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Editorial

The current issue of the International Journal of Sales, Retail and Marketing is once more dedicated to the new and exciting researches from around the globe. We are proud to present 12 new original research papers concentrated mainly in the area of retailing and sales.

In this, truly international issue there are papers form three different continents; Asia, Europe and Africa, namely from India, Pakistan, England, Malaysia and South Africa. The profile of contributors to the Journal ranges from well-known established professors to young and promising doctoral students whose time is yet to come.

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Editor,

Professor Mirko Palić, Ph.D.

CONSUMER PURCHASING DECISION MAKING STYLES: AN EMPIRICAL STUDY IN SHOPPING MALLS OF GREATER VISAKHAPATNAM

Ajay Rathan Duggi

Abstract

This paper investigates the relationship between consumers' decision-making styles in greater visakpatnam shopping malls. Retail trend in India is changing scenario of the consumer's decision rapidly and is being scrutinized by large scale investments by foreign and domestic players. Based on survey data analysis, this paper provides how consumer purchasing decision process changing each type relationship with shopping convenience. The researcher will collect the data from simple random sample with a self-administered survey for shoppers. The results support a complex view of the shopping experiences and consequences of consumer decision making styles.

Keywords: Consumer Decision making, Shopping malls, convenience, Self-administered survey

Introduction:

The retailing sector in India has grown rapidly with purchasing power of consumers. It can be significant that India is witnessing changing life styles, increased incomes, the demographic variability's and vibrant democracy. According to Sahu, R.P. (2010) report Indian retailing is expanding and is expected to reach at US$637 billion by 2015. Modern retail is soon capturing 22% share in total retail by 2010 with the expansion of 12 million outlets and provision of creating 1.5 million jobs in 2 to 3 years. The industry is playing vital role in the economic growth of the country. The concept of shopping is moving in and around hypermarkets, supermarkets, and specialty stores and in other formats like shopping malls. As the result of retailing is the final objective in the distribution process. As per images F&R Research 'India Retail Report 2007', organized retailing in India accounts for 4.6% (Rs. 55,000 Crores or $ 12.4 Billion) of Rs. 120,000 Crores or $ 270 Billion

retail market with an expected 40% plus annual growth rate, and is expected to grow to Rs. 2,00,000 Crores, i.e., $ 45 Billion by 2013. During the period 2008- 20010, the leading retailers' sales growth was 50-100%. Whereas the retailing industry is present running the high competition. It is the latest method that has witnessed hordes of big players like TATA, Birla, Reliance, Pantaloon Group, etc., leaping into it. The entry of big players in retailing has caused a major revolution in its marketing strategies and innovations. Now retail sector, being considered as the most dynamic and attractive sector in India, is going through a transition phase. For a long time, the corner grocery store was the only choice available to the consumer. This is slowly giving way to international formats of retailing. The traditional food and grocery segment has seen the emergence of hypermarkets / supermarkets / grocery chains (Food World, Subhiksha, Apna Bazaar, Big Bazaar, etc.) and fast food chains (McDonalds, Dominos, etc.)

Marketing and Consumer Behaviour
Marketing is a total system of interacting business activities designed to plan, price,

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promote and distribute want satisfying products and services to present potential customers. It is concerned with the profit, which is the ultimate result of consumer satisfaction. Consumer satisfaction is the pillar of the marketing concept. But this is not automatic. This modern concept is more consumers oriented and the emphasis is mainly on the consumer. Consumer is the pivot around which the whole marketing activity revolves. In short, to achieve the consumer satisfaction, products must be available in the right form, on the right time, at the right place and in the manner that would tempt the consumer to obtain their possession. The very existence of the business lies in this process.   In a free enterprise economy, consumers are free to purchase what they please, limited of course, by income, socio-economic status, legal business forces, geographical setting etc. It depends on how effectively the various utilities created in a product attract and satisfy a consumer. In other words, as Richard H. Buskirk rightly observed "If marketing efforts are to be successful, they must at all-time be consumer oriented". Thus marketing performs all the activities, which are necessary to pass on goods from producers to consumers, satisfy their needs.

Therefore, the marketing manager needs appropriate marketing strategies in order to market the products successfully to different market segments. Consumers differ in terms of age, education, occupation, income, family set-up, religion, nationality, social status and so on. It is only after he understands the factors that account for these differences in consumer behaviour and tastes he can be able to design an appropriate strategy. In fact the behaviour of consumers can be understood and influenced to ensure a positive purchase decision. The marketing manager's interest lies exactly here, i.e., to ensure that his marketing strategy results in purchase of the product. A consumer's decision to purchase a particular product or

service is the result of complex interplay of a number of variables. The starting point for the decision process is provided by the marketing stimuli in the shape of product, promotion, price and distribution strategy.

Statement on Research Problem

The study of consumers helps firms and organizations improve their marketing strategies by understanding issues such as how

The psychology of how consumers think, feel, reason, and select between different alternatives (e.g., brands, products);

The psychology of how consumer is influenced by his or her environment (e.g., culture, family, signs, media);

The behaviour of consumers while shopping or making other marketing decisions;

Limitations in consumer knowledge or information processing abilities influence decisions and marketing outcome;

How consumer motivation and decision strategies differ between products that differ in their level of importance or interest that they entail for the consumer; and

How marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.

Understanding these issues helps the firms adapt various strategies by taking the consumer into consideration. For example, by understanding that a number of different messages compete for the potential customers attention to be effective, advertisements must usually be repeated extensively. Consumers will sometimes be persuaded more by logical arguments, but at other times will be persuaded more by emotional or symbolic appeals. By understanding the consumer, the marketers will be able to make a more informed decision as to which strategy to employ.

This study aims to investigate the relationship between the independent variable consumer purchasing decision-making process and the

dependent variable online shopping convenience among Visakhapatnam shopping malls.

Objectives: The increasing change in the decision-making styles emphasizes on providing shopping convenience. Thus, the variety of customer decision-making style raises the need to understand each category. This paper will contribute by; investigating the dominant famous customer decision making style in Indian context. Second, it will help to clarify the relationship between each decision style category and convenience. Third, empirical evidence will enrich the literature.

In this context, the present exercise embarks on the study of consumer behaviour patterns with particular reference to shopping malls in various localities of Visakhapatnam city region. Specifically it is intended
To study the consumer behaviour trends in shopping malls pattern
To review the major studies of consumer behaviour towards shopping malls
To examine the socio-economic conditions and their opinion of sample respondents
To suggest suitable measures for adapting better practices in marketing of consumer goods through malls.

Methodology of the Study

The Methodology adopted for the present study is through collection of data and information from various sources. A preliminary questionnaire was developed based on requirements of understanding consumer decision-making processes. Hypotheses were developed to test out linkages in the theoretical framework of consumer decision making. Data which is required for the analysis and that could fulfill our objectives and other requirements of the study, has been collected mainly from two sources, viz. 1) Primary and 2) Secondary. The required primary data were collected from the

customers through a well structured questionnaire designed for the purpose. After making relevant modifications in the light of pre-testing, it is employed to collect the opinions of sample consumers by conducting a survey over a sample of 500 rcustomers in different areas of Visakhapatnam city. Since the population of retail customers in the study area is quite large and unmanageable, the researcher is forced to confine to the above sample size. A total of 500 respondents participated in the survey. Selected demographic characteristics of the sample including gender, age, education, marital status and monthly family income, are presented in table.

Tools and Techniques Employed in the Study

After gathering the required data from the above two sources, the data is processed, tabulated and the final analysis is prepared through proper interpretation. For this a number of appropriate statistical tools and techniques are employed. In this study, factor analysis was carried out in two stages. In stage one, known as the factor extraction process, objective was to identify how many factors to be extracted from the data using principal component analysis. In the second stage researcher used reliability test.

Factor Analysis

Factor analysis was used in this study to reduce a large number of related variables to a more manageable number. It resorted to trimming a large number of variables to reach at few factors to explain the original data more economically and efficiently. Factor analysis is a widely used multivariate in marketing research, reduces data complexity. The factor analysis is used to avoid any inter-correlations among the variables as the items in each of the variables are adopted from numerous sources. Prior to performing factor analysis, adequacy of data is tested on the basis of results of the Kaiser-Mayor-Olkin (KMO)

measure of sampling adequacy and Bartlett's test of Sphericity (homogeneity of variance) which are used to determine the suitability of the data for factor analysis.

Reliability Test

A reliability test is also conducted to ensure that the instrument measures are consistent and stable over time (Cavana et al., 2001)27 of the measure is without bias (error free) and, hence, ensures consistent measurement across time and across the various items in the instruments. In the present study, the reliability of the standardized scales was confirmed using Cronbach's coefficient alpha. The higher the coefficients, the better the measuring instruments. However, according to theory, Cronbach's alpha should be at least 0.70 to be considered as acceptable. Besides the Cronbach's Alpha, it is also attempted to study Corrected Item-Total Correlation in order to identify the degree to which each item correlates with the total value.

Impact of Demographic Factors on Consumer Decision Making Styles

The factors that factor analysis produced were put under further analyses by conducting an analysis of variance (ANOVA) to study the variations in the consumer decision making styles across different demographic variables. Dependent variable consisted of six decision making styles identified by factor analysis. Independent variables included five demographic variables: gender, age, education, marital status and monthly family income.

Literature Review
Consumer Decision-Making
The consumer decision-making is one of the complicated decisions and includes many processes.

It is a complex phenomenon where each purchase decision includes a number of factors that are important to the consumers and may affect their decisions (Lunenburg, 2010). Decision making is defined by Eisenfuhr (2011) as a process of making a choice from different alternatives to achieve the assigned goals. With the advanced changes in the life style and the increase of

consumer`s power, different decision making styles are become known. The next section will provide a detail description of these styles. Satnam Kour Ubeja and Bedia (2012) concluded that customers are most recreational in their shopping but they are not sales promotion conscious, they want variety of products but with quality and good services. They are coming shopping malls for purchasing products but for getting customer satisfaction, they do not attract to any type of sales promotion mix, which is available in shopping malls.

It also comes up with the attributes of expectations and opinions. A belief can also be defined as a mental idea or an image that influences opinions, perceptions, interactions and emotions of an individual (Shohov, 2002). Attitude refers to a mental state or perception of an individual that influences and makes an impact on life situations of that individual. In attitude personal characteristics of a person really count and person thinks independently without the involvement of rational thinking. It has often been observed that people tend to make a specific attitude blindly despite the very strong evidence exists against it (Corman and Guy, 1966). While defining the attitude a person is already having a particular opinion or that individual is predis posed, because of which he/she acts in a specific and unique way. Therefore, foresight and psyche play a major role in the mind of that individual (Holden, 2007).

