

# Meeting customer needs

[Business](#), [Marketing](#)



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Introduction Today's connected consumers have become far more difficult to please. A study by Gartner (2010), Inc, a technology research company, found that a majority of consumers rely to some extent on social networks to guide them in their purchase decisions. This ability to compare competing services and products and interact rapidly with other customers has intensified competition in virtually every market. According to Peters (1987), marketing is about making sure that a business is providing the goods and services that customers want. It involves identifying and anticipating what consumers want today and will want in the future.

The marketing department then plays an important role in taking these goods and services to market through all the channels the business sells through. Customer expectations are beliefs about service delivery that serve as standards or reference points against which performance is judged. Because customers compare their perceptions of performance with these

reference points when evaluating service quality, thorough knowledge about customer expectations is critical to services marketers. Knowing what the customer expects is the first and possibly most critical step in delivering good quality service.

Being wrong about what customers want can mean losing a customer's business when another company hits the target exactly. Being wrong can also mean expending money, time and other resources on things that do not count to the customer. Being wrong can even mean not surviving in a fiercely competitive market (Woodruff, 1987). With the popularity of sports increasing rapidly among the youth of today, the businessmen have devised several different means of boosting their business with the help of the sports.

One such way is the manufacturing and sale of sports merchandise, that includes articles like shoes, socks, bags and jerseys that are worn by the popular sportsmen. The game of basketball has also not remained untouched of such aspects. After years of having to search high and low for basketball gear, or pay extortionate shipping fees to get goods sent over from the US, the NBA has announced a new online store will be launched for international customers. NBAstore-eu has been launched in September, 2012, featuring a wide range of NBA-branded goods (NBAstore-eu, 2012).

The site is available in English, French, Italian and Spanish with further languages to be developed. Fans will be able to make purchases in local currency and will benefit from a centralized European distribution point saving on transit time and shipping costs. Local language customer service will further enhance the e-commerce retail experience (NBAstore-eu, 2012).

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This report is to find out a discrepancy is there between what the customer would like and what the NBAstore-eu is providing. This report is from operations and marketing aspects to identify and analyse the problems which might cause the discrepancy.

In the end, the report is going to give some recommendations to improve the match between expectation and delivery.

## 2. 0 Identification and Analysis of the Problems

### 2. 1 The Problems of NBAstore-eu

NBAstore. eu is aiming to put an end to the days that fans only can buy official jerseys or team products from NBAstore in the USA and pay a lot of delivery fees (NBAstore-eu, 2012). On the other side, the fans of NBA in Europe are the target customers of NBAstore-eu, what the expectation of customers is to get the varieties of products from NBAstore-eu and pay less delivery fees to support their favourite team.

Therefore, the current market/customer expectations of the NBAstore-eu and the purpose of catering service are coincident. However, the researcher discovers that there is a mismatch between what marketing has identified and operational activity actually delivers. Some fans state that (Appendix) the products that NBAstore-eu provide are much less than NBAstore in USA and the price of products is even expensive than other NBAstore all over the world. Obviously, there is discrepancy between customers' expectation and what NBAstore-eu has brought to them.

### 2. 2 Marketing Analysis

There is no doubt that the National Basketball Association (NBA) is considered by many sports analysts as a top marketed professional sport (Salzberg, 1998). Nowadays, the fan base in Europe is growing rapidly because of superior performance of the European players in NBA. Such as <https://assignbuster.com/meeting-customer-needs/>

Dirk Nowitzki, the best European player in NBA who is a German has carried his team Dallas Mavericks to win the 2011 NBA championship. Andrea Bargnani, who is Italian and plays for Toronto Raptors, was selected first overall in the 2006 NBA Draft. Luol Deng is British who plays for Chicago Bulls, and selected for his NBA All-star game during the 2011-2012 season.

Tony Parker is a French who plays for San Antonio Spurs, he has helped the team win three championships, selected as 2007 NBA Finals' MVP and 4-time All-star. At last, Spain, provide a lot of greater players to NBA, and the Spain national team nearly beat the USA dream team in 2008 and 2012 Olympic Games. According to Ian Whittell's (2007) report, Today, millions of basketball fans across Europe have a wide range of ways in which they can watch their heroes and favorite teams competing live at the business end of the season - even if there is always the curse of time difference to overcome.

