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December 19, 2019

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Dear Jan-Frederik,

You will find the formal analytical report 'Causal Analysis of Customer Challenges with Ettics' Package-Free System' in the following pages. The report presents the findings from the research I conducted at Ettics between October and December 2019, analyzing the experience of customers with Ettics' unique package-free system. The analysis of the data from the surveys, interviews, and in-store participant observation has led to a series of simple and cost-effective recommendations for making the package-free system instructions even more helpful for customers.

Several other valuable recommendations surfaced through interactions with customers which I have decided to include in this report because of their value to the store even though they are outside the scope of this research. Some recommendations for the layout of the forthcoming store in Essen are also included.

I also want to express my gratitude to you and the rest of the Ettics staff team who warmly welcomed this research proposal. It has been a real pleasure interacting with all of you these past few months! Also, a special thank you for the time you gave during our initial planning meetings; having a deeper understand the store's mission and operations was of great value when conducting this research. It was also a wonderful opportunity to get to know the staff and other local Witteners after only being in Witten for a short while.

Should you have any questions or comments about the report or if you would like to discuss it further, I would be very happy to speak. I can be reached at +49 179 267 1709 and diane.d.keyes@live.com.

Sincerely,



Diane Keyes

Causal Analysis
of Customer Challenges with
Ettics' Package-Free System

for
Jan-Frederik Ude
Founder and CFO of Ettics
Witten, Germany

by
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Conducted through course: ENGL 301
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December 19, 2019

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ABSTRACT

Ettics is a sustainability concept store in Witten, Germany featuring eco-fashion, organic package-free food and body products, and a small café. Staff report new customers having a hard time understanding how to use the package-free system without staff support despite instructions being listed on the wall.

Twelve customer surveys, two customer interviews, three staff interviews, and participant observation were conducted between October and December 2019 to determine why new customers struggle to understand the package-free system as well as what instructional content and in what format would best support new customers aside from speaking with staff.

This formal analysis determined that even though most surveyed customers found the package-free system 'easy' to understand, staff reported many new customers seeking their support to understand the system. Nevertheless, staff reports of 'independent customers' who are not willing to receive staff support, staff reports of new customers asking for explanations, and a few cases of dissatisfaction noted in the customer survey warrants the development of more thorough instructions.

When asked to indicate what format they would prefer getting instructions about the package-free system, 'text with pictures' was ranked first the greatest number of times (six out of twelve customers ranked it as their first choice), making it the most preferred format of instructions. The second most popular formats were 'text,' 'text with picture,' and 'asking staff' (each were ranked first three times). This highlights customer preference for a combination of text and pictures as well as asking staff for support when understanding the package-free system.

The following list of recommendations for the development of these instructions are as follow:

- More detailed, written step-by-step instructions combined with a picture for each step could be developed into a large, colourful poster. (Exact step-by-step instructions are included in the report's recommendation section.)
- It would also be helpful to label the free containers provided by the store for customers to use which are in the box under the weigh-scales.
- Large, colourful signs could be placed throughout the bulk food sections reminding customers to weigh their empty container before filling it with product as many customers forget this step.

INTRODUCTION

Purpose and Overview

Ettics is a sustainability concept store in Witten, Germany featuring eco-fashion; organic package-free food and body products; and a small café. Staff report new customers have a hard time understanding how to use the package-free system without staff support despite instructions being listed on the wall.

Instructions are written on the wall above the weigh-scales at the store entrance where customers are to weigh their empty containers before filling them with product. The instructions state 'Leer wiegen + Gewicht notieren' (weigh empty and write the weight) along with a hand-drawn picture of an old-fashioned weigh-scale. This appears to be insufficient in helping new customers understand the package-free system.

Staff are curious why this is as well as what instructional content and in what format would best support new customers aside from seeking staff support. This would also help more 'independent customers' who prefer to figure things out on their own without staff support and who might be lost due to the insufficient written or visual instructions. The purpose of this research is to determine why new customers struggle to understand how to use Ettics' package-free system and offer recommendations based on these findings.

Definition

Throughout this report, 'package-free system' (also called 'the system') refers to the system used by customers at Ettics when purchasing food or body products that are not pre-packaged. This system requires customers to bring their own re-usable container, weigh their empty container, write the weight directly onto the container, fill it with the product of their choice, and then finally bring it to the cashier for weighing and payment.

