

## Case: Is Quality Good Marketing or Is Good Marketing Quality<sup>1</sup>

Quality is important to the employees of a Fortune 500 leisure furniture manufacturer and retailer. Franchise owners are required to operate their stores with a focus on high quality, knowing that their license may be revoked if the corporation judges their quality to be inadequate. Franchise owners recognize that commitment to quality begins with management and filters down to all areas of the business. Managers believe that if they cut corners, their employees are likely to do the same. They emphasize that things should be done correctly the first time and that there is always something that can be improved. They are never totally satisfied with the present level of quality. This commitment to the pursuit of excellence is passed down to every employee. The franchisor's quality motto is "Excellence and quality are not destinations; they are journeys." maker.

Quality efforts are made in all areas of the business in an attempt to achieve "Zero Unsatisfied Customers." The first thing a customer notices at each franchise store is its "curb appeal." The parking lot is kept clean. An attractive sign displays the mission of the company, which explains the company's commitment to satisfying customers through service, selection, and value. When the customer enters the showroom, several displays of furniture are visible immediately. These displays, called vignettes, are small room settings including, for example, a sofa, one or two chairs, a coffee table, and an end table. Lamps and accessories are included in the vignettes, although the store carries very few such items and most are not available for purchase. Vignettes show the different styles (country, traditional, contemporary, and transitional) that are available. The vignettes are intended to provide the customer with an "impression of quality" upon entering the store. Much care is taken in designing the vignettes, right down to the spacing between the pieces of furniture, and they are constantly monitored. The entire showroom is dusted and cleaned at least once a day; carpets and upholstered furniture are shampooed every month. The sales counter is kept neat and uncluttered. As one franchisee stated, "Never give a customer a reason not to buy."

Training and continuing education of a high quality sales staff is a company priority. The salesperson must believe in the store's product and service quality and attempt to instill this in customers' minds. The salesperson must attempt to understand customers' needs and to satisfy them with the company's products. All salespersons seek five key pieces of information about the customer. The first concerns the customer's tastes, involving questions such as:

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1. Have you been shopping for furniture recently?
2. How long have you been shopping?
3. Where have you been shopping?
4. What piece or pieces have you seen that you like?

The second is who is the purchase-decision maker. (In many cases, this person is not present.)

The third area is timing. Does the customer need the merchandise by a certain date or for a particular reason? The fourth piece of information is how much the customer wants to invest (not spend). Finally, the salesperson asks how the customer wishes to pay for the merchandise and offers several payment options. The salesperson sends each customer, whether a purchaser or not, a thank-you note as a follow-up.

The franchisor also emphasizes quality in warehousing. This includes handling of the product from the point of receiving until its shipment from the warehouse. Furniture received at the warehouse is inspected for defects, such as rips and scratches. If a defect cannot be repaired, the unit is promptly shipped back to the manufacturer. The next step is to steam out any bumps or creases that occurred in shipping. When furniture is delivered to a franchisee's showroom, the vice president of merchandising is responsible for placing it in the showroom for proper price-tagging.

For customer delivery the store rents professional-looking uniforms for its delivery personnel. The delivery equipment is well-maintained, clean, and reliable. Trucks are cleaned every day and repainted frequently. The trucks are on a tight maintenance schedule in order to maximize reliability. Customers can request a guaranteed two-hour delivery window. Delivery personnel call the day prior to the scheduled delivery to remind the customer of the time and to confirm that someone will be home. At the customer's residence, delivery personnel must complete tasks specified on a checklist, including placing the furniture exactly where the customer wants it, confirming that items such as recliners are in working order, demonstrating proper operation when appropriate, and other tasks. The delivery person is not permitted to leave until the customer is satisfied with the product and the service. If there are any problems or complaints that cannot be resolved by the delivery person, he or she must contact the manager and arrange a solution.

Customers receive numerous guarantees, including lifetime parts warranties, seven-day exchange privileges, and in-home consultations. Follow-up telephone calls ask customers about their feelings toward all aspects of their experience with the purchase. They are asked about store appearance, if the merchandise was in excellent condition when delivered, if it is sufficient to

meet their needs, how the delivery personnel performed, and so on. As one franchise owner sums it up, "The best way to assure quality is through product inspection and market research."

### **Discussion Questions**

- 1 Of what value in achieving quality are the actions this company takes in store appearance, warehousing, delivery, and customer relations? Can you think of other aspects of quality that have not been mentioned here?
2. Do you agree with the franchisee's statement at the end of the case? Why or why not?
3. How would you address the question posed by the case title?