying "right product in the right place" in order to examine the marketing effect on effective policies by the cost which is in customer service [10]. From the operations management point of view, it is clear that consumers play an important role on organizational process [14].

Consumers permanently aim to accept maximal satisfaction from the services and products that they buy. Inability to understand the fact that consumer doesn't always attribute the same importance to the product, is a common mistake which is done in marketing. Whether one organization offers qualitative services or not, depend from the consumers' feedbacks and the satisfaction which they get from the products which they consume [13, 14,15]. In fact, customer service has many dimensions and each business must understand the importance and for each segment implement selective market, in which will appear as a competitor, and continuously must realize a special service policy.

Business organizations have established quality management programs as an activity through which they aim to improve the products' quality and marketing processes.

Quality has a direct impact on the performance of the product and costumers' satisfaction [15]. To realize a product and to consider it as achievable and acceptable, it is necessary to implant service activities in a business as well. In this context achievability of a product or a service for the customer is very important.

One the one hand, achievability is a concept which needs to be taken into consideration and on the other hand one has to bear in mind that it is impacted by many factors, which all together constitute consumers' services.

This concept is determined by the interaction of all factors, which influence in process of products' realization and services which are achievable for consumers.

#### **4. REASONS FOR RESEARCH IN THE SERVICES SECTOR**

Businesses are created as a concept, which is represented in market with assortment of services, destined for consumers, so it is incontestable the importance of consumers in the operational process of business. An organizations which consistently satisfies its consumers, has a higher level of retention and profitability as a result of the increase of costumers' loyalty [16]. Seeing the determined importance of consumers in the market, as receiver of services, identification of their needs and requests is determinable, and in this context it is important to offer qualitative services to satisfy their needs. Consumers always prefer a product or a service which gives them maximum satisfaction, but we have to know whether consumers continue to accept our services or their needs are fulfilled by substituting our services with the ones which are offered by other organizations [12]. Often happens that a product is promoted with the features which are of a less importance to the consumers than other aspects. When consumers have good perceptions for a brand, they will always choose the desired brand, because consumers create their preferences regarding the perception and attitudes about brands which compete in their minds. In order to create lasting relations with clients and in order to have a perception regarding what competition does, businesses must make researches in the field of services in one hand and decisions must be made based on conclusions of the research, and prepare the offer which represents qualitative services that satisfy consumers. Availability of such information is very strategic; therefore it is necessary to make researches in sector of services. In researching program in the service sector, towards problem, the service mix must be taken into consideration, because the mix of services interferes on that how business prepares the platform of the offer, which inevitably targets the satisfaction of the consumers.

#### **5. DEFINITION OF THE PURPOSE**

The quality of the service or services, in general are organizational processes, and companies realize them permanently by having in consideration the competition, which continuously is increasing, and have the tendency to win parts of the market through increasing the service quality, and to satisfy the needs of the consumers, and this way to create competing advantage [17]. Market has become the final judge who determines the efficiency of enterprises, while the problem of production – service is already over fulfilled, whereas the sales issue is becoming an actual and perspective problem.

Researchers and quality service analysers have expressed the tendency to distinguish what distinguishes quality services amongst objective measures and subjective perceptions. Customer service and their quality are strategic actions, but it is very important to know and analyse the consumers' perception towards the services which are offered by retail business units. Along with quality of services, other variables are treated permanently as well, and it is shown how these variables interfere in providing qualitative services and in fulfilling the requests respectively satisfying consumers' need. In general, service economy consist of what is known as a soft part of economy that involves many sectors, which in one way affect and are in function of a strong and stable economic development, in this way services present one of the three categories of a developed economy.

Quality of services and consumers' satisfaction considerably must take place in business activity; therefore it is necessary to know exactly how and in what way the efficient services are provided. In order to find out this, a research has been made, in which the questions related to main variables, which have to do with the quality of services and consumer satisfaction, were addressed.

Consumers' satisfaction is treated and studied in different directions, combined with measures with other aspects of business [3].

## **6. OBJECTIVES AND TASKS OF THE RESEARCH**

The goal of this research is to analyse and argue the quality of the services and consumers' satisfaction in retail business units, which function in the Republic of Kosovo, from the scientific point of view. Specifically, the strategic objective of this research is to analyse the problem through gathering and processing of statistical data on consumers, quality of services which are provided for them, and the level of satisfaction which is offered by retail business units in Kosovo. The main tasks of this research are preparation of the questioner according to the formulation of the problem, realization of the contacts with respondents, gathering of the questioners, processing of the gathered data and their graphical presentation. Another important task of this research is presentation of the research findings, necessary conclusions and recommendations that come out from the research.

## **7. RESEARCH HYPOTHESIS**

Hypothesis in statistics is an idea, assumption or a theory related to characteristics of one or more variables, in one or more population [17]. Therefore definition of hypothesis needs to be tested, meaning that we have to decide whether we have to believe this hypothesis or not. In the function of our research, following hypotheses are formulated:

**H1** – Professional treatment of consumers' complains will impact on consumers' confidence

**H2** – Quality of services is closely related with ratio quality/price of a product, and has an impact on consumers' satisfaction.

**H3** – Quality of services and products are interrelated with consumers' satisfaction.

## **8. RESEARCH QUESTIONS**

In order to get credible information, questions in this research will be formulated in that way, which will enable consumers, through their perceptions which they have for quality of services and consumers' satisfaction, to contribute in achieving of the research objectives. The main questions of this scientific research will be:

- What is the quality of services that are offered by retail business units in the R. Kosovo?
- Does a good product affect in the higher level of consumers' satisfaction?
- Is a qualitative service a good predictor of consumers' satisfaction?
- How much does a ratio quality/price affect on consumers' satisfaction?