Data Analysis and Results:
Distribution of the Respondents by Gender:

Table 1: Gender Distribution of the Respondents

Gender	Frequency	Percentage
Male	201	40.2
Female	299	59.8
Total	500	100

The table 1 showed that out of 500 sample respondents, the high proportion of the female is 59.8 per cent of the total respondents and it is clear evidence female are actively participation in shopping. Whereas the men 40.2 percent of the sample respondents. As the selection of consumers is on random basis the gender composition is uneven for the shopping malls. The researcher has taken an opportunity of considering a higher number of responses from women and men along with the complexity of decision involved from both sides. It is imperative to know their mind as a marketer in the consumer markets. Indian man as customer is less complicated than the women about decision making in changing scenario. This has to be further explored in the Indian rural and urban contexts for eco-friendly products and their acceptance.

Age Distribution of the Respondents:

Table: 2 Age Distribution

Age	Frequency	Percentage
10-20 years	68	13.6
20-30years	160	32
30-40	160	32
40-50	77	15.4
60 & above	35	7
Total	500	100

Table: 3 Martial Statuses of the Respondents

Status	Frequency	Percentage
Single	174	34.8
Married	257	51.4
Widow	45	9
Diverse	24	4.8
Total	500	100

Table: 4 Educational Qualifications

Level of Education	Frequency	Percentage
Primary level	92	18.4
Secondary	135	27
Bachelors/Diploma	163	32.6
Postgraduate	73	14.6

Others	37	7.4
Total	500	100

The table 2 shows that out of 500 sample respondents, a high proportion of the respondents were within the age group of 20 to 30 years (32%). And also the similar percentage (32%) of the respondents was within the 30 to 40 years group. While 7% percent of the respondents' age group between 60 years and above and the remainder of the sample came from the age group of 40 to 50 years (15.40 percent), whereas 14% of the respondents were under the age group of 10 to 20 years old, these are the real youngsters. Marketers are interested in the roles and relative influences of family members in the purchase of a large variety of products and services.

Martial Status of the Respondents:

The table 3 indicates that out of 500 samples, the majority 51.40% of the respondents were married, while 4.80% of the respondents were diverse and 34.80% of the respondents are single, whereas 9% of the respondents were widows. Therefore, the analysis clearly showed that the married women/men have power to making decision to buy as their choice.

Educational background of the Respondents:

The assumption is the higher education level, the higher the acceptance of products. The table 4 emphasized that the majority 32.60% of the respondents have bachelor/diploma, while least of the respondents 7. 40% have other type of professional education and 27% of the respondents have secondary level education, 18.40% followed by primary level education, whereas 14.60% of the respondents have postgraduate respectively.

Occupation:

Table: 5 Occupations of the Respondents

Occupation	Frequency	Percentage
Government Employment	167	33.4
Private employment	119	23.8
Business	93	18.6
Venders	75	15
wage laboures	46	9.2
Total	500	100

Table: 6 Communities of the Respondents

Community	Frequency	Percentage
OC	120	24
BC	223	44.6
ST	56	11.2
SC	76	15.2
Others	25	5
Total	500	100

Occupation is the main sources for buying and spending based on their choices. The table 5.6 and figure 5.6 showed that out of 500 sample respondents, the majority 33% of the respondents were government employees, while ,least 9% of the respondents were wage labourers and 24% of the respondents were private employees, the biggest category among all others. There are 19% of the respondents business category and 15% of the respondents were venders whereas 9% of the respondents were agriculture workers.

Community of the Respondents:
Community may have strong influence on individual shopping preferences in the context of buying behaviour of consumers. The table 6.9 and figure 6.9 indicate the majority 44.60% of the respondents consuming in the organised retailing, they were belongs to Backward communities, while least 5% of the respondents were belong to Other community and 24% of the respondents were belongs to ST community, flowing 11.20% of the respondents were belonging to SC community whereas 15.20% of the respondents were belonging to BC community. All these social communities that integrates a social psychology approach

shopping choices is exercised through the mechanism of social identification.

Validity Test
The researcher carried out the validity test for the purpose of to ensure that the instrument is tapping the right concept. In other words, it is to confirm that what the questions were carried out in the research in the questionnaire is measuring the intended concept and not something else. In this research the factor analysis was used to reduce a large number of related variables to a more manageable number. The factor analysis is used to avoid any inter-correlations among the variables as the items in each of the variable are adopted from numerous sources. Prior to performing factor analysis, the Kaiser-Mayor-Okin (KMO) measure of sampling adequacy and Bartlett's test of Sphericity were used to determine the suitability of the data for factor analysis. According to Tabachnick and Fidell (1996), Bartlett's test of Sphericity should be significant (p<.05) in order for the factor analysis to be considered appropriate, while the minimum value for a good factor analysis is 0.6 for Kaiser-Mayor-Okin (KMO) index. In this study, the KMO value is 0.749 and the Bartlett's test of Sphericity is significant (p=.000), therefore it is appropriate to conduct factor analysis. See the table

Table:7 KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.749
Bartlett's Test of Sphericity	Approx. Chi-Square	2423.937
	df	55
	Sig.	.000

Kaiser's criterion was used to determine the number of factors to retain for further investigation. Using this rule, only factors with an eigenvalue of 1.0 or more were retained. In this study, only nine components recorded eigenvalues above 1. The nine components

explain a total of 24.93 percent of the variance. However, after varimax rotation (which was able to provide a clearer and easier manner to interpret the factor) was performed, only eight components were retained. This is because out of the three items loaded in component nine,

two of the items have a higher loading on other factors. Thus, this left only one item in component nine. Therefore, the item Availability of Private Brand in component nine was excluded from further analysis. Some of the items have dual loadings on more than one factor, however, only the one with the highest loading was taken into consideration.

The result of the analysis was a rotated component matrix consisting of ten components that account for 81,77% of the variance. The breaking point of the scree-plot, however, was at 5 or 6 factors; extraction of only 6 factors would account for only 63,51% of the variance, but enhances the overview of the rotated component matrix considerably.

Therefore, the researcher carried out the factor analysis another time, choosing for the extraction of only 6 factors. Moreover, I also ran the factor analysis using oblique rotation (direct oblimin; firstly with factor extraction via eigenvalues >1 and then via the extraction of 6 factors), as I could not think of a reason why the factors would not be correlated. Ultimately, then, I did four factor analyses.

In my view, the oblique rotation with six extracted factors gives the best possibility to interpret the factor solution (although it is important to keep in mind that this solution accounts for only 68% of the variance). The choice of oblique rotation in favour of orthogonal rotation is because of the fact that the factor scores in oblique rotation correlate rather highly, as the component score covariance matrix makes clear:

Reliability Test

A reliability test is conducted to ensure that the instrument measures are consistent and stable over time (Cavana et al., 2001). In other words, the reliability of the measure is without bias (error free) and, hence, ensures consistent measurement across time and across the various items in the instruments.

In this study, the reliability of the standardized scales was confirmed using Cronbach's coefficient alpha. The higher the coefficients, the better the measuring instruments. However, according to, Cronbach's alpha should be at least 0.70 to be considered as acceptable. Besides the Cronbach's Alpha, it is also important to study Corrected Item-Total Correlation in order to identify the degree to which each item correlates with the total value.

Table:9 Summary of Reliability Statistics

Variable	Cronbach's Alpha	No of Items
Product	0.776	8
Store Atmosphere	0.788	13
Store Location	0.759	7
Price	0.887	7
Promotion	0.822	5
Service	0.892	23
Satisfaction	0.882	10
Re-Patronage Intention	0.743	6
Store Loyalty	0.867	5

In this study, all the Cronbach's alpha coefficients show a value higher than 0.07, except for the Product variable, which only has an alpha value of 0.670 (See Table 6.7). However, after studying the Correlated Item-Total Correlations, one of the items in the product —The availability of private brand was removed due to the low item-total correlations. This supports the finding in the validity test, as it was loaded alone in a different component.

After removing the item, the alpha value for product became 0.776, which then met the minimum acceptable requirement.

Multiple Regression Analysis

Multiple regressions are used to explore the relationship of one dependent variable and a number of independent variables. The multiple regression is able to provide the information about the model as a whole (all subscales), and the relative contribution of each of the variables that make up the model (individual subscales).

Store Attributes that Influence Customer Loyalty towards the Store

In this study, the researcher was used multiple regressions to examine the relative importance of the store attributes (products, store atmosphere, location, price, promotion and services) for making a prediction of store loyalty. From Table 5.11, it can be seen that this model explains 6.31 percent of the variance of the store loyalty. The result of the ANOVA test shows that this model reaches statistical significance (Sig = .000, p<.0005)

Table: 10 Model Summary of Store Loyalty

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.631[a]	.398	.385	.391

a Predictors: (Constant), Promotion, Atmosphere, Location, Price, Product, Services

b Dependent Variable: Loyalty

Table: 11 Result for ANOVA test

Model		Sum of Squares	df	Mean Square	F	Sig
1	regression	49.360	10	4.936	32.287	.000[a]
	Residual	74.758	489	.153		
	total	124.118	499			

a Predictors: (Constant), Promotion, Atmosphere, Location, Price, Product, Services

b Dependent Variable: Loyalty

Table: 12 Coefficients of Store Attributes and Store Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig	Collinearity statistics	
	β	Std. Error	Beta	Tolerance	VIF	β	Std. Error
1 (Constant)	1.840	1.695		1.021	.302		
Product	.448	.078	.364	5.836	.000	.782	1.278
Atmosphere	.216	.046	.103	1.157	.024	.704	1.040
Location	.287	.060	.041	.872	.231	.299	1.145
Price	.220	.036	.192	2.255	.001	.292	1.403
Service	.003	.022	.005	.120	.400	.243	1.319
Promotion	.024	.041	0.25	.528	.528	.545	1.134

a Dependent Variable: Loyalty

Table 12 showed that the beta coefficients also provide a useful comparison of the relative importance of the store attributes. The results reveal that products of the store (β = .448, p<0.01) is the most significant factor contributing to forming consumer loyalty towards the store. Since consumers usually purchase multiple items during a shopping trip, a store with an extensive merchandise range provides more choice to the consumers and prevents their need to visit another store.