Throughout this report, more 'independent customers' are those who staff notice are resistant to seeking or accepting staff support. They prefer figuring things out on their own, are not wanting to engage with others, might find staff who ask if they need support 'offensive' (as explained by a staff member), or perhaps have another reason for their resistance.

Relevance

This report's analysis will support the design of instructions that inform new customers on how to use the store's unique package-free system. This is integral to retaining new customers who might otherwise be lost due to confusion, embarrassment, or frustration when unable to understand the package-free system themselves. It would also greatly support the more independent customers who prefer shopping without staff support. These cost-effective solutions will also be useful when designing the second location of the store which opens in August 2020 in Essen, Germany.

Methods

This research focuses on customers' experience of Ettics' package-free system. Interviews with staff were conducted to understand the current challenges with the package-free system which informed the development of the customer survey questions (see Appendix 1 for staff interview questions). A

customer survey was conducted in-store with twelve customers to understand their challenges with the package-free system (see Appendix 2 for customer survey). The survey also identified which solutions were most appealing to customers. Two informal customer interviews were also conducted which revealed more detailed feedback about the package-free system as well as barriers to store use and other useful feedback not related to the package-free system. The interviews and surveys focused on store-usage and thus avoided personal or sensitive questions. The identities of customers have been kept anonymous.

Limitations

This research is limited by the relatively small sample size (twelve surveyed customers) and by the fact that not all sections of the survey were completed by all respondents.

Scope of Inquiry

This report covers the following topics:

- Staff reports of customer experience.
- Customer reports of challenges with the package-free system and appealing solutions.

Findings and Recommendations

The report concludes by outlining the main challenges experienced by customers with the package-free system. Cost-effective and easily implemented recommendations are offered for improving the existing in-store instructions. Suggestions for the layout of the new Ettics store in Essen are also offered.

DATA SECTION

Findings and Interpretations of Staff Interviews

Three staff (two store-front staff and the CFO) were each interviewed independently on November 13, 2019 in the café section of the Ettics store. Each interview lasted roughly ten minutes and followed a semi-structured interview format.

Overall Customer Experience

When questioned about their sense of customers' overall experience at Ettics, all staff reported that they sensed the majority of customers are having a very positive experience.

Main Challenges

When questioned about their sense of customers' main challenges using the store, they all cited first-time customers' challenge of using the package-free system. One staff believed, however, that customers only needed to be taught to use the system once and could then remember how to use it subsequent times. One staff described that many new customers approach them and say, 'it's my first time here and I haven't done this before; how does it work?' Importantly, this is *not* felt as a burden for staff. Indeed, one highlighted their enjoyment in helping customers understand the system and affirmed that it is an expected part of their job. As well, the store is sufficiently staffed to assist these new customers with personalized explanations.

All staff noted a major obstacle being customers who are more independent. These customers are not willing to ask for or sometimes even accept staff's help. This is a problem especially when the written instructions posted on the wall are evidently insufficient for informing new customers.

Barriers

Staff noted a few barriers which they imagine deter potential customers from shopping at Ettics.

1. One staff member noted that some potential customers might hold the fear that the package-free system is hard to use.
2. Another fear of potential customers is that the store is expensive (this was also echoed in an interview with one customer). However, all three staff noted that it is not more expensive than other organic stores, though it is more expensive than the average non-organic supermarket.
3. Another challenge is that the package-free system requires customers develop the habit of remembering to bring containers with them to the store (this was also echoed in an interview with one customer).

Findings and Interpretations of Customer Survey

Twelve in-person surveys were conducted with customers at the Ettics store in the afternoon of November 23, 2019. The survey was first translated into German, printed, and then handed out to willing customers who completed them by hand and returned them to the researcher before leaving the store. Respondents varied by age (roughly between 20 and 70 years old), were all Caucasian, and spoke German. Survey responses were later translated into English by a German speaker and analyzed by the researcher. Not all survey questions were answered by each respondent (all multiple-choice questions were answered but several long-answer questions were not which indicates customers' lack of time or interest in the survey).