### **8.1. Setting of study limits**

Analysis of the quality of services and consumer satisfaction is realized in the Republic of Kosovo, and is concentrated in one business which operates with a great percentage in the market and in geographic scale operates almost all over territory of Kosovo. We had enough time to find the most important dimensions of qualitative services, which have direct impact in the quality of services and satisfaction of the consumers in retail business units that operate in Kosovo; this was done by observing ETC enterprise. The study focuses in identification of the interference of active dimensions and qualitative service offering as a determinant of business success.

## **9. SPECIAL OBSERVANCE IN ETC TRADE ENTERPRISE**

ETC is a trading company and as a trade centre was established in 2005. ETC shopping centres have approximately 60,000 m<sup>2</sup>, and have around 1500 employees, which are well organized and well managed. The company created the infrastructure in the function of trade mark, since the infrastructure has been standardized for all its units. Initially, ETC trade centre started operating in the city of Peja, whereas for the moment it is expanded in 15 trade

centres in 15 cities around Kosovo. Cities in which ETC operates are: Prishtina, Peja, Gjakova, Prizren, Ferizaj, Gjilan, Vushtrri, Podujevo, Rahovec, Viti, Kamenica, Istog , Klina and Mitrovica. After numerous requests from the wide consume , we as a company are preparing ourselves to open a second trading centre in Prishtina, also a cornerstone of the first trading centre in Albania, in the city of Fier. Research in our context consists in collecting and analysing of data, which are related with quality of services and consumer satisfaction. Data in this research are gathered through distribution of 120 questionnaires and answers are gathered from the respondents who come from those cities in which ETC operates.

## **10. QUALITY DEFINITION**

There are a numerous discussions about definition of quality services, and assessments of the participants for quality, asses that it is very difficult to give the definition for it. Different scholars say that: quality meets or exceeds consumers' expectations; quality is something that consumers look for when they see an offer. Quality can be defined only by consumers, after they consume a service and it is determined when one organization offers specific goods or services which fulfil their needs, [15]. Quality can be defined as entirety of features and characteristics of a product or service, which have the ability to satisfy the declared or implied needs. Scholars and analysers of the quality of services have expressed tendencies to distinguish what distinguishes qualitative services amongst objective measures and subjective perceptions [18].

## **11. QUALITY OF SERVICES**

The quality of services has a strong impact in the design of a service offer, which may have as target consumers' unfulfilled needs.[1, 2, 3] In fact, a strong relation exists amongst the quality and offer, satisfaction and profitability. A quality level is associated with a better satisfaction and a higher price. Quality of the service reflects activities which business undertakes and realizes with efficiency, and achieves the purpose of satisfying the consumers' needs and desires.

## **12. CONCLUSIONS**

The main target of this paper was to analyse the quality of the services and consumers' satisfaction in retail business units in the Republic of Kosovo. In this research context, the study was mainly focused on ETC trade enterprise. In order to achieve the study goal, a professional literature was reviewed as well, through which scientific instructions are received and is argued the professional importance of business units to provide qualitative services and satisfaction during the consumers' service. A questionnaire is designed as well, which is constructed in order to enable gathering of primary information, through consumers' perceptions, in order to determine the main dimensions, which have an impact in the quality of services and consumers' satisfaction. In this research descriptive analysis are used, average, arithmetic average, standard deviation, variance, Anova, coefficient, Cronabach's Alpha etc. After data collection, they were recorded in Excel work sheet, where the data encryption was done. These data were imported into SPSS 16.0 statistical program and through the options provided by SPSS, the results are derived for each research phenomenon.

In order to provide a lasting reliability of data, the questionnaire is constructed in three parts. The second part of the questionnaire consists of questions which mainly have to do with the consumers' perceptions for quality of services which are offered by ETC, and questions are grouped towards dimensions which define quality measurement, as per Gronsos model. Dimensioned which are defined by questions are: touch-ability, reliability, responsibility, safety and empathy.

Above mentioned determinants strongly impact on the quality of services and consumers' satisfaction. Processed results of the research suggest that businesses, in this case ETC must be predisposed to offer offers or service packages which are compatible with consumers' expectations. Analysis of the scientific research argues the scientific literature regarding the quality aspects and consumers' satisfaction in the retail business units and as a result of this we can conclude that retail in modern economic conditions is characterized by a fierce competition, the implementation of actions or marketing strategies, especially focused on those distinguishing elements of services from real goods., with a tendency to increase the quality of services in consumers' perceptions, which will increase the business efficiency and which strongly affects on creation and preservation of long lasting relations with consumers.

### **12.1. Recommendations for future researches**

In general, service sector is undergoing on a course of diversified activities, i consider that it is up to professionals to design and undertake research activities on issues of this nature and of other natures which are part of this sector, and which haven't been involved in the research. Scientific research, in the field of research methodology suggests choosing a large research sample, whereas practices show that research organizations in their researches use a sample with more than 1000 respondents, I believe that a bigger sample affects in production of more accurate and reliable information, which will be in function of those who order the research. Also, in future studies, one must take under consideration the impact of factors which directly affect consumers' buying, because consumers' perceptions for quality of services affect the continuity of shopping. I also encourage and suggest the realization of a wider research in the field of service industry, to compare different business units and to separately specify factors that affect the offering of qualitative services toward business units and to analyse to what level do these factors affect on consumers' satisfaction.

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