

# Westminster Business School

7FNCE040W: Business Analytics

Group Assessment (30%)

Presentation in Class on 13th December 2023.

# *Paperchase:* Customers Perceptions1

Paperchase is a company founded in London in 1968. It is a multi-channel retailer selling a wide range of stationary, cards, gift-wrap and distinctive gifts as well as quality art and craft materials. Paperchase is the UK’s number 1 shopping spot for innovative design-led stationery. It takes inspiration from current fashion trends and translates them onto a wide range of stationary products. Many of these products are created in-house by a group of talented team of designers, which are exclusive to the company. Other essential items are also, tried and tested by the loyal customers and retained in the stores. There are over 130 Paperchase stores in the UK, with over 30 sites across Ireland, Netherlands, Denmark, France, Germany and the Middle East. 50 concessions in Selfridges and House of Fraser in UK and outlets in Ireland and other European and Middle Eastern countries.

Paperchase sells paper products to two market segments: the Commercial Office Market (COM) and the Non-Commercial Domestic market (NDM). Further, these paper and stationary products sold to these market segments, either directly to the customer or indirectly through a broker. Paperchase wanted to develop a better understanding of both the characteristics of its customers and the relationships between their perceptions of Paperchase, and their actions towards Paperchase (e.g., satisfaction and likelihood to recommend). From this judgement of its customers, senior management at Paperchase will be in a good position to develop its marketing plan for the next year.

In order to gain an understanding of Paperchase current customers, a survey of existing customers was conducted through an established marketing research firm. There were three types of information collected in a survey of 200 purchasing managers from firms buying from Paperchase. The first type of data reflects the characteristics of the respondent and includes information such as the size of the customer and length of the purchase relationship. The second type of information was perceptions of Paperchase’s performance on 13 attributes. These attributes (developed through focus groups, a pre-test, and used in previous studies) are considered the most influential in the selection of suppliers in the stationary & paper industry. The third type of information relates to purchase outcomes and business relationships this is in terms of companies from the market segments indicating satisfaction with Paperchase and whether they would consider a strategic alliance / partnership with Paperchase.

The data are available in the **Paperchase.sav** file on Blackboard and a definition of each variable and an explanation of its coding are provided in Appendix 1. Please assume the sample of 200 respondents is representative of Paperchase’s customers.

1Adapted from various sources, including *Joseph F., et al, Multivariate Data Analysis, International Edition, 7th Ed, Pearson Higher Education.*

Your Task

Assume there are several individuals working in the Marketing Research area for Paperchase and each one may select any one of the following issues:

1. What are the customer perceptions of Paperchase? Can the different customer perceptions be grouped into categories that represent the complex scheme of characteristics that form these perceptions? If so, describe the areas where business planners should concentrate their planning efforts.
2. Can Paperchase’s customers can be grouped into segments based on their perceptions of the firm’s performance? If so, what distinguishes these segments from one another? Which segments view Paperchase most favorably? Which groups need more attention?
3. Paperchase’s management team is interested in any differences in perceptions between customers based on the distribution system. Independent brokers serve just over 50% of the respondents indirectly and the others served directly through the Paperchase’s salesforce. Are there areas of its operation that are viewed differently between these two sets of customers? If so, are there areas that need more attention?

Using the techniques taught in the module provide concise, clear information to management about the issue you choose to address.

The Assignment

* Each student will prepare a three-piece project that includes:

1) A one-page executive summary,

2) A 10 – 15 slide PowerPoint presentation of the analyses and recommendation, and

3) The submission of an e- copy of the presentation as a report.

* The one page executive summary of your work must be submitted as the cover page to the PowerPoint presentation. The executive summary must clearly and concisely capture the key points of the presentation.
* The PowerPoint presentation will be considered your report. It will be a maximum of 15 PowerPoint slides

– printed in the notes pages view. (Feel free to use fewer slides.)

The PowerPoint presentation / report should follow the format below:

* + - Relatively simple text and / or graphic material on the actual slide
    - Explanatory text of the slide in the notes section below the slide
    - Note that the title page, references, and any appendices do not count against the maximum number of slides. The notes pages should be in minimum 10-point font.

Submission

The Executive Summary with attached PowerPoint slides should be combined into one document, saved as a pdf, and **submitted by 13:00 on 14th December 2023** via BB only. The document will automatically be scanned through a text matching system (designed to check for possible plagiarism). You MUST include your name, student ID number, and word count on the first page of your assignment.

