# IMPROVEMENT OF SERVICE EFFICIENCY OF A RETAIL STORE IN THAILAND

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### **ABSTRACT**

Retail businesses in Thailand was grow rapidly result in a very high level of competition. The quality of service in retail stores was important and should be developed to retain customers. Include in-store workflows reveal that delay in operations, which was among the most critical issues for retailers, could affect the service quality of a retailer's business. The objectives of this research was to study the service process of retail stores and present guidelines for improve service efficiency of retail stores. The research method was qualitative, use interview concepts or lean concepts. The research found that reduce the duration of the clean process and switch to clean before the store closes or reduce unnecessary time, and the shop provided more services to customers, result in more efficient service of the shop.

Keywords: service efficiency, retail store, Thailand

# **INTRODUCTION**

Retail store play a crucial role in the everyday life of modern people. Retail enable consumers to access a wide variety of products and services worldwide. The retail business helps support the country economy and create additional workplaces. First of all, the retail industry is about customer convenience. Retail bring read to consume products to people and let them get everything they need for their happy lived. Customers don't have to wait for a long time. They can visit a grocery, clothing, convenience, or drug store to have the products they need now. Beside, retailers often offer delivery to the customer's doorstep. The retail business is a part of a bigger system called a supply chain. Retail is a crucial part of the supply chain since it links a manufacturer with a consumer. Retailers contact vendors and buy products in large quantities. After, they sell these items in small amounts to customers to obtain profit. After making a deal with a manufacturer, businesses can offer consumers a wide range of products. [1].

The retail industry influences the economic development of a country. Stores sell goods and pay taxes to the country's budget. Retail companies provide people with jobs. The level of unemployment decreases. Now that you know the importance of the retail industry, it's time to unveil the types of retail business. If you are still decided which store to open, it'll be useful to find out the features of each. Retail Business means a business that sells retail goods, includ a grocery store, cloths store, sports good store or liquor or cannabis store and includes a department store and the common areas in a mall. A retail business is the sale of items and

services in small quantities to customers in-store or online. Grocery, cloths, and drug stores are examples of retail. [2].

Thailand is one of the most economically thrives countries in Southeast Asia. With a population of almost seventy million as of 2021, Thailand's streets, especially in Bangkok, are full of prosperous local businesses and well- known modern retailers to satisfy potential consumers. Thailand's retail industry is constantly evolving and improving to respond to the growing demand from consumers where convenience seems to be the key. The wholesale and retail sector, with the vehicle maintenanceand household goods sector, contributed around 2.7 trillion Thai baht to the GDP in Thailand in recent years. This was a good indication of the GDP contribution the retail sector in Thailand had to offer. Although, after the coronavirus (COVID-19) pandemic, the retail businesses in Thailand were negatively affected, resulting in a 12 percent contraction in 2020. In 2021, the sector of wholesale and retail trade, repair of vehicles and household goods contributed approximately 2.7 trillion Thai baht to Thailand's GDP. In that same year, the total GDP in Thailand amounted to around 15.6 trillion Thai baht.[4].

### **OBJECTIVE**

- 1. To study service process of a retail store.
- 2. To propose a guideline to improve service efficiency of a retail store.

### **METHODOLOGY**

- 1. Study survey service process of the retail store, work time within the retail store, discovered operational issues that resulted in delays in operations and reduced service efficiency.
- 2. Interview all of managers and employees in the store. Interview the work process of the entrepreneur as well as all the employees in the store about the work process system within the store.
- 3. Analyze the problem use a fishbone tcenique. Identify issues and create fishbone charts to clearly isolate problems in retail operations. A cause and effect diagram, often called a "fishbone" diagram, can help in brainstorming to identify possible causes of a problem and in sort ideas into useful categories. A fishbone diagram is a visual way to look at cause and effect. It is a more structured approach than some other tools available for brainstormed causes of a problem (e.g., the Five Whys tool). The problem or effect is displayed at the head or mouth of the fish. Possible contribution causes are listed on the smaller "bones" under various cause categories. A fishbone diagram can be helpful in identify possible causes for a problem that might not otherwise be considered by direct the team to look at the categories and think of alternative causes. Include team members who have personal knowledge of the processes and systems involved in the problem or event to be investigated.
- 4. Find solutions by use Lean concept. Lean methods are introduce to help in the process of reduce unnecessary work steps in terms of time. Lean is focus on identify and eliminate waste. Waste can be any process or activity that takes unnecessary time or materials and