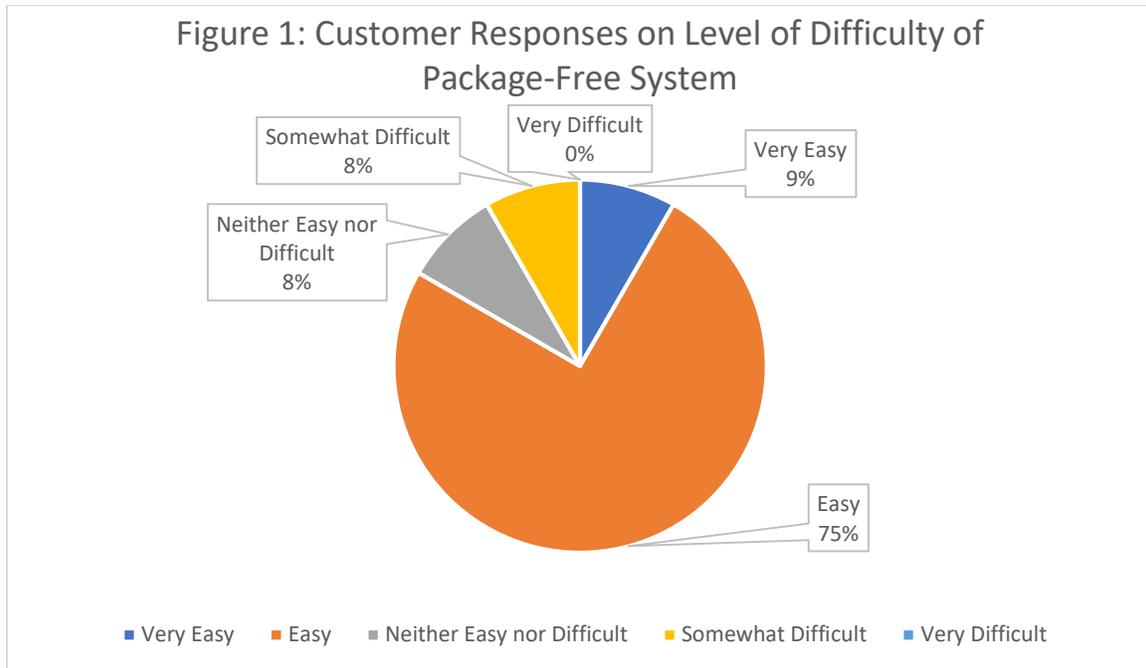
Quantitative Survey Findings

Level of Experience with Package-Free Systems

Eleven out of twelve respondents indicated they have used a package-free food system before (either at Ettics or at another store) which means that only one respondent had no previous experience with a package-free system. For five out of the twelve respondents, it was their first time using the package-free food system specifically at Ettics. This means that the survey data is biased with responses from customers who have used Ettics' package-free system at least once.

Easiness of the Package-Free System

Respondents were asked to rate their experience using the package-free food system for the first time without consulting staff or fellow customers (Figure 1). Nine out of twelve respondents rated their experience using the package-free system as 'easy'. One customer rated their experience 'very easy', one rated it as 'neither easy nor difficult', and one rated it 'somewhat difficult'. No respondents reported having a 'very difficult' experience using the package-free system.



The fact that the majority of respondents reported having an 'easy' experience does not align with staff reports of customers seeking their support when using the package-free system for the first time. This might be due to several factors. First, it could indicate that the system itself is not actually difficult, despite the fact that, according to staff, first-time customers do not know how to use the package-free system. Second, it could mean that customers are not reporting their true level of difficulty out of embarrassment, wanting to please the researcher, or to preserve the image of the store. Third, more returning users were surveyed than first-time Ettics customers (but even then, some of the new customers still rated it as 'easy', and at worst, 'somewhat difficult').

Helpfulness of Current Instructions

Respondents were asked to rate how helpful they found the written instructions on the wall for understanding how to use the package-free system (Figure 2).

- Eight out of twelve respondents rated the current instructions written on the wall as 'helpful.'
- One rated it as 'very helpful.'
- One rated it as 'not so helpful.'
- No respondents rated it as 'not helpful at all.'

Finally, two respondents wrote individualized responses in the space provided for 'other' responses. The first wrote, 'it is not needed; many things explain themselves,' indicating this customer thought instructions were not needed at all. The second wrote, 'I was not aware of this,' indicating they were not aware there were written instructions on the wall. Evidently, both of these respondents had an easy time with the package-free system. Again, this does not explain why staff experience so many first-time customers struggling with the package-free system.

(In Table 1, '1' represents most preferred option; '0' represents option was not selected; 'X' represents the symbol used by some customers instead of providing a numerical response.)

