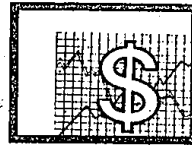


Business

Marilyn Fitchett editor/591-2300

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JOB 1?

With the push on for quality in the automobile industry, marketing firms are tracking owner satisfaction levels based on such factors as style, fit and finish, engine performance, fuel economy, comfort, luggage room, acceleration and brake response.

By Pat Walsh
special writer

Computers have taken market research a long way from the days when the Piotrowski boys sat around the kitchen table with stamps and sponges stuffing auto survey questionnaires into envelopes for their dad's business.

These days Research Data Analysis (RDA) has a room of high-speed mailing machines, computer and data processing equipment and rows of employees conducting telephone surveys or coding survey responses into computer banks in their Bloomfield Hills offices.

RDA is one of the local market research firms whose surveys confirm what internal warranty data is telling auto manufacturers — American car quality has improved. Dave Piotrowski is now director of computer operations for RDA. Brother Don is project director. Along with project director Tom Rose, they spent some time explaining the art and science of automotive quality surveys.

"THE SPEED and memory capabilities of computers, along with the demand for data, make the car the most researched product in history," Rose said.

The standard measurements of

quality used in the market research studies are the consumer satisfaction index (scaled 1-10) and "thing gone wrong" per 100 vehicles. Current research surveys show an increase in satisfaction levels for American cars with a corresponding decrease in the number of "things gone wrong."

Satisfaction levels are tracked on numerous performance attributes of car quality. These include style, fit and finish, engine performance, fuel economy, comfort, luggage room, acceleration and brake response. Questions are designed to help locate squeaks and rattles, and differentiate between wind noise and road rush.

Questions are designed to encourage response. In order to dispel reservations about answering the survey, they are generally anonymous and ask for income information in a range rather than exact salary.

"Some people are cynical," Don Piotrowski said. "They think you're looking for a good house to rob."

SURVEYS SEEM to show quality expectations differ between buyers. Sometimes the idea of the car as well as the physical characteristics affect an owner's perception of quality. This is true particularly of Japanese cars where the owner's perception of quality exceeds what the data



Don Piotrowski, brother Dave, and Tom Rose of Research Data Analysis check the results of their latest automotive survey.

the demand for data, make the car the most researched product in history," Rose said.

actually shows."

Generally, a manufacturer contracts for a study of an entire class of similar cars — for example, all economy cars. Surveys do not cross lines so that Lincolns are not compared with Escorts. In this way, human elements are filtered out in the structure of the survey. While buyer qualities are important, their analysis is left to demographic and

psychogenic studies.

In order to achieve statistical validity, there must be sufficient sampling. Surveys typically generate slightly better than a 60 percent response rate. That's considered sufficient, and analysts don't concern themselves overly with non-respondents.

"Some studies have looked at the satisfaction level and characteristics

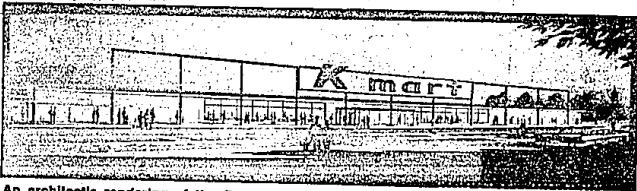
of non-respondents," Rose said. "The studies show that their overall satisfaction level highly corresponds with survey respondents."

WHILE SOME individuals require coaxing to encourage participation, others respond with interest and enthusiasm, eager to recount the details of such a major purchase. Responses range from the highly satisfied to the highly dissatisfied. RDA

sometimes receives "checks and \$10 bills accompanying the returned survey, expressing an owner's satisfaction with the product," Don Piotrowski said. They are returned.

In contrast, Dave tells the story of one respondent who wrote that her husband was in prison for shooting the dealership service manager.

Please turn to Page 2



An architect's rendering of the first Kmart store, which opened in Garden City 25 years ago.

Attention, K mart shoppers:

Discounter marks 25th anniversary

A potato masher — similar to the one on the shelves when the store opened 25 years ago yesterday — is still available at the first Kmart in Garden City.

But now you have to pass by a display of microwave cookware in order to find it.

The ability to keep in step with high-tech trends while hanging on to more traditional customers is one reason Kmart has made an indelible mark on the retailing world over the last quarter-century, said Scott Fields, manager of the Garden City store.

The nation's second-largest retailer, with headquarters in Troy, marked its 25th anniversary March 1. With customers shopping at more than 2,100 stores now bearing the big red K, Fields reflected on the company's success.

"I think one of the major contributions Kmart has made over the years is to give discount shopping some respect," Fields said.

The store manager explained that the old discount store image, where merchandise was carelessly displayed in a sparse, warehouse-type environment, began to lose favor as Kmart gained a foothold through the mid-1960s.

One-stop shopping was another cornerstone of the Garden City Kmart. Today, a typical Kmart stocks approximately 100,000 items

including such traditional goods and health and beauty aids, stationery and toys, as well as building materials, horticultural products and consumer electronics.

Among Kmart's best-selling new products are video movies, audio disc players, toy scooters, hypoallergenic cosmetics and microwave cookware.

No matter if you shop at the first Kmart or the latest store built, you'll probably feel at home because most stores are laid out in the same general way.

One of Kmart's biggest changes in strategy was the decision to upgrade its line of apparel in 1980. The company's research showed that consumers wanted better quality and were willing to pay for it. In response, Kmart introduced national brands and developed a series of labels such as the Jacklyn Smith Signature Collection. The pipe-rack look of the 1960s disappeared in favor of updated merchandise displays.

Research now shows that over the last three years Kmart apparel has received "consistently higher ratings for quality, styling, selection and fit." Kmart now plans over the next five years to allocate an additional 4,000 square feet to apparel in about 1,000 full-size stores in metropolitan markets.

But while the store is constantly making improvements, Fields said

changes are always considered carefully so as not to alienate longtime customers.

"People have been coming in to buy toothpaste for years, and so I think we're always going to carry toothpaste," he said.

Here's a brief summary of the evolution of Kmart.

• 1962 — Kmart opens its first store in Garden City. By the end of the year, 17 additional stores were opened, which grossed more than \$13 million in sales that year.

• 1963 — The blue light special debuted, modeled after blue plate specials popular in diners during the 1950s.

• 1970 — Full-service pharmacies were opened in 19 Kmart stores.

• 1972 — Kmart celebrated its 10th anniversary with 485 stores and 1971 year-end sales of \$2.6 billion. It was also the year S.S. Kresge moved its corporate headquarters from Detroit to Troy.

• 1982 — With more than 2,000 stores, Kmart began a \$2.2 billion, five-year plan that included renovation of all store departments.

• 1987 — Kmart celebrates its 25th anniversary as the second-largest retailer in the world with 1986 sales of \$24.2 billion.



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