Store atmosphere is found to be the second most important attribute (β = 216, p<0.05). A pleasing store atmosphere, which offers comfort to consumers, will enhance the quality of their visit and this will increase the consumers 'loyalty towards the store. Price is found to be the next significant variable (β = .220, p<0.01) that influences consumer loyalty behaviour. Thus, it is not surprising to find that

pricing strategy is one of the top five priorities in retail management and many retailers are actively engaged in formulating pricing strategies to attract consumers to visit the store (Bell and Lattin, 1998).

Store Attributes that Influence Customer Satisfaction towards the Store Multiple regressions are also used to examine the relative importance of the store attributes (products, store atmosphere, location, price, promotion and services) for making predictions of customer loyalty. From Table 5.14, it can be seen that this model explains 44.6 percent of the variance of the customer satisfaction towards the store. The results of the ANOVA test are shown in Table 5.15, which explains that this model reaches statistical significance (Sig = .000, p<.0005)

Model Summary for customer satisfaction

Table: 14 Model Summary of Satisfaction

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.456[a]	.208	.193	7.433

a Predictors: (Constant), Promotion, Atmosphere, Location, Price, Product, Services

b Dependent Variable: Satisfaction

Table: 15 Result for ANOVA Test

Model		Sum of Squares	df	Mean Square	F	Sig
1	regression	7121.915	9	791.324	14.324	.000[a]
	Residual	27179.951	492	55.244		
	total	34301.867	501			

a Predictors: (Constant), Promotion, Atmosphere, Location, Price, Product, Services

b Dependent Variable: Satisfaction

Table: 16 Coefficients of Store Attributes and Store Loyalty

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig	Collinearity statistics	
	β	Std. Error	Beta	Tolerance	VIF	β	Std. Error
1 (Constant	1.202	1.022		.492	.442		
Product	.323	.065	.0212	3.223	.000	.642	1.243

Atmosphere	.143	.055	.111	1.576	.012	.732	1.063
Location	.167	.067	.101	1.232	.021	.635	1.153
Price	.254	.059	.186	3.240	.001	.621	1.308
Service	.099	.038	.115	2.112	.024	.722	1.342
Promotion	.078	.048	.067	1.578	.070	.850	1.156

a Dependent Variable: Satisfaction

From Table 7.16, the beta coefficients provide a useful comparison of the relative importance of the store attributes. Five variables are found to contribute unique contributions to the equation. The results reveal that products of the store (β = .323, p<0.01) is the most significant factor contributing to forming consumer satisfaction towards the store. As consumers usually purchase multiple items during a shopping trip, a store that is able to provide consumer's shopping needs under one roof will increase the consumer satisfaction level.

Price is found to be the next significant variable (β = .254, p<0.01) that will influence consumer satisfaction level in organised retail. It indicating that customers will be satisfied with the store, because the customers were found that the price is reasonable for the product. Location is found to be the third significant variable (β = .167, p<0.05) that will influence consumer satisfaction level. This shows that customers will be satisfied with the store if the store is located near to them and is easily accessible.

Store atmosphere is found to be the next significant variable (β = .143, p<0.05) that will influence consumer satisfaction level. This shows that customers will be satisfied with the store if they find that the store atmosphere is comfortable and enjoyable.

Service is the fifth most important variables (β = .099, p<0.05) that will influence consumer satisfaction level. This shows that the service provided by the store is very important in influencing customer satisfaction. As results from this finding, it was found that products, price, location, store atmosphere and services will contribute to form customer satisfaction towards the store. Thus, it is important for the retailers to use all five of the variables to increase customers'satisfaction level.

Conclusion and recommendation.

The studies of consumer purchasing decision making style have developed for a long time (Menon & Dubé, 2007; Sproles & Kendall, 1986). In principle we are speaking of a relatively enduring consumer personality, analogous to the more general concept of human personality in psychology. Therefore, the study measured the relationship between decision making style and consumer behavior as well as the importance of each factor of the decision making style regarding consumer behavior. Out of total 500 respondents, the participants in this study 201 are male and 299 are female. Almost 90% of the respondents were 20–25 years old.

The results of the correlation matrix demonstrate a positive significant correlation between all the independent variables with the consumer behavior with a Pearson correlation value of > 0.50. The decision making styles influence consumer behavior, and consumer behavior is positively and highly correlated with all independent variables that are constructs of the decision making styles. It is also found that there is a positive and significant relationship between decision making style and consumer behavior. This study helps to investigate and evaluate the behavior, attitudes and beliefs of individuals regarding the decision making styles. By identifying these characteristics from the consumers' perspective, the advertisers will be able to shape up a more effective pattern for

online advertisement as well as develop possible solutions for improvement. This study concludes that there is a significant relationship between conscious and decision making style, and female respondents argue that decision making styles influence consumer behavior, which means that female are more conscious as compared to male respondents regarding the decision making styles.

The study suggests that retailers can benefit from understanding the consumers, and factors that influence their decision making process. The results of this study have several important implications. First, the study attempted to analyze real situation of Visakhapatnam shopping malls. It was found that hypermarkets are the most popular and preferred channel. This suggests that hypermarkets have a competitive advantage in the industry, and, thus, encourages investors to invest in this channel by opening more outlets in Visakhapatnam.

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CASHLESS SYSTEM, USERS' PERCEPTION AND RETAIL MARKETING PERFORMANCE

Andy Fred Wali, Len Tiu Wright & Paul Reynolds

Abstract

This study examines the impact of the cashless system on user's perception and retail marketing performance in Nigeria retail sector. The study used survey instrument (questionnaire) and randomly selected 550 samples as to generate data on the impact of cashless systems on user' perception and retail marketing performance in Nigeria. The questionnaire instrument was designed for two categories of respondents (customers and managers) of the selected retail outlets in Nigeria. The study found that the two measures of cashless business have positive influence on the measures of retail marketing performance, while consumers perceive that the new system will be disadvantageous to the consumers in the short run but beneficial in the long run. The study concluded that the cashless system is in line with international banking best practices as it will reduce the high cost of business operations for retail businesses in terms of employees, provision of security and will boost retail investments opportunities in Nigeria. The study recommended for the Central Bank of Nigeria to collaborate with the money deposit banks' as well as telecommunications firms to provide quality services as to militate customers' purchase experiences in using E-platforms as conceptualized in the researchers' E-payment systems implementation models.

Keywords: cashless policy, users' perception, retail marketing performance & Nigeria

INTRODUCTION

Retail is a dynamic innovative sector undergoing constant change. It is a stronger user of technology and an innovator of new products by matching consumer expectations and demands with technological developments. The sector provides ever- increasing choice at a range of prices, which suits the needs of the community. Retail continues to invest in people and places, and creates new markets, provides a focus for the implementation of social policies and plays an important role in the wellbeing of towns, cities and rural areas (Jones et al. 2007.pp. 21 cited DT1, 2004).

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Background to Nigerian Payment System

The Nigerian economy is classified as cash based economy; these trends of operation over the decades have resulted in all manner of financial and other economic impropriety, see figure 1 below for evidence. More so, as a result the cost of running a business outfit has been quite expensive. The Central Bank of Nigeria in 1996 introduced the electronic payment scheme under the auspices of Africa Development Consulting Group (ADCG), the scheme started with six banks and later rose to nineteen, in that same year the defunct Allstate Trust Bank PLC introduced closed system electronic package called ESCA Smart card. In 1997 Diamond Bank introduced "Diamond pay card", One year later in February 1998 the scheme was boosted when a consortium of 19 banks floated a smart card

company called Value Card Nigeria PLC with the mandate to produce and manage the distribution of cards issued by member banks of the consortium (Hilili, 2005).

In 1999 the CBN granted approval to twenty banks to introduce international money transfer products, telephone banking, and online banking via the internet. However, since that time banks have introduced the use of Automated Teller Machine (ATM) though with attendant frustrations and challenges abounding during customers' usage and on the other hand have also helped in elevating the suffering of customers. The introduction of electronic payment system which is still developing in Nigeria presents good prospects in the actualization of the vision of CBN cashless policy. E-payment systems for trading could be classified into two distinct parts; wholesale and retail payment systems. Wholesale payment consist of non consumer transactions, for instance, corporate purchases, while retail payment system include: small product quantity transactions involving consumers through the use of such payment medium like smart cards, credit and debit cards as well as online payment mediums etc. Therefore, cashless policy is a state where there are assumed to be no transaction frictions that can be reduced through the use of money balances, and that accordingly provide a reason for holding such balances even when they earn rate of return (Woodford, 2003).

Several studies (Odior & Banuso, 2013; Akhalumeh & Ohiokha, 2012; Tunji, 2013; Muyiwa, et al. 2013; Oyewole et al. 2013; Idowu, 2009 & Greenfield 1998) have examined the impact of cashless systems on business success But, these researches have paid little or no attention on the influence of cashless system on users' perception and retail business performance in Nigeria. Hence, the purpose of this study is to evaluate the impact of cashless system adoption on users' perception and retail marketing performance in Nigeria. Point of sale terminals (POS) and electronic cash wallets will be used to measure cashless systems implementation; consumers' perception will be measured using repeat purchase behavior and purchase intention while profitability and sales volume will be used to measure retail marketing performance.

Theoretical Literature

According to the Central Bank of Nigeria (2012) cashless policy was introduced for the purpose of fostering banking development and modernization of payment system in keeping with banking best practices across the world, aimed at achieving the long chorused vision 2020. Also, to discourage the outrageous cost of banking services as well as other business activities; to discourage the physical carriage of excess cash; reduce robbery incidences; and to enhance inflationary rate. Cashless system from the trading perspective is an economic setting in which goods and services are purchased and paid through electronic devices (Muyiwa et al. 2013). Also cashless policy is a government policy aimed at restricting individuals and corporate entities from carrying excess cash for transactions rather with an option of electronic payment devices. While retail marketing performance is a measure of retailing success at the market place in terms of profitability, sales volume or growth and market share. On the other hand, retailing is the buying and selling of goods and services between the retailers and the ultimate consumers. Wali (2012) citing Hilili (2005) electronic payment system is a payment system consisting of electronic mechanisms which makes the exchange of payment possible. It can also be described as payment or monetary transaction made over the internet or a network of computers (Kulkarni, 2004). However, this study draws ideas from the buyer behavior theory which examines consumer's dynamic buying patterns and behaviors.