Qualitative Survey Findings

Customer Experience

Taking a micro-phenomenology approach, respondents were asked to explain their experience using the package-free system for the first time, prompting them to consider what they did, what they felt, and what their thoughts were. Respondents answered this question in two ways: praising the store and noting their challenges.

Four respondents praised the store's welcoming, light, and pleasant atmosphere. One was pleased that staff were not constantly asking if they needed support. Two affirmed that more stores should be package-free.

Several noted challenges they experience. One noted their insecurity of doing something wrong, especially spilling product when filling their container. One simply wrote that the system was 'incomplete' but offered no explanation. Another was unclear if they could bring their own containers for re-fill and if they could use something in the store to fill their containers (like spoons or shovels). A fourth respondent noted their confusion about where different products are located in the store. They suggested having more signs for 'orientation'. One also noted their challenge of often forgetting to weigh their empty container before filling it with product (indeed, this was a challenge noted in one staff interview).

Helpful Information for Instructions

Six customers offered responses when asked what information would have helped them understand how to use the package-free food system without consulting a staff member or a fellow customer. Some specified the kind of information (general information on the products, if the products are organic, product origins, rough system-use directions) while others specified the format and location (information posted on the walls, information on a screen, a board at the entrance, larger signs, longer explanations). There was also one idea to post signs with short explanations on one side and more detailed information listed on the back for those interested.

Findings and Interpretations of Customer Interviews

Two semi-structured interviews were conducted in-person with customers. One interview was conducted with a survey respondent on November 23, 2019; it was their first time using any package-free system. A second interview was conducted on December 4, 2019 with an individual who rarely shops at Ettics, having shopped there five times in the past couple years. They mentioned a series of barriers to store use. They also noted some creative ideas and factors that do attract them to the store.

Barriers to Store Use

Organic Identification

One interviewee mentioned eating organic was important to them and they would like to know which, if any, products were organic and certified by major certifiers like BioLand, Demeter, and Eko. (One staff explained in a preliminary interview with the researcher that the products are not labelled 'organic' even though many of them are grown organically because they have not undergone an official certification process.)

Fear of High Prices

One interviewee wished to know how the prices at Ettics compare to similar stores (like the organic products at Rewe, DM, and Alnatura). This interest matched what staff mentioned in their interviews: customers are worried that Ettics prices are higher than other stores. This fear was also voiced by the second interviewed customer who noted that as a barrier for them using the store. (Staff clarified that yes, Ettics products are more expensive than the average non-organic supermarket but have similar prices to other organic stores.)

Visualizing Food Prices

One interviewee mentioned their challenge is to visualize how much a certain weight is and would cost of each product (for example, what 500 grams of oats looks like). This is likely because some customers know how much product they want by the visual size but not by the numeric weight. Although the price per weight is listed on each product (for example, 1 euro per 100 grams of flour might be written on the bulk container), the customer still has a hard time knowing how much their choice of product would cost based on how much they filled into their container. The customer then only knows the final cost once at the cashier. It is possible that if customers could more easily visualize the price, it would break their suspicion that the prices are higher than in other organic stores.

Nut Allergy

One interviewee noted their challenge shopping at package-free stores because of their nut allergy since the containers containing nuts are open and there is too much cross-contamination as a result.

Habit Formation

One factor that deterred one interviewee from shopping more frequently at Ettics was their challenge with creating the habit of remembering to clean their own re-usable containers and bring them to the store. They also felt a resistance towards the effort this would entail.

Lack of Information and Energy

Though they have a problem with plastic, one interviewee noted it is not strong enough to change their actions yet. They feel responsible but also feels exhausted with responsibility. At the moment, they feel more responsible towards being vegan and have the energy to focus only on making this lifestyle change. Importantly, they mentioned they do *not* fully understand what the impact of going package-free actually is which perhaps contributes to their lack of commitment to the issue.

Attractive Factors & Creative Ideas

Social Scene

One interviewee mentioned that although they are deterred by the prices at Ettics, they do support the initiative and are attracted by the social scene at the store. They like the people who shop at Ettics and many of their friends shop there. Thus, they explained they would be excited to attend social events hosted by Ettics.

Discounts

They also explained they would be more willing to shop at Ettics if there were discounts. They suggested a discount section, a different discounted item each week, or a scheme where after a certain number of purchases a customer would receive a discount or piece of Ettics merchandise like a poster.