The nature of the league means overseas interest is also an ever-evolving and changing entity. Great Britain has never been considered a hoops hotbed, but generations of basketball fans who were attracted to the sport by Michael Jordan and his glory years with the Chicago Bulls have this week been able to watch two players who could star for the British team at the 2012 London Olympics - Luol Deng and Ben Gordon - dismantle the defending champion Miami Heat (Daisy, 2007). Fans in Europe are watching a lot more basketball now and so they are better educated," says Rich Sheubrooks (2007), who combines his duties as Nike global basketball consultant with those of global scouting director for the Memphis Grizzlies from his base in Barcelona. As there is millions of fans in Europe and the amount is growing, set up a NBAstore-eu is a wise move for NBA to expand

the Europe marketing. But NBAstore-eu now haven't reached the customers' expectation due to the products and prices issues.

2. 2. 1 Products Analysis

NBA jerseys were once only for people who religiously followed a particular team whereas nowadays people may just be wearing a jerseys because they like the design. Basketball jerseys have also become a fashion statement and people who don't even watch NBA can be seen wearing them, it has have the name and reputation of nike with michael jordan backing it up as well as the classic styling that will keep in fashion for a very long time too. To the fans, wearing nba jerseys also helps fans to feel like they belong to a group.

It is one of the best ways to distinguish who supports which team and helps fellow fans gather together, NBA jerseys can provide good quality as well as dealing with a reputable. As the major items for sale on NBA stores, the number of jerseys in NBAstore-eu is far less than NBAstore. For some famous team, the number of jerseys on sale in NBAstore-eu is only one-seventh as the number of NBAstore. Figure1 shows the huge mismatch of five famous teams' jerseys on sale between NBAstore-eu and NBAstore.

Teams	NBAstore. eu	NBAstore. om
Boston Celtics	13	108
Miami Heat	12	113
Los Angeles Lakers	21	101
New Yorks Knicks	5	85
Chicago Bulls	17	84
Total	68	491

Figure 1: Comparison the numbers of five famous NBA teams' jerseys on sale. (Sources from www.nbastore. eu and store. nba. com) There are two main types of NBA jerseys, one is called swingman jersey, and the other is called replica jersey. Replica jersey is cheaper and the numbers and names are ironed on, the swingman jerseys are the ones that the numbers and names are stitched on and they

are a little more expensive, most people prefer swingman jerseys because they look a lot better. Jerseys in NBAstore-eu are majorly made up by replica jerseys, on the other hand, the jerseys in NBAstore are mostly made up by swingman jerseys.

According to a basketball fan who lives in England and he said that (Appendix), “ I prefer swingman jerseys, because replica jerseys are for those people who don’t care about basketball and just like to wear it when they go to sleep, and a true baller or people that care about their swagger would never even wear a replica jersey. Also, even though the swingman is a little bit expensive than replica jersey, but the quality is much more better. ” The varieties style of jerseys can be seen in NBA games. Normally the players are wearing home jerseys or away jerseys. Sometimes, the away team needs to wear secondary away jerseys owing to long time journey.

Moreover, some special designed jerseys for holidays are awesome and attractive. For examples, NBA has presented special jerseys every year for St. Patrick’s Day and Latin Nights, and for the 2012 Christmas Day, several new style jerseys called big color jersey have been presented. Also NBAstore provide some fashion jersey, which can’t be seen in the games, but they all have unique nice-looking appearance. Customers can purchase all kinds of jersey on NBAstore, but in NBAstore-eu, there are just a few styles of jersey on sale, even through the advertisement of the big color jerseys for the Christmas can be seen in each commercial channel of NBA, but there is still no stock of the jerseys in NBAstore-eu.