Information Technology Connectivity

Duncan (1995) observed that connectivity is the ability of any technology components to communicate with any of the other components inside and outside of the organizational environment. According to Chaung et al. (2003) information technology connectivity enable seamless and transparent organizations that are independent of time and space. Also, Saaksjarvi (2000) further suggested that a robust IT infrastructure enable employees to be able to perform their respective jobs, both from having the available technology and the necessary technological skills. Byrd & Turner (2000) noted that connectivity refers to the ability of any technology to attach to any of the other technology component. It also means that every employee, every functional area, and every application in the organizations are linked to one another. Wali (2013) further assert that information technology infrastructure

capabilities provide the platform for competitive advantage on business initiatives.

Information Technology Compatibility

Compatibility is the ability to share any type of information across any technology component throughout the organization (Duncan, 1995). Information technology compatibility help span organization boundaries, employee empowerment, make information and knowledge readily available in the organization (Mohammad and Kamaruzaman, 2009). Gibson (1993) noted that compatibility addresses the need for uniformity in technology across the organization.

Empirical Literature

Business activities before the era of cashless systems in 2012 by the Central Bank of Nigeria (CBN) were carried out to the turn of over 90% through cash in hand. In other words, cash based system, below is a statistical data to support the above assertion:

Cash related transactions representing over 99% of customers activity in Nigerian Banks as at December 2011.

PAYMENT CHANNELS	TRANSACTION VOLUME
ATM Withdrawals	109,592,646
OTC Cash Withdrawals	72,499,812
Cheque	29,159,960
POS	1,059,069
Web	2,703,516

Table 1: Cash transaction analysis in Nigeria, before December, 2011
Source: CBN Report, 2012

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Also, in the bid to justify why the need for cashless system, the Central Bank of Nigeria in its Survey carried out in 2012 revealed some of the setbacks and experiences associated with the cash based systems, these we represented in a figure below:

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                        ┌─────────────────────────────┐
                        │     CASH BASED ECONOMY      │
                        └─────────────────────────────┘
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Robbery and cash related crime	Kidnapping for Ransom	Election Rigging by Politician	High cost of currency printing and handling	Revenue Leakages	Insufficient Treasury Management	Corruption
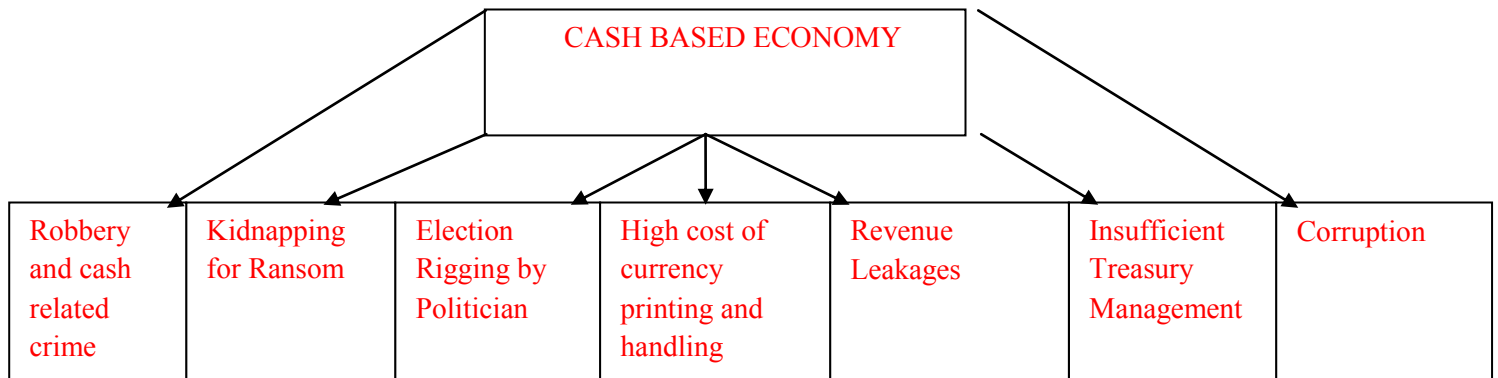
Fig.1.1: Table showing the consequences of cash based transactions in Nigeria
Source: Central Bank of Nigeria (CBN) report (2012)

Tunji (2013) examined the effect of cashless policy in Nigeria and his study found that cashless banking has positive and significant effect on national development; also his study revealed that cashless policy has positive impact on employment regime in Nigeria supported by (Akhalumeh & Ohiokha, 2012 and Okoye, 2012). Odior & Banuso (2013) looked at the challenges, benefits and prospects of cashless policy and their study found that some of the challenges that has the capacity to hamper the success of cashless policy are lack of electricity power supply and poor information technology infrastructure to mention but a few. On the other hand, their study revealed that cashless policy will promote economic growth and provide banks with more liquidity for lending to needy sectors and contribute to eliminating corruption if the right infrastructure and trust is instituted. Muyiwa et al. (2013) found that the introduction of cashless policy will contribute in reducing robbery incidences; attraction of more foreign directs investment and creation of employment.

Also, Oyewole et al. (2013) examined electronic payment systems and its impact on economic growth in Nigeria, and their study found that e-payment systems have a positive impact on economic growth in terms of real GDP per capita as well as trade per capita, more so, it was

revealed that the introduction of ATMs in doing financial transaction impacts directly on economic growth, while other forms of e-payment channels showed a negative impact on economic development. Abiodun et al. (2013) found that banking sector policies are poorly implemented in Nigeria, hence the achievement of the cashless system may be difficult to actualize; also that the financial infrastructure presently available in the banking sector is not strong enough to drive the cashless system initiatives. Thus are potential barriers to the actualization of the cashless system.

Ayoola (2013) found that cashless policy can only reduce what he called petty corruption among the public holders of trust; his finding is not convincing, because he did not statistically justify how 100 respondents selected is the true representative of over 20million holders of public trust in Nigeria. Newstead (2012) examined the influence of cashless payment on economic growth and found a positive association between cashless payment volumes and economic growth. Specifically, it was found that cashless transactions were growing twice as fast in developing economies as compared across the world. This assertion by Newstead was not supported with appropriate statistical figures, showing the pace of cashless growth in the developing economies as compared to

figures of cashless growth in the developed economies. Mallat & Tuunainen (2008) examined the adoption of mobile payment systems by merchants and found that main purpose of mobile payment adoption is to increase sales and reduce the costs of payment processing and showed a positive influence on business sales growth. But, it carries challenges such as: complexity of the systems, unfavorable revenue sharing models, lack of critical mass, and lack of standardization. Cheng et al. (2011) risk perception of the E-Payment Systems using adult consumers in Malaysia and found that e-payment systems impact negatively on firm's sales growth; also their further found that E-payment system has positive influence on consumers purchase intentions.

Yoon (2002) in his study on influence of trust on online-purchase decisions found that trust for the firm's online platform has significant influence on customers' decision to purchase online. Because, customers who hold negative perception about firms online sales systems will show negative interest in purchasing via such platform. In another research by Greenfield (1998) found that firms using internet platforms can increase the trust of their customers when they improve their payment platform. Limayem et al. (2000) found that subjective factors, such as attitude and beliefs have significant impact on consumers' intentions to purchase online; while behavioral factor significantly impacts consumers online shopping behavior. Liang & Huang (1998) found that the success of adopting an online payment by customers depends on the nature of product or services the firm offers and consumers past experiences. Also Salkin (1999) found that the key obstacle that impedes consumers interest to purchase using the online platform are fear of lack of system security and poor systems reliability. Idowu (2009) carried out a survey on minimizing the incidences of ATM fraud among customers of the Nigerian

banks and found that the numerous factors enhancing the opportunity for ATM fraud in Nigeria include: poor management of policies and procedures; inadequate financial infrastructure to detect fraud; relative poor remunerations and staff long stay on a specific function; supported by Idowu (2009). Thus, we propose that:

H_1: There will be a negative influence in the uses of Point of Sale systems on the profitability of retail firms;
H_2: The use of point of sales terminal will negatively influence the sales volume of retail firms in Nigeria;
H_3: The use of E-cash wallet will impact negatively on consumers purchase intention;
H_4: Adoption of Use of E- cash wallet system will not significantly influence consumers repeat purchase behavior.

Methodology

The study population comprises the customers and operators of entire retail businesses in Nigeria. Random sampling was used to draw a sample size of 500 customers and 50 operations managers from ten retail firms Nigeria. In other words, 550 samples were selected to gain insight on their purchase perceptions and sales experiences. The survey approach (questionnaire instrument) was used to generate raw data for the study; two different instruments were structured drawing questions from past studies (Limayem et al., 2000; Liang & Huang, 1998 & Abiodun et al. 2013). Also the Likert seven rating scale was used to weight the variables; one instrument was designed for the staff of the selected firms, while the other for the customers' of the firms only. Content validity was used to test the validity of questions on the instruments; thereafter amendments were inputted. The quantitative descriptive statistics was adopted to analyze the data gathered for this study.

Data Presentation & Findings

Demographic Data Presentation

A total of 500 questionnaires were administered on customers but only 492 were successfully retrieved and attended to, this however represents a retrieval rate of 98%, while the 50 questionnaire administered on the staff of the firms were fully answered and all units retrieved, this represents 100% retrieval rate. 260 respondents representing 48% were male customers and managers, while 282 respondents representing 52% were female customers and managers, this affirms the preposition that females do more shopping than men; because majority of our respondents are female customers' and staffs of the selected firms. Also, demographic data showed that 185 respondents constituting (34%) are between 18-30years, 300 respondents making (55%) are between 31-40years and 57 respondents representing (11%) are between 41years and above, this means that 55% of the study respondents are adults whom the researchers'

believe will understand the implication of cashless policy on their purchases and firm.

110 respondents representing 20% are holders of SSCE/OND/HND, Certificate, 272 representing (50%) are holders of BSc degree, 145 respondents representing 27% are holders of Post Graduate Degrees while others are 15 representing 3%. These findings shows that virtually all the target respondents can read and understand the concept of cashless policy as to give meaningful answers to questions posed on the questionnaires. Also the other category could be holders of first school leaving certificate (FSLC) or national certificate of education (NCE). Further, analysis shows that 120 respondents representing 22% earn between ₦1,000-50,000 monthly, 200 respondents (37%) earn between ₦ 51,000- ₦ 200,000 monthly, while 222 respondents representing 41% earn between ₦ 201,000 and above monthly , this shows that majority of the study respondents which represents 41% have the purchasing power to buy from the retail outlets from time to time.