CONCLUSION

Summary

Based on the customer survey, customer interviews, and staff interviews, customers seem to be having a very positive experience at Ettics. Customers communicated their enjoyment of the welcoming atmosphere, helpful staff, and aesthetic nature of the store. Some also affirmed that more stores should operate on the same package-free concept.

Regarding customer experience with the package-free system itself, there was an incongruence between staff and customer reports. Staff reported that many new customers have a hard time understanding the package-free system, often coming to them for help despite the instructions on the wall. This was contradicted by the majority of customer reports which stated that the package-free system was 'easy' to use. There were only a couple of cases where customers were not totally satisfied with the current package-free system instructions (one customer rated the current written instructions as 'neither easy nor difficult,' one rated it 'somewhat difficult,' and a few noted challenges such as being worried about doing something wrong or forgetting steps like weighing the empty containers).

If the customers surveyed really did find the system easy to figure out, then this is a *good* sign, indicating that the system itself does *not* need to change. Further, even if new customers continue to ask staff for support, staff report a willingness and enjoyment in helping customers and expect it as part of their job.

Nevertheless, staff reports of independent customers being unwilling to receive staff support, staff reports of new customers asking for explanations, and a few cases of dissatisfaction with the system instructions warrants the development of more thorough instructions. Customer survey data indicates that the majority of customers would prefer instructions presented in a combination of text and picture format, in addition to seeking staff support. More detailed suggestions on improving the current instructions surfaced throughout this research and are detailed in the recommendations section below.

Additionally, both staff and customer reports uncovered two key barriers that customers experience to shopping at Ettics. First, some customers perceive that prices at Ettics are higher than at other organic stores. Second, they experience resistance to developing the new habit of cleaning and then remembering to bring re-usable containers to the store.

Recommendations

The following section presents a series of recommendations to further develop Ettics' package-free system instructions based on the findings from staff interviews, customer interviews, customer survey, and the researcher's participant observations.

Numerous suggestions arose regarding informational and instructional content of interest to customers. Some pertain specifically to the package-free system while others offer suggestions on other store elements outside the scope of this research inquiry which are valuable nonetheless.

Recommendations for Ettics Witten Location

Recommendations for the Package-Free System

- Based on customer preference, written step-by-step instructions combined with a picture of each step could be developed into a large poster. The pictures would help non-German speaking

and illiterate customers. Adding colour would also help draw customers attention to the information. Based on the researcher's first experience with the package-free system and observing other customers, the following system instructions would be valuable for new customers:

1. Place your empty container on the weigh-scale.
 2. Write the weight directly onto the container either using a permanent marker or by writing the weight on a slip of paper and taping it to the container.
 3. Fill your container with the desired product.
 4. Once you are finished shopping, bring your containers to the cashier who will then weigh them and charge you by weight.
- Currently, tiny transparent jars contain small amounts of product are located next to their corresponding bulk container, acting as samples. They allow customers to view and smell the product without needing to open the bulk container. To address the challenge that some customers have a hard time knowing what their product will cost after they fill their container, these sample containers could be adjusted to contain a particular weight of product and list the corresponding price. For example, display a jar with 500 grams of flour (if this is the typical amount purchased by customers) and list the price of this amount. This would help customers estimate the weight and price of their products more easily.
 - It could be helpful to label the empty containers (located in the box under the weigh-scales) that are provided for free for customers to use, explaining they are free for customers. As well, based on the feedback from one customer, it would be helpful to explain that customers are encouraged to bring their own containers for re-fill.
 - Large signs reminding customers to weigh their empty container before filling it with product would help manage the problem that some customers forget this step. Several of these signs in a bright colour could be placed near the bulk containers in each section of the store.

Other Recommendations

- Informational posters explaining the impact of going plastic and package-free could help inform skeptical customers who are less eco-conscious. For example, consider explaining how much energy, carbon, or water is saved. As one customer suggested, informational posters like this can have a short explanation followed by a longer description below so customers can access the level of information they need.
- Many people shop at Ettics because of the organic products. To cater to this audience, consider posting a written explanation in the store that the products are grown organically but have not undergone an official certification process and therefore cannot officially be labelled 'organic'. Stickers could be used to label these non-certified organic products until properly certified.
- To correct the misconception that Ettics is more expensive than other organic stores, include a written explanation that food prices at Ettics are comparable to the prices of organic products sold at stores like Rewe, DM, and Alnatura. Clarify that Ettics' prices are between those at Alnatura and Rewe-Bio products. The rationale can be offered that paying a little more for some products at Ettics that have no packaging is supporting the environment. A description could read: 'By shopping package-free at Ettics, customers save x amount of carbon and x amount of water.'