Customize jerseys are the special offer for customers in NBA official stores, customers can buy each team’s jersey or t-shirt whatever replica or

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swingman with their own name or number on it. It is an attractive deal for customers, but NBAstore-eu only provide customize jerseys of two teams, and no swingman option. As the target market of NBAstore-eu is the European market, the jerseys of European players must be an important part. Research has found that there is no Jersey of Luol Deng in NBAstore-eu (Appendix), Deng is the best British player in NBA and definitely became an all-star player last season. It is not prudent for NBAstore-eu to miss his jersey on sale.

Compare the products on sale in the outlet of NBAstore-eu and NBAstore, the number of products on sale is 503 to 448. NBAstore-eu have more products in the outlet, it seems like NBAstore-eu have beaten the flagship store at this point, but the numbers occasionally can not state the truth. The products in the outlet of NBAstore-eu are most make up by headwears and souvenirs, there are 371 products in these two parts, these products are hard to stimulate the customers' desire to buy, and there are only 19 jerseys on sale. On the other hand, the products in the outlet of NBAstore are most make up by jerseys, t-shirts and shorts, there are 140 jerseys on sale, so that the quality of the outlet is easy to identify.

### 2. 2. Price & Promotion Analysis

There is also a discrepancy between customers' expectation and the price of products in NBAstore-eu. As the NBA is a league in USA, so the price in NBAstore can be the standard price. In NBAstore, the price of standard replica jersey is \$59. 99, the price of standard swingman jersey is \$89. 99, and the price of customize replica jersey is \$54. 99. In NBAstore-eu, the price of standard replica jersey is ? 45. 00, the price of standard swingman jersey is ? 65. 00, and the price of customize replica jersey is ? 55. 00. Research



has found that the price of NBA official store in China is also a valuable data to analysis.

In China, the price of replica and swingman jersey is ? 390 and ? 580 respectively. Figure2 shows the price comparison of three NBA official stores.

Type of Jersey	NBAstore. com	NBAstore. eu	NBAstore. cn
Replica Jersey	\$59.99	37.3	45
Swingman Jersey	\$89.99	56	65
Customize Jersey	\$54.99	34.2	55

Figure 2: Price comparison of three NBA main official stores. (Sources from www.nbastore.eu, store.nba.com and www.nbastore.cn) As the figure2 shows that NBAstore-eu is the most expensive store, the price of jersey in NBAstore-eu is far more expensive than the other two. Considering the tax fee for overseas products, but NBAstore-eu is still expensive than NBAstore-cn. One of the core ideas to launch NBAstore-eu is aiming to put an end to the days of giving money to friends who are visiting USA to bring back a ton of stuff.

Nevertheless, the fact is that with NBAstore-eu has set up for more than three months, ask friends who are going to USA to bring some NBA stuffs back may still save money. Moreover, research has found that sometimes purchase a swingman jersey from NBAstore even cheaper than NBAstore-eu for people living in England. Normally, if customers are living in the UK, to buy a swingman jersey from NBAstore-eu cost ? 65 and ? 4.95 for shipping fee, total ? 69.95. Buy a swingman jersey from NBAstore cost total \$134.33 (including international shipping fee and tax), the price is approaching to ? 82.6, so normally purchase from NBAstore-eu when customers are in Europe

is cheaper. Nevertheless, sometimes, like for some holidays, sellers always make discount for promotion.

Just like the Black Friday in 2012, NBAstore-eu provided 15% discount of every single product, so the charge of a swingman jersey is simply total ? 60.

2. Meanwhile, NBAstore presented 20% discount promotion code, and the big difference is that the discount is for entire order, so that means the charge of a swingman jersey is barely ? 66 for orders in the UK. Although purchase a swingman jersey from NBAstore is still more expensive, but the variety of products there is much more than NBAstore-eu. Six pounds differential but considerably more options, and chances to get products that NBAstore-eu do not have. Obviously many customers will prefer to NBAstore, the promotion make NBAstore-eu in an embarrassing position. [pic] Figure 3: Comparison of the intensity of promotion. Source from [www.nbastore.eu](http://www.nbastore.eu) and [store.nba.com](http://store.nba.com))

2. 3 SWOT Analysis NBAstore-eu have some strengths that the shipping time is shorter than buy goods from other official stores, and the products have guaranteed quality. Additionally, there is more accessories products than retailers. The weaknesses of NBAstore-eu as mentioned before are the products, prices and promotion. NBAstore-eu also have great opportunities to gain more profits because Europe is a huge market, and it is merely explored a small part. Moreover, the fan base is growing rapidly. The retailers or similar online stores in Europe are few, so that there are little competitors.