Test of Hypothesis one: there is no significant impact in the use of POS terminals on retail profitability.

Table 1 & Chart 1

Description	Frequency %					
To what extent has the use of POS terminals influenced the profitability of your firm?	Great Extent	Considerable Extent	Moderate Extent	Low Extent	Very low Extent	Total
	30	9	10	1	Nil	50
	(60%)	(18%)	(20%)	(2%)	Nil	100%

Source: Researchers' Survey, 2014

Relationship on the impact of POS adoption on Retail Profitability

■ Great Extent	30
■ Considerable Extent	9
■ Moderate Extent	10
■ Low Extent	1
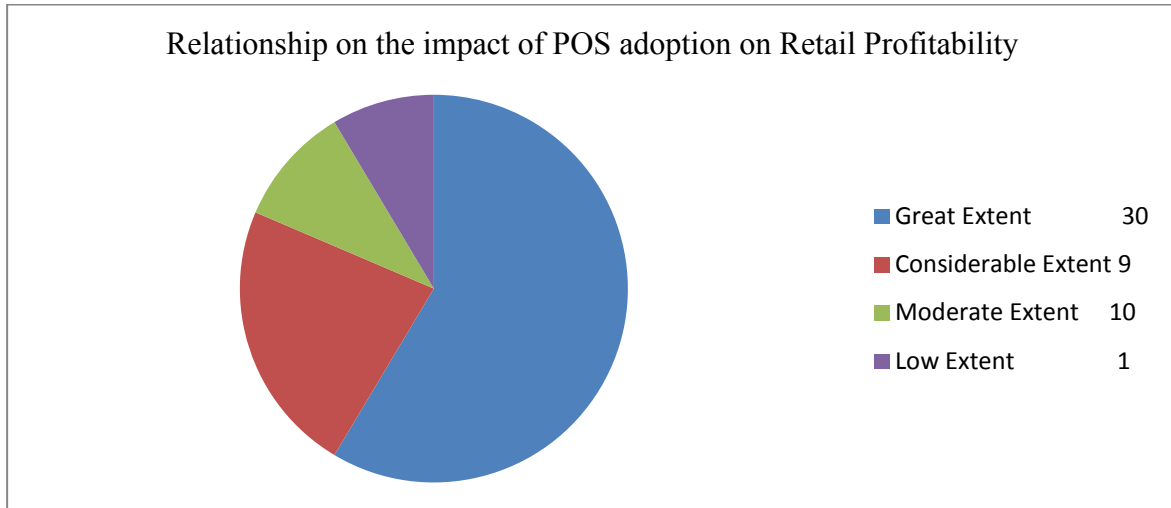
Source: Researcher' Findings (2014)

Result shows that 30 managers representing 60% agreed that the use of POS terminals has influenced their firms profitability to a great extent, while 9 managers representing (18%) agreed to a considerable extent, 10 managers representing 20% consented to a moderate extent, 1 respondent representing (2%) agreed to low extent, while none agreed to very low extent. Going by the highest ranking of 60% it means that the use of POS has significant relationship with profitability, the study reject the null and accepts the alternate hypothesis that the use of POS terminals in the shops will influence its profitability.

Test of Hypothesis two: the use of POS terminals will negatively impact the sales volumes of retail firms.

Table 2 & Chart 2

Description	Frequency %					
To what extent has your sales volume increased since the introduction E-payment channels via POS Terminals and ATM?	Great Extent	Considerable Extent	Moderate Extent	Low Extent	Very Low Extent	**Total**
	40	10	Nil	Nil	Nil	50
	(80%)	(20%)	Nil	Nil	Nil	100%

Source: Researchers' Survey, 2014

The use of POS Terminals and Retail Sales Volumes

■ Great Extent	40
■ Considerable Extent	10
■ Moderate Extent	Nil
■ Low Extent	0
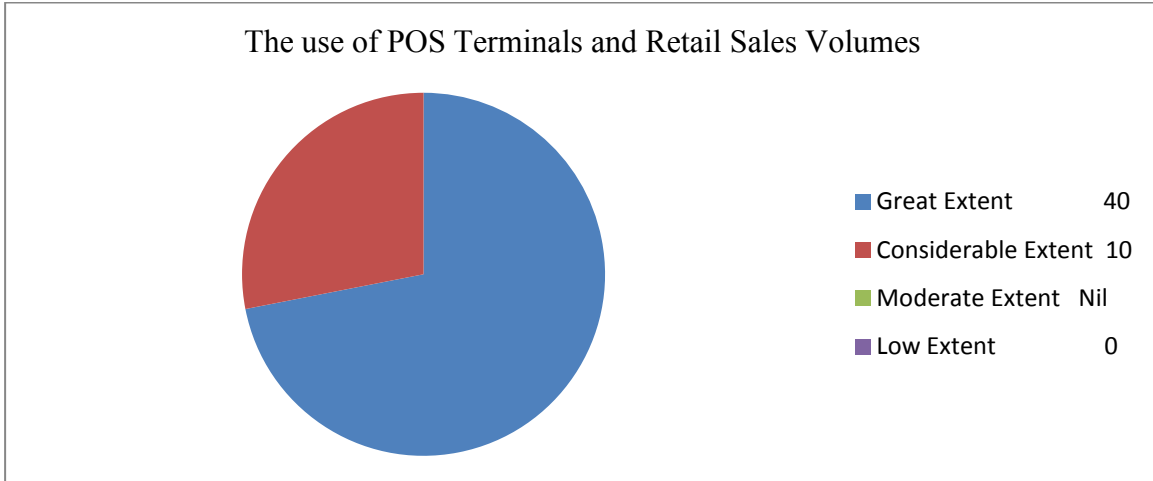
Source: Researchers' findings (2014)

Hypothesis two on the pie chart above: indicates that 40 managers representing (80%) agreed to great extent, 10 managers representing (20%) agreed to considerable extent, Nil for moderate extent, Nil for low extent and Nil for very low extent. Therefore the null hypothesis was rejected while the alternate hypothesis was accepted that there is a positive and strong relationship between the use of POS terminals and increase in sales volume of retail stores.

Table 3

Description	Frequency %					
Do you have an electronic cash cards issued by your bank? E.g. Master card, Visa card, Verve card, etc	Yes	NO	Yet to	Do not want it	Indifferent	Total
	223	100	120	30	19	492
	45%	20%	24%	7%	4%	100%

Source: Researchers' Survey, 2014

Test of Hypothesis three: the use of E-wallet will have direct negative impact on customer purchase intention.

Table 4 & Chart 4

Description	Frequency %					
To what extent has the use of E-cash wallet influenced your purchase Intention?	Great Extent	Considerable Extent	Moderate Extent	Low Extent	Very Low Extent	**Total**
	300	80	91	21	Nil	492
	(61%)	(16%)	(19%)	(4%)	Nil	100%

Source Researchers' Survey, 2014

The impact of use of E-Cash Wallet on Customers' Purchase Intention

- Great Extent 300
- Considerable Extent 80
- Moderate Extent 91
- Low Extent 21
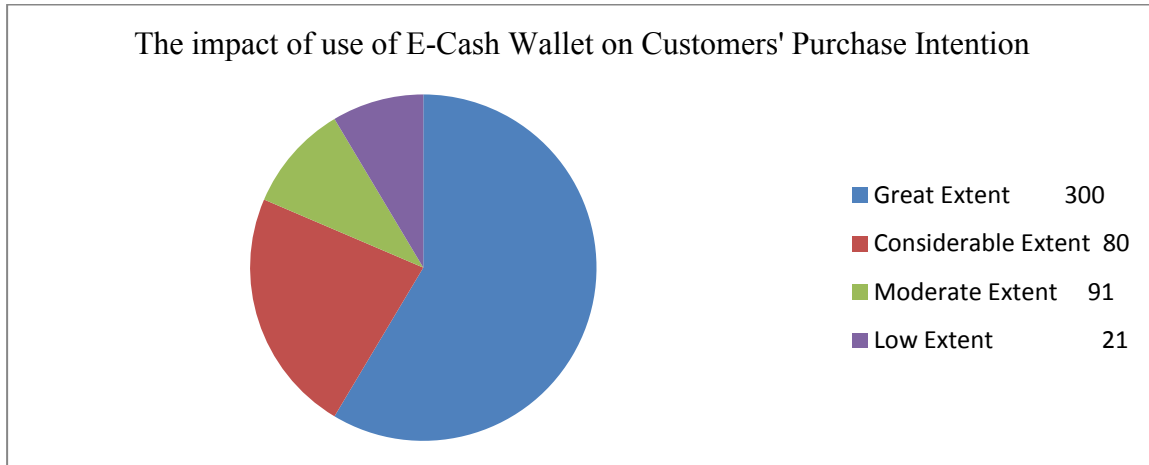
Source: Researchers' Survey (2014)

Analysis on **hypothesis three:** revealed that 300 customers representing (61%) agreed that the use of E-cash wallet: such as credit, debit and master card respectively influences their purchase intention to a great extent, 80 customers representing (16%) agreed to considerable extent, 91 customers representing (19%) agreed to moderate extent , while 21 customers representing (4%) agreed to low extent. Therefore, based on the finding here, the study rejects the null hypothesis which proposed that the use of E-cash wallet medium will not influence consumers purchase intentions and accepts the alternate hypothesis and conclude that the Use of E-cash wallet influences consumers purchase intention.

Test on hypothesis four: the use of E-Cash Wallet will negatively impact on repeat customers' purchase.