- Hanging large signs from the ceiling to indicate the 'sections' of the store (for example 'body products' or 'spices') could help new customers find the products they are looking for more easily.
- Consider providing larger strips of paper (along with the small ones used to note the empty container weight). These larger slips could be used by customers who want to label their containers with the name of the product or its ingredients.

Recommendations for the Future Ettics Essen Location

- Consider designing the future store in Essen in a way that makes it child safe. For example, having containers and jars located on shelves one and a half meters above the ground. This would help ensure safety of younger children and of store property.
- Consider making the shelves deeper. This would allow customers to more easily re-fill their containers by placing it on the shelf space directly in front of the bulk container they are taking product from. For example, the researcher noticed a woman struggling to hold her re-usable container in one arm while trying to pump liquid soap into it from the bulk container.
- Consider a floorplan, shelving, and containers that contain nut products securely and in a way that makes it safer for customers with nut allergies. For example, consider confining the nut products to a separate room with a door that closes. Consulting other stores that have managed this problem is encouraged for design ideas. Another recommendation is to post signs warning that nut products are present and cross-contamination is possible.

APPENDICIES

Appendix 1: Staff Interview Questions

Interview Questions for Jan-Frederik Ude, Founder and CFO of Ettics

1. Based on the reports from your staff and from your own observations, what is the customer experience at Ettics?
2. What are the most common challenges you notice and your staff report which new customers are experiencing when using the package-free system?
3. What do you suspect new customers need in order to easily understand how to use the package-free system?

Interview Questions for Ettics Staff

1. Based on your own observations and/or conversations with customers, what is the customers experience of Ettics?
2. What are the main challenges experienced by customers?
3. What do you think customers would need in order to understand the package-free system?

Appendix 2: Customer Survey

Survey Introduction

I am an undergraduate student at the University of British Columbia in Canada engaged in a technical writing project. The purpose of this survey is to obtain primary data for an analysis and investigation that aims to provide recommendations for improving your experience with the package-free system used at Ettics.

This package-free food system requires customers to fill their re-usable containers with the food products of their choice. It requires that customers first weigh their empty container, then write the weight on the container, then fill it with the food product, and finally bring it to the cashier for weighing and payment.

The final formal report will be addressed to the Ettics Founder and CFO, Jan-Frederik Ude. Together with staff interviews and participant observation, the data gathered from this survey will support the development of recommendations for increasing store accessibility for customers. The survey contains 12 multiple-choice and short answer questions and should take around 5-10 minutes to complete. Your responses are voluntary and will be kept anonymous.

Thank you; your participation is much appreciated!

Contact details of researcher: Diane Keyes, diane.keyes@alumni.ubc.ca

Customer Survey Questions

1. Have you used a package-free food system before (either at Ettics or at another store)?

Yes / No

2. Have you used the package-free food system specifically at Ettics before?

Yes / No

3. Please rate your experience when using the package-free food system for the first time without consulting staff or fellow customers. (If you asked for help, please indicate your experience before you asked for help.) Circle one response.

Very easy

Easy

Neither easy nor difficult

Somewhat difficult

Very difficult

Other _____

Decline to state

4. Please explain a little bit about your experience using the package-free system for the first time. (What did you do, what were your feelings, what were your thoughts?)

5. Where do you notice you first looked to find instructions on how to use the package-free food system?

6. How helpful are the written instructions on the wall for understanding how to use the package-free system? Circle one response.

Very helpful

Helpful

Not so helpful

Not helpful at all

Other _____

Decline to state

7. What information would have helped you understand how to use the package-free food system without consulting a staff member or a fellow customer?

8. How would you prefer getting instructions on how to use the package-free system? Please rank your preference starting with 1 representing 'most preferred format'.

___ Written text

___ Pictures

___ Written text with pictures

___ Video

___ Asking a staff member

___ Other _____

___ Asking a fellow customer

___ No preference

___ Observing others

___ Decline to state