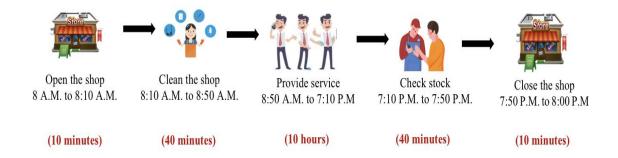
eliminate waste in your own tasks can make you more productive and often short your work weeks. Forms of waste to eliminate might be:

- A.Overproduction: Do more work than is necessary. Waiting: Idle time waiting for tasks to be assigned, contingent tasks to be completed, or needed information.
- B.Transportation: Information or materials moved through too many unnecessary intermediaries or processes.
  - C.Unnecessary process: Add non-essential features or functions to tasks.
- D.Unnecessary motion: This can be physical motion or mental motion. Unneeded time spent looked for information, tools, or necessary resources.
- E.Defects: Work that does not meet acceptance criteria and therefore needs to be redone or corrected.
- F.Inventory: Excessive inventory is often the result of a company hold "just in case" inventories. In such cases, companies overstock themselves in order to meet unexpected demand, protect from production delays, low quality, or other problems. However, these excessive inventories often don't meet customer's needs and don't add value. They only increase storage and depreciation costs.
- G.Waiting: This is probably the easiest waste you can recognize. Whenever goods or tasks are not moving, the "waiting waste" occurs. It is easily identifiable because lost time is the most obvious thing you can detect. For example, goods waiting to be delivered, equipment waiting to be fixed, or a document waiting for executives' approval. [3].
- 5. Propose the solution and evaluate the result. Study the problems that arise and develop work processes within the store to be more efficient in terms of service.
- 6. Report the result and conclusion. From solve problems and improved the service by having a summary of the performance both before and after development.

# **RESULTS**

- Part 1. Retail store opens hours for all customers group from 8:00 A.M. to 8:10 A.M. every day.
- Part 2. The shop regulations for all employees to help clean the inside and outside of the shop clean and tidy duress 08:10 A.M. to 08:50 A.M.
- Part 3. From 08:50A.M. to19:10 P.M. onwards, staff at the shop takes care of customers service. For example, customers want to find what products the staff recommend and takes them to find products that meet the needs of customers. Include delivery service to nearby customers.
- Part 4. The staff checks the product to check the correctness of the number of products at 7:10 P.M. to7:50 P.M. every day.
- Part 5. The time of the closes shop between 19:50 P.M. to 20:00 P.M. From Figure 1: Retail service process before development.

Figure 1 :Retail service process before development.



- Part 1. Retail store opens hours for all customers group from 8:00 A.M. to 8:10 A.M. every day.
- Part 2. From 08:10 A.M. to19:10 P.M. onwards, staff at the shop takes care of customers service. For example, customers want to find what products the staff recommend and takes them to find products that meet the needs of customers. Include delivery service to nearby customers.
- Part 3. time 19:10 P.M to 19:50P.M.c. every day. The staff checks the product to check the accuracy, quantity of the products, time Include duress this time, the staff clean the store every day before the store closes.
- Part 4. The time of the closes shop between 19:50 P.M. to 20:00 P.M. From Figure 2: Retail service process after development.

Figure 2: Retail service process after development.



#### **CONCLUSION**

Due to the process of the store, there is a process of clean the store before opens for service to customers, result in the store was time service customers for 40 minutes, only 10 hours of service to customers and cause the service to be incomplete and delay after develop the work process, it was see to reduce unnecessary steps, namely reduce the time in the clean process and go to do it before the store closes. This allow the shop to increase the duration of service customers by up to 40%.

Table figure 1:

Process (Time)	Open the shop	Clean the shop	Provide service	Check and replenish product	Close the shop	Toltal Time (provide service)
Process time before improvement.	10 minutes	40 minutes	10 hours	40 minutes	10 minutes	10 hours
Process time after impovement.	10 minutes	-	10 hours 40 minutes	40 minutes	10 minutes	10 hours 40 minutes

### Summary of process time.

# RECOMMENDATION

- 1. In this research, methods can use to reduce unnecessary work steps and increase the efficiency of customers service across retail stores.
- 2. In the next research, develop and increase the efficiency of retail store in terms of reduce unnecessary work space in the store to make it more convenient for costomers when to use the service. It also reduces the cost of store products for retailers.

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