Table 5 & Chart 5

DESCRIPTION	FREQUENCY %					
To what extent Does your experience in the use of E- cash wallet; Visa, Master & Verve cards influence your Repeat Purchase?	Great Extent	Considera ble Extent	Modera te Extent	Low Extent	Very Low Extent	**Total**
	281	157	50	4	Nil	492
	(57%)	(32%)	(10%)	(1%)	Nil	100%

Source: Researchers' Survey, 2014

Impact of the use of E-Cash Wallets on Repeat Purchases

- Great Extent — 281
- Considerable Extent — 157
- Moderate Extent — 50
- Low Extent — 4
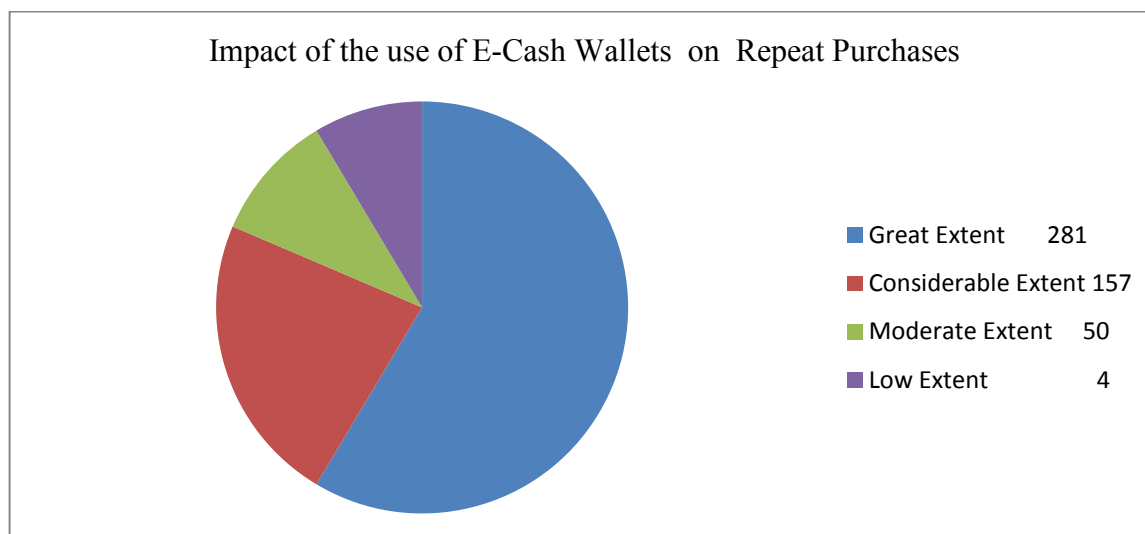
Source: Researchers' Finding (2014)

Subsequent analysis on **hypothesis four** revealed that 281 customers representing (57%) accented to a great extent that the ease of use of E-cash wallet influences their repeat purchase, especially at the outlet where they had the positive experience, 157 customers representing 32% agreed to considerable extent, 50 customers representing 10% agreed to moderate extent while 4 customers representing 1% agreed to low extent. This shows that the ease of E- cash wallet systems in purchasing goods and services positively influences customers repeat purchase behaviors. The study accepted the alternate hypothesis and rejected the null hypothesis that the use of electronic payment systems via E- cash wallet mediums positively influences customers repeat purchase behavior.

Analysis on question 5: present challenges experienced by customers in using E-payment Systems.

Table 6 & Chart 6

Description	Frequency%				Total
What present challenges do you face in the use of E-payment systems for your retail purchases	Poor IT connectivity	Inability to use terminal	Debited twice or more	E-fraud	-
	178	10	297	7	492
	(37%)	(2%)	(60%)	(1%)	100%

Source: Researchers' Survey, 2014

Present challenges facing customers in the use of E-payment terminals

- Twice or More debiting 297
- Poor IT Connectivity 178
- Inability to use terminals   10
- E-fraud
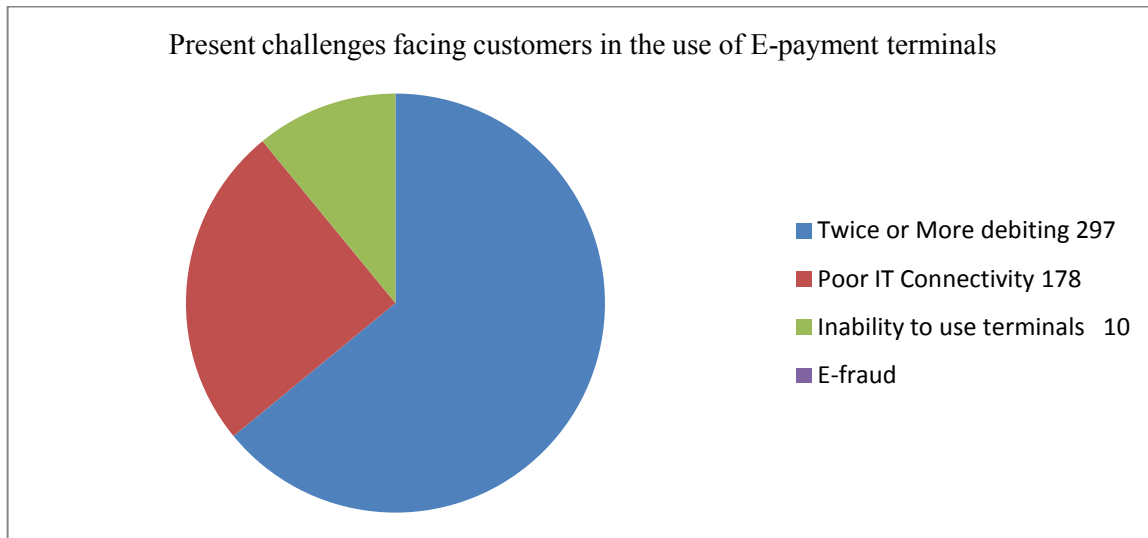
Source: Researchers' Finding (2014)

Further analysis on question 5 on the current challenges of using E-cash Payment terminals shows that 178 customers representing (37%) agreed that poor connectivity from their bankers is a problem they experience while using the E-money platforms, 10 customers representing (2%) agreed that it is due to their inability to use the terminal, 297 customers representing 60% said they have been debited ones or more for a single transaction in the use of E- cash platforms to make payment for purchases at the retail outlets, while 7 customers representing (1%) agreed to have being victims of E-fraud. These shows that the principal challenges customers face in transacting through E-channels as revealed by this study are; poor IT connectivity by their bankers, multiple debiting, these two are high in view of customers degree of responses.

Analysis on Q6 as shown on table: perceive challenges with the use of E-cash wallet in making retail purchases.

Table 7

Users' Perceived challenges in the use of E-cash wallets for retail buyings

- Fraud   387
- lack of sustainability 70
- others   35
- Nil
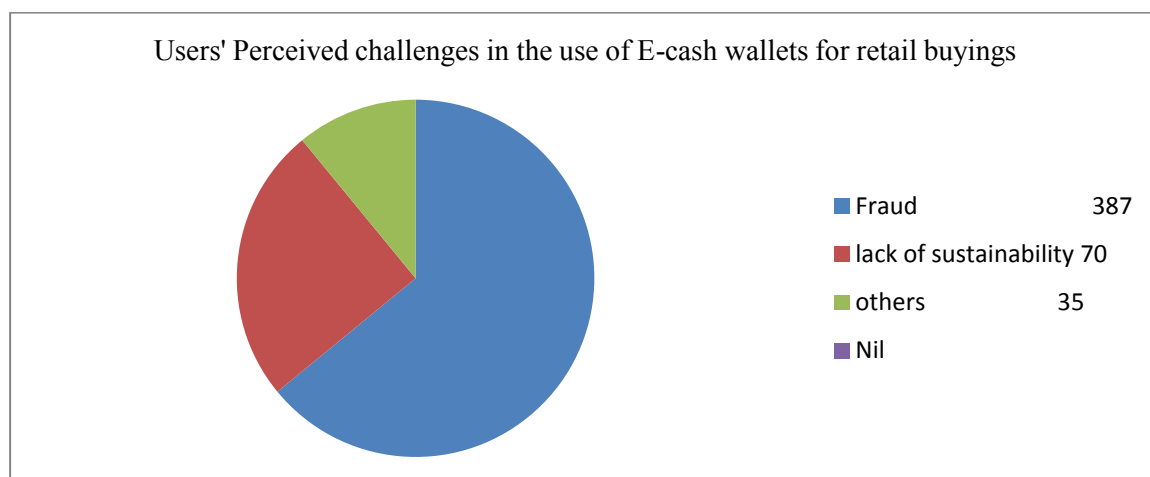
Source: Researchers' finding (2014)

This shows that 387 respondents representing (79%) says that there perception is on financial fraud; 70 respondents representing (14%) says poor policy sustainability is a perceived problem; 35 respondents representing (7%) says that says that other factors probably not known at the moment could be a perceived challenge in the future. When using E-cash systems for retail purchasing.

Discussions on Findings

The finding on hypothesis one shows that the use of POS infrastructure impacts on retail business profitability; also, findings on hypothesis two confirmed that the adoption of POS systems by retail firms impact positively on their sales volume. These findings are in agreement with (Newstead, 2012; Akhalumeh & Ohiokha, 2012; Mallat & Tuunainen 2008; Okoye, 2012 and Tunji, 2013). This proves that the introduction of cashless policy brings some level of hope to retail business owners and will potentially serve as a source of hope to would be investors; who hitherto were afraid to invest as a result of the high cost business operations in the sector. This new trend will impact positively on commercial retail activities in Nigeria both in the short and long run. More so, the retail firms before this time have being engaged in providing some level of social and economic security to secure its business dealings especially against hoodlums'. This has obviously increased cost of operating retail firm. But, with the use of POS and online payment systems by the firms, their cost of operation will be reduced due to decline in social and economic security challenges. The profitability of the firm will be on the increase reflecting more funds for investments.

Further, findings on hypotheses three and four showed that the use of E-cash wallet systems in purchasing goods and services positively influences consumers purchase intention and repeat purchase behaviors. These findings are in

agreement with (Cheng et al. 2011; Yoon, 2002; Greenfield, 1998; Limayem et al., 2000 and Liang & Huang, 1998). Thus, customers will enjoy place and time utility; knowing that you only need to work into a shop with your cash card or shop online via the shops online platform, without commuting from place to place brings some level satisfaction to the customers. But, it is important to mention that E-payment system will course repeat purchase behavior only if the purchase experiences using the system is positive; as a negative experience will result to decline in the customers' penchant for future purchases.

87% of the customers submitted that they perceive that the lack of security on this platform and unreliable network services will be a huge disadvantage to them in the short run as online hawkers could break into their cards and defraud them; but in the long run if properly structured and monitored will be beneficial. Also, the key handy challenges customers and operators experience at present are: poor IT connectivity by their bankers' and telecommunications service providers and multiple debiting these two are ranked high with regards customers' responses. Thus with these challenges being perceived and experienced by users in the country the purpose of cashless economy will not be achieved substantially. Take an example where a customer is debited twice for a single transaction and it will take his bankers over a week to reinstate cash, perhaps it becomes a reoccurrence; the customer will obviously not be satisfied and have confidence in such payment system. Thus, it will under these circumstances bring about more frustrations than satisfaction. These findings are consistent with (Odior & Banuso, 2013; Muyiwa et al. 2013; Abiodun et al. 2013; Idowu 2009; Akindele, 2011 and Salkin, 1999).