The main threats of NBAstore-eu are the sellers on [ebay.co.uk](http://ebay.co.uk). Because some similar products on ebay are cheaper than the official website. Moreover, basketball is not the most famous sports in most European

countries, so other sports will lead to customer segmentation, then the amount of customer will decrease. | Strengths | Weaknesses | |? Faster delivery for European fans |? Far more less products than flagship store | |? Guaranteed product quality |?

Higher price than other official stores | |? More accessories than retailers |? Intensity of promotion is low | | Opportunities | Threats | |? Huge explorable market |? Sellers on ebay. co. uk | |? Few of competitors |? Better products from other official stores | |?

Fan base growing rapidly |? Other sports led to customer segmentation |

Figure 4: SWOT analysis for NBAstore-eu 3.0 Conclusion The report has analysis the current problems for NBAstore-eu. The principal problems are products, prices and promotion. The intent and purpose of set up a NBAstore for European are great, but those problems make NBAstore-eu have a colossal mismatch to the expectation of customers. The types of products there are much fewer than expectation, many customers can't get what they want from the NBAstore-eu. The prices there are not fair to the customers in Europe.

The prices there are more expensive than other NBA stores. That means if the customers are going to buy something in NBAstore-eu, they need to pay more money and get fewer options. Moreover, the promotion intensity of NBAstore-eu is not as good as others. In general, these three big problems led a huge discrepancy to the expectation of customers. If those problems can't be solved, there will be a giant mess for NBAstore-eu. The report has also used SWOT analysis, the results show that the NBAstore-eu not only have some drawbacks, but also have some strengths, opportunities and

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threats. The shorter shipping time is the core strengths for NBAstore-eu for sure, and the products have guaranteed quality.

As the Europe is a huge explorable market with an increasing number of fans, it is a big opportunity for NBAstore-eu to occupy the market. Besides, NBAstore-eu have some threats from the retails in europe, such as sellers on ebay, and other sports will segment the market, that's also a threat.

#### 4. 0 Recommendations

As the intent and purpose of set up NBAstore-eu is providing excellent services and products for customers in Europe. In order to give European customers chance to buy products with minor time and the shipping fee. The expectation of customers is the same as the aiming of NBAstore-eu. As a matter of fact, the NBAstore-eu provide few products and more expensive prices than purpose. In order to solve the problem of products, NBAstore-eu need to import more products.

As jerseys are the major commodities for NBA stores, first of all, NBAstore-eu should import more jerseys, specially the jerseys for European players, such as the missing one of Loul Deng. NBAstore-eu as a branch of NBAstore, the amount of products there are no need as much as the flagship, but the jerseys of famous players is still needed, just don't miss the products for those all-star players though, that can reach the expectation of customers. Second, NBAstore-eu need to import products which are selling well in the NBAstore. Such as new style jerseys, and those hot swingman jerseys. The styles of jerseys in NBAstore-eu are fewer, so NBAstore-eu need some more styles of jerseys in order to create additional profit.

NBAstore-eu need to import more swingman jerseys than replica jerseys, because swingman jerseys are more admired than replica jerseys. Third,

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NBAstore-eu need to offer more options for customers to customize their jerseys or t-shirts. For personal, some customers may want their own name and number on their favourite jerseys, customize products also can be a wise choice as a special gift. Meanwhile, some sport teams may need the fashion jersey of NBA teams as their team jersey, so customize jersey may become their choice. Furthermore, some fans may like to have a NBA team t-shirt with their own name on it, that's also opportunities for NBAstore-eu to gain more profits.