Marking Scheme

The submitted report will be marked according to the following criteria:

|  |  |
| --- | --- |
| **Component** | **Percentage** |
| **Presentation**   * Clear, compelling, well-organised slides * No more than 15 slides (not including references, appendices (if any), title slide, or executive summary) * No spelling, grammar, punctuation errors * One page executive summary * Citations and references provided, if needed * Appropriate use of appendices for additional results | **20%** |
| **Quality of the Analysis**   * Appropriate selection of variables and analyses * Sequence of analyses makes sense * Appropriate interpretation of the output and statistical results | **50%** |
| **Quality of the Communication**   * Executive Summary captures the key points of the analyses & recommendation * Clarity and completeness of the recommendation * The rationale / support for the recommendation and its connection to the analyses * Clarity of the explanation and inferences from the results * Connection between the recommendation, the managerial problem, and the analysis provided | **30%** |

# APPENDIX 1

**Questionnaire Details**

Customer Characteristics

The five characteristics of the responding firms reflect the basic characteristics and their business relationship with Paperchase. The five variables are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable** | **Name** | **Definition** | **Coding** |
| **X1** | Customer Duration | Length of time a particular customer has been buying from Paperchase | 1 = Less than 1 year;  2 = Between 1 and 5 years;  3 = Longer than 5 years |
| **X2** | Customer Type | Type of industry that purchases Paperchase’s paper products | 0 = COM;  1 = NDM |
| **X3** | Customer Size | Based on number of employees | 0 = Small firm, < 500 employees; 1 = Large firm, ≥ 500 employees |
| **X4** | Customer Region | Customer location | 0 = EU;  1 = Outside EU |
| **X5** | Distribution System | Sales and services are provided through this distribution system | 0 = Indirectly through a broker; 1 = Directly through salesforce |

Perceptions of Paperchase’s Performance

Each of these variables was measured on a graphic rating scale, where a ten-centimetre line was drawn between the endpoints, labelled "Poor" and "Excellent". Respondents indicated their perceptions by placing a mark anywhere on the line. The mark was then measured and the distance from zero (in centimetres) was recorded. The result was a scale ranging from zero to ten, rounded to a single decimal place. The thirteen attributes rated by each respondent are as follows:

|  |  |  |
| --- | --- | --- |
| **Variable** | **Name** | **Definition** |
| **X6** | Product Quality | Perceived level of quality of Paperchase’s paper products |
| **X7** | E-Commerce Activities/Website | Overall image of Paperchase’s website, especially its user-friendliness |
| **X8** | Technical Support | Extent to which technical support is offered to help solve product/service issues |
| **X9** | Complaint Resolution | Extent to which any complaints are resolved in a timely and complete manner |
| **X10** | Advertising | Perceptions of Paperchase’s advertising campaign in all types of media |
| **X11** | Product Line | Depth and breadth of Paperchase’s product line to meet customer needs |
| **X12** | Salesforce Image | Overall image of Paperchase’s salesforce |
| **X13** | Competitive Pricing | Extent to which Paperchase offers competitive prices |
| **X14** | Warranty & Claims | Extent to which Paperchase stands behind its product/service warranties and claims |
| **X15** | New Products | Extent to which Paperchase develops and sells new products |
| **X16** | Ordering & Billing | Perception that ordering and billing is handled efficiently and correctly |
| **X17** | Price Flexibility | Perceived willingness of Paperchase sales representatives to negotiate price on purchases of paper products |
| **X18** | Delivery Speed | Amount of time it takes to deliver the paper products once an order has been confirmed |

Purchase Outcomes & Relationship

The first four variables below are measured on a graphic rating scale, where a ten-centimetre line was drawn between the endpoints, labelled as indicated in the coding column. Respondents indicated their responses by placing a mark anywhere on the line. The mark was then measured and the distance from zero (in centimetres) was recorded. The result was a scale ranging from zero to ten, rounded to a single decimal place. Five specific measures were obtained that reflected the outcomes of the respondent’s purchase relationships with PAPERCHASE. These measures include:

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable** | **Name** | **Definition** | **Coding** |
| **X19** | Satisfaction | Customer satisfaction with past purchases from Paperchase | 0 – 10 graphic scale, where ‘0’ indicates "Not at All" and ‘10’ indicates "Completely Satisfied" |
| **X20** | Likely to Recommend | Likelihood of recommending Paperchase to other firms as a supplier of paper products | 0 – 10 graphic scale, where ‘0’ indicates "Not at All Likely" and ‘10’ indicates "Definitely" |
| **X21** | Likely to Purchase | Likelihood of purchasing paper products from Paperchase in the future | 0 – 10 graphic scale, where ‘0’ indicates "Not at All Likely" and ‘10’ indicates "Definitely" |
| **X22** | Purchase Level | Percentage of the responding firm’s paper needs purchased from Paperchase | Measured on a 100-point percentage scale |
| **X23** | Consider Strategic Alliance | Extent to which the customer/respondent perceives his or her firm would engage in strategic alliance/partnership with PAPERCHASE | 0 = No, would not consider; 1 = Yes, would consider |