Conclusions and Managerial Implications

Overall, the purpose of this study is achieved. It is given by the study findings to know that the introduction of cashless policy in Nigeria is cogent and timely. The study therefore revealed that the adoption of cashless policy impact on marketing performance of retail outlets in Nigeria. But it specifically revealed that the use of point of sale terminal (POS) as an instrument of cashless policy has strong and positive relationship with profitability and sales volume of retail outlet. The study further found that the use of E-cash wallet influences customers purchase intention as well as impact on customers repeat purchase behavior. Hence, we concluded that the Central Bank of Nigeria cashless policy is in line with international banking best practices. However, this study also revealed that in view of the implementation of cashless policy some bank's customers do not have E- cash wallet instruments for business transaction. The study further recommended as follows:

The Central Bank of Nigeria to direct all banks' to produce and provide their new and old customers with E-cash wallets; credit card, master card and debit card, but an exception to corporate accounts holders only that is if this policy will be effective and enjoy total compliance from the Nigerian populace;
The government should provide uninterrupted electricity power supply since it was found to be one of the challenges businesses are faced with;

Money deposit banks' to acquire viable information technology software and collaborate with its telecommunications counterparts to provide interrupted online banking services, aimed at driving robust banking operations. This will help in militating against customers' negative experiences such as: multiple debiting, poor IT connectivity, E-fraud and others;

The CBN and commercial banks' to intensify the education on the need, benefit and how the cashless policy works to the citizenry both rural and urban dwellers, perhaps using the niche strategy through Community Town Associations; Religious organizations; schools as well as enlightenment through the use domesticated local dialects.

Should this study recommendations be implemented it has the possibility and potentials of boosting the economy of Nigeria. Specifically, its Naira currency will attract competitive value in the long run especially in the international market arena, her image will be boosted in the committee of bankers across the world and foreign direct investment will be attracted in view of her new economic trends. Finally, the study developed seven conceptual models for measuring E-payment systems implementation:
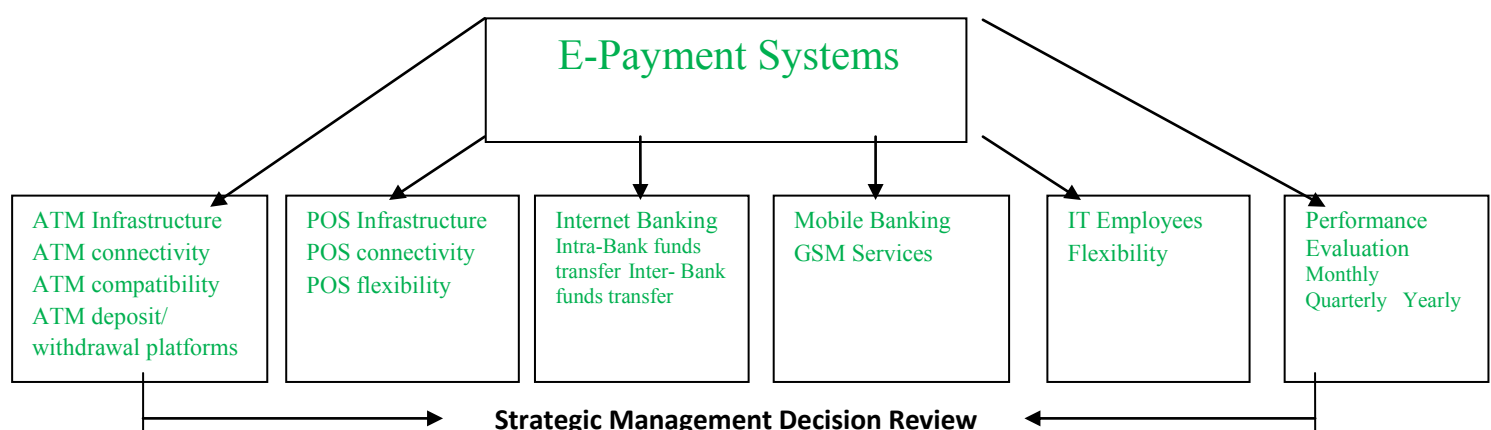
Fig. 2: seven process E-Payment Systems implementation Model

Source: Wali et al. (2014)

From the model above ATM connectivity means that banks' ATM platforms should have the ability to connect and communicate with other e-payment channels within an organization as well as competitors ATMs and their e-payment platforms,. ATM compatibility means the ability to share any type of information across technology components within the bank, such as, identifying when cash is diminishing in the machine and gives signal to the central system for reloading. Point of sale connectivity refers to the ability of the terminal to connect to a central data base network, thereby sharing information across technology component and other payment platforms to avoid incessant payment rejections and breakdowns. POS terminal flexibility refers to the ability of the terminal to diffuse to new communication technologies. IT employee's flexibility refers to the ability of the firms IT personnel to respond swiftly to customers complaints as it affects their experiences in the use of available service mediums. Internet banking infrastructure refers to banks' ability to provide reliable and dependable platforms to do intra-bank and interbank transfers.

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INFLUENCE OF SALES PERSONS ON PURCHASE DECISION OF CUSTOMER AT RETAIL STORES-A GENDER STUDY IN EMERGING MARKET

R. K. Srivastava

Abstract

This study undertakes with an objective to find out the role of sales person in consumer purchase behavior at retail stores situated in malls. The study tries to map the customer's perception of these sales personnel in retail stores and their influence on their purchase behavior. Another part of the study is to find out the effect of dress and personality of sales person on attitude of males and females.

Study is conducted at retails stores situated in six malls situated in Mumbai- a financial capital of India. Mumbai has a heterogeneous population and is called mini India. Samples are selected on the systematic sampling basis. Of 328 respondents 82(25%) were females.

Sales personnel do influence the purchase behavior and there is a gender variation in response to this attributes. In our study, dress of sales person affects overall purchase behavior but is more in males compared to females among the consumers. 79.2 percentages of Males reported the positive influence of sales personnel compared to females (51.2%) in influencing their purchase decision. At the same time, present study reports that neither male nor female will like to have any interference by sales personnel during their visit

Contribution of the paper: There is paucity of papers on role of sales personnel in retail stores in emerging market when compared to western world. This paper may add value as emerging market is the destination for many retail stores as their culture is different.

Key words: Sales personnel, Retail stores, Consumer purchase behavior, Globalization, Gender, Emerging market

Introduction:

Over the years, the number of malls in India has grown rapidly. Post 2005 many new malls have started all over India (Srivastava, 2013). So much so that Indian metros are on a verge of saturation point as far as shopping malls are concerned. As Of late, the focus has shifted from the metros and businesses are now looking at Bclass and C-class cities. Cities like Gurgaon, Kochi, and Varanasi seem very promising.

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Construction Company -DLF is building the largest shopping complex of the World -'Mall of India' in Gurgaonwith a floor area of 4,500,000 when completed. Similarly, Kochi has 'lulu Cochin Mall' with floor area of about 2,200,000, which is expected to be open in mid-2013(TOI, 2013). The Indian retail sector will continue to expand at a fast clip, with the number of malls in the country likely to swell to 280 in 2012-13 from 190 at present (HT, 2013).

Indian Retail Scenario

Twenty two per cent of India's gross domestic product (GDP) is accounted by retail segment. It contributes about 8 per cent of the total employment. India is among the most attractive

investment propositions for global retailers. Retail sector is the growth driver for emerging market since the contribution of organized sector is less as compared to unorganized sectors (Srivastava, 2008).Organized retail sector will generates jobs (HT, 2013). The Indian Retail Industry is expected to grow from US$330 billion in 2007 to US$640 billion by 2015(Sikri and Wadhwa ,2012). The Government has passed a cabinet note and permitted FDI up to 51 per cent in multi-brand retailing with prior Government approval and 100 per cent in single brand retailing, further liberalizing the sector. This policy initiative is expected to provide further fillip to the growth of the sector (TOI, 2013). Retail segment is dominated by Food and Grocery store with 60 percentage compared to 11percentage of Apparel,8 percentage of Food services 6percenatge of pharmacy stores and 5 percentage of jeweler's stores(Image Group India Retail Report,2013). Same report mentions that share of organized sector has gone up from 4 percentages in 2005 to 8 percentage in 2013.Thus; organized sector is growing at faster pace due to reforms initiated by the government. This has created more jobs for people in the retail stores.The Indian Retail Industry is the fifth largest in the world. Comprising of organized and unorganized sectors, Indian retail industry is one of the fastest growing industries in India, especially over the last few years. Though initially the retail industry in India was mostly unorganized, however with the change of taste and preferences of consumers, the Industry is getting more popular these days and getting organized as well.

Due to an increase in the number of malls, the requirement of sales person is also increasing. This in turn calls for more employment of good people. In the language of a retailer, a good salesperson should have good people skills - a good personality, friendly, and the ability to communicate effectively and be a good listener

(Srivastava, 2013). He needs to be knowledgeable about his products and be able to explain the features and benefits of what he is selling. He needs to be able to answer questions and overcome objections. He needs to know when the right time to ask for the sale and needs to follow-up with potential customers.

Retail stores and Retail sales personnel:

A consumer may suffer from lack of information if the information does not exist or is unavailable to them at the required moment or is too complex for them to use in their decision making process. This becomes more important if they are a premium product like electronic or high fashion designed apparels. Choice overload (sometimes called over choice in the context of confusion) occurs when the set of purchasing options becomes overwhelmingly large for a consumer. A good example is wine wherein supermarkets may present over different products leaving the consumer with a difficult choice process. Consumer confusion is a state of mind that leads to consumers making imperfect purchasing decisions or lacking confidence in the correctness of their purchasing decisions Confusion occurs when a consumer fails to correctly understand or interpret products and services (Hennig-Thurau, Gwinner, and Gremler 2002. This, in turn, leads to them making imperfect purchasing decisions. This concept is important to marketers because consumer confusion may result in reduced sales, reduced satisfaction with products and difficulty communicating effectively with the consumer. Choice overload is growing with even larger supermarkets and the internet being two of the main causes. Therefore, a good salesperson may influence the final decision of a customer.