The price issue is also a barrier for NBAstore-eu to reach the expectation of customers. As Figure2 shows, the prices in NBAstore-eu are extremely expensive than NBAstore. There is approximately ? 8 differential for a replica jersey, ? 9 differential for a swingman jersey and ? 21 differential for a customize replica jersey. Considering the international tax fee, for customers in the UK to buy one swingman jersey from NBAstore, the international handling fee is about \$20 (See figure5), it is about 22% as the price of the products for retail. Despite the fact that the international handling fee is existing, but the price there is just 122% or more as the price of products in NBAstore.

It's no doubt the international shipping fee is expensive, but one of the aiming of NBAstore-eu is to provide short shipping time and products with cheaper shipping fee. For customers in the UK to purchase some something from NBAstore-eu, they still need to pay ? 4. 95 for standard delivery or ? 6. 95 for express delivery. The conclusion is the price in NBAstore-eu is higher than customers' expectation, the NBAstore-eu need to reduce the price. The international tax and shipping fee are two factors that can't be ignored, but

in China, the prices in NBAstore-cn are still cheaper than NBAstore-eu. The price in NBAstore-cn can be a worthwhile indicative price for NBAstore-eu to reach the expectation of customers. [pic]

Figure 5: Price details for purchasing a swingman jersey from NBAstore for customers in UK. (Sources from: store. nba. com) NBAstore-eu has just set up for more than three months, it's a quite new branch in Europe. Promotion is an essential element in the marketing mix. It's a tool used by businesses, both large and small, to inform, persuade and remind customers about the products and services they have to offer. Without business promotion, companies would be stagnant and lack substantial growth because their brands would have low visibility in the market (Miranda, 2012). Promotion can help an organization: ? Increases Awareness ? Increases Product Knowledge and Preference Increases Retailers ? Increases Sales As a new branch, NBAstore-eu need those benefits. Basing on the current situation, the promotion intensity of NBAstore-eu is low, so NBAstore-eu need make reinforce the intensity of promotion. For example, NBAstore-eu can deliver more advertisements through more media in order to increase awareness. Then, NBAstore-eu can provide discounts on festival days to attract more customers, make sure the intensity of discount is not lower than NBAstore. Good promotion also can help NBAstore-eu to get the opportunities, mentioned on SWOT analysis, occupy the European market. Reference List: Daisy Caton-Jones. (2007).

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Researcher: Why don't you try NBAstore-eu? That store are aiming to provide products for European customers. Fan: I have viewed the website several times, but I didn't find something I'd like to buy. I'd like to buy a Luol Deng jersey recently, but I can't find it on NBAstore-eu. I think the products there are scarce, and the styles of products there are out of fashion. There are not many options, maybe that store didn't import new products very often. Researcher: If you buy jerseys from NBAstore, that will charge you a lot of shipping fee and tax fee, right? Fan: Yes, absolutely. Regardless of the fact that, I prefer to pay a little more to get what I really want.

Researcher: Do you ever think about to buy something from NBAstore-eu? You can pay a little delivery fee and get the products in shorter time. Fan: No, the prices there are expensive. I don't know why, much expensive than the standard price in US. I rather to buy something from ebay, that also will charge me a little delivery fee and shorter time. Researcher: But the products from sellers on ebay are having no assured quality, how about if you buy something that is fake? Fan: I don't worry about that, the major items I'd like to buy are jerseys, and I have the experience, I know how to identify whether the jersey is authentic or not. Researcher: What kind of jersey do you prefer? Swingman or replica?

Fan: I prefer swingman jerseys, because replica jerseys are for those people who don't care about basketball and just like to wear it when they go to sleep, and a true baller or people that care about their swagger would never even wear a replica jersey. Also, even though the swingman is a little bit expensive than replica jersey, but the quality is much more better. Researcher: How do you think the promotion of NBAstore-eu? Fan: I don't know. Probably it is a poor effort, I haven't seen much advertisement of it. The way why I know NBAstore-eu is because I'm a member of NBAstore, and I received a e-mail from NBAstore to notice me that. Researcher: If NBAstore-eu can provide more refined products with smart