Therefore, there is need to study the role of sales persons in consumer decision making process in malls. There is a paucity of such research in emerging market like India.

Role of retail personnel in influencing the purchase decision:

Sales personnel may provide suggestions or influence consumers' purchase decision especially when there are multiple choices with little differentiation between them (Srivastava, 2006).Differentiating features could be any from the marketing mix or anything else associated with the product such as brand. Similarity of products has the negative effect on the consumer of increasing the cognitive effort required to make a decision and reducing the perception of accuracy of decision. Both of these reduce the satisfaction with a decision and thereby satisfaction with the purchase.Salesperson influence can reduce the perceived risk of shopping experiences (Bráulio Alturas et al, 2006)

A consumer may suffer from lack of information if the information doesn't exist, is unavailable to them at the required moment or is too complex for them to use in their decision making process. At the same time, too much information surrounding a product or service disturbs the consumer by forcing them to engage in a more complex and time consuming purchasing process. This, and the fact that it is difficult to compare and value the information when it is superfluous, leaves the consumer unsatisfied, insecure regarding what choice to make, and more prone to delay the decision-making, and thereby the actual purchase.

Customers expect retail salespeople to be knowledgeable about the products that are in their stores (Turnbull (2000)... He has to know about the merchandise that is on the shelves of the store, to be a very successful salesperson (Baker et al, 2002), Using and actually handling the merchandise, whenever possible by the salespersons can give them a better position to explain and educate customers. The presentation of the store's merchandise is important; as a salesperson, one of his duties will be to keep the shelves stocked and to set up displays. In the latter case, it helps to have a flair for interior design. They should be able to interact with customers in a way that will entice them to buy something. The design of a retail store environment can serve as an important basis for consumers' evaluations of merchandise quality (Baker at.al, 2002). A better still, work on developing strategies that will encourage customers to buy more than they intended to – that's what will really make the difference.The influence of cognitive and emotional satisfaction on the relationship between salesperson presentation skills and customer's loyalty through intention to promote by word-of-mouth is vital (Darian,et al 2001,Maznah Wan Omar,2009)

Need for study: It is estimated that FDI in retail can create approximately 4 million direct jobs and almost 5 to 6 million indirect jobs including contractual employment within a span of 10 years, making it the largest sector in organized employment (TOI, 2013).Customers are now a days greeted with smiling faces when they enter a shopping mall. With the increasing workload of the shops and malls, it is becoming important for store –in charge to delegate their customer interaction and selling jobs to salespersons. The salespersons have a big role in increasing the sales. There are instances when people visit malls and they do not have any intention of purchase, but actually end up buying something which they didn't even need in near future(Pan and Zinkan,2006,Srivastava2013). All this may look strange but this type of an incident happens with every person at some time. This is art of smart selling in which certain salespersons are very proficient andsilently support their organizations thus gaining profits. However, at the same time, some nasty salespersons also break the deal due to their non-cooperative nature, arrogant behavior or laziness. Such sales representatives are a threat to the business because customers go out unsatisfied and the word of mouth publicity of the incident can cause harm to the brand. In the present world of retail marketing

role of salespersons, become very important because a good team of salespersons can easily increase the profits of a store or mall, while bad salespersons or sale people can easily decrease final profits. In the present competitive world, a slight decrease in the profits of a retail firm can easily put it out of business; therefore, any successful strategy of retail business must include choosing good salespersons for the job. Working as a retail salesperson is definitely not a walk in the park. There are a wide range of duties and responsibilities handled by sales person. However, it can be a very rewarding position for the right person. Those who enjoy interacting with others and who have energy to spare, tend to make the best salespeople. Sales persons can play a major role in convincing a customer to buy a particular product, thus resulting in the need of this research. There is paucity of research in retail stores especially in emerging market.

Literature Review:

Factors affecting retail store visit patronage:

Pan and Zinkan (2006) classify the factors affecting retail store visits in three groups - (1) product-relevant factors, which pertain to product features and attributes, such as product quality and price; (2) market-relevant factors, which pertain to the retailer of interest, such as the service provided by the store; and (3) personal factors, which pertain to consumer characteristics, such as demographics. Haiyan (2011) has studied the time spent at the store as an indication of the customers' interest in the store and his / her patronage intention. Baker, et.al (2002) refer to 'willingness to recommend' while Zee and Good (2007) refer to 'recommend to others'. White, Breazeale and Collier (2012) have studied the reverse side of it as 'Negative WOM.'Ganesh, Reynolds and Lucket (2007) have studied the relationship between shopping motivations and a 20 attribute item list with respect to the Mall attributes. Consumer

preferences based on their shopping motivations are studied with respect to four types of formats – Department stores, Shopping centers, Shopping malls and Factory outlet malls. Similarly, Bridgess and Burgess (2010) have studied the format preference across Malls, Specialty stores, Shopping centers, Discount stores and Mall department stores. Within the format patronage type of studies, the on line patronage studies can be considered as a special type of study considering that it is a completely different type of format as compared to the regular brick and mortar formats of stores.

Factors responsible in forming customers' patronage towards retail, some of them have specifically concentrated on factors like Jarratt and Michael (1993) derived three factors namely "Activity in Lifestyle", "Innovation", and "Service" to have significant effect on customers' perception to shop, Mohd. (2006) found "accessibility", "reliability", "convenience", "distribution", "socialization", "search ability", and "availability" to be the dominant factors affecting customers' perception towards shopping in malls. Shah and Mrudula (2005) in their study explored "quality", "variety", "operating timings", "attitude of salesmen", "location" and "stock replenishment" to be major factors affecting consumers' decision towards choosing particular store.

These authors except Shah and Mrudula(2005) did not consider the role of sales personnel in store visit patronage. Therefore, it will be interesting study to find out the impact of sales personnel on retail patronage. Familiarity of known faces may bring better comfort zone while shopping in retail store.

Role of sales persons' knowledge in influencing purchase behavior: High producer of sales volume and low producer of sales volume may influence the purchasing behavior of the consumer differently (Paul and bell, 2001)**.**High degree af commitment and motivation among may makes a difference (Srivastava,2008). Study

byPennington (1968) does not mentions any role of sales person as consumer who bargains more at retail store purchased more. Most purchases of goods and services are routine and involve little, if any, explicit bargaining behavior by either salesperson or customer. However, transactions involving durable goods or other items in which price are a variable factor presumed to involve bargaining andprice negotiation strategies for both parties. Sales person will play a role in such transaction in retail store,However,the influence of salesperson on purchase decision may be influnced by the knowledge,skills and communication of the sales person . The empowerd salesperson may be more effecive. However,if the consumer is confused,the sales person may help him to take decision(Srivastava,2013).Previous studies emphasized environmental influences, for instance, color (Chebat & Turley, 2005-), music (Broekemier, Marquardt, & Gentry, 2008,srivastava,2013) and temperature (Michon, Chebat, & Turley, 2005). A Service personnel behavior affects customers and enables them to experience specific emotions is an important question that previous studies have neglected (Hou, Min ET al2013)...

There is not much study on how a knowledgable and help ful sales person can influence consumer purchase decisions.

Attitude of Sales persons on influencing purchase behaviour of consumers :A positive helpful attitude of sales persons will create a positive environment in the retail store.This may lead to more sales.However,attitude of salespersonnel towards consumer may be influenced by type of consumer.A study by Pauly(2001) reports that there is bias in response with fat consumers experiencing longer response.Knight et.all (2007) reports negative attitude towards consumers due to role ambiquity. Positive attitude may results in better

customer. satifaction.This can reflect in their approach towards dress ,personality .A well groomed sales person may influence the consumer better, specially females.Attitude also changes due to the fact that sales promotion and advertisement creates a pull in the retail stores , thus, creating an attitude of lethargic approch towards the consumers(Luca,1985,Arnold,2009). The attitude may be affected due to retail store culture based on trust and commitment of the organisation (Lockshin et al ,1997,Palmatier et al ,2007).Attitude of sales personnel may affect consumer satisfaction(Turhan and Özbek ,2013) .Satisfaction improves consumers loyalty. This has not been studied keeping retail store prospective .Therefore this is taken as part of this study.

Role of sales persons and customers satifaction:Sales personnel personality and approach can help to improve the satisfaction level of consumers(Kamaladevi,2010). As retail sales person play a critical role in influencing in-store customer decisions by providing brand recommendations, manufacturers attempt to use a variety of strategies to induce brand advocacy of their respective brands.(Badrinarayanan,2013).It is known that customers satisfaction will lead to more purchase (Sneider et al,2005). The quality of the relationship between the store and shop person varies according to the differences in sales-person trust and commitment (Lockshin, 1997, Macintosh, G. and Lock shin, L.S. 1997,Reynolds and Arnold 2000)).At the same time researcher like Dube and Morin (2001) mentions that sales person and store evaluation by consumer are linked to customer satisfaction. Results of Prasad et al (2012) indicates that value for money, value for time, service quality, storereputation, and situational factors are the significant predictors (antecedents) of customer satisfaction in a typical food and grocery retailsetting not the role of sales personnel. Expertise of sales persons is important (Badrinarayanan et al,

2011).Good service provided by the sales persons at retail will lead to better consumer satisfaction. Customer satisfaction leads to repeat visits of the customers and may be it is due to price discount (Turhan and Özbek, 2013). In view of the contradictory results, this study incorporates this point for the research. This becomes important in emerging market due to its own culture, as consumers may like to clarify their doubts through sales person of the retail stores.

Identification of Problems and Variables for study: Patronage of retail stories well studied subject but patronizing retail store due to sales personnel has not been studied as per our study. Therefore, this is one of the variables identified for the study. Relationship plays a role .It is possible that due to relationship store patronage may crystallize. This is reason for taking this variable for study. More-ever, there is paucity of research in this era. Another variable taken up for study is how a *knowledgeable and helpful sales person* will influence the purchase decision at retail stores. *Selling skills and training* of sales persons may be important variables to influence the purchase decision of a consumer. This measure was adapted from the Scale developed by Kellaris, Cox and Cox (1993), which originally included a summed, six-item, 5-point agreement scale, with a reported reliability for Cronbach's alpha of .92.

Objective of the study: This study undertakes with an objective to find out the role of sales representatives on consumer purchase behavior at retail stores. The study also tries to map the customer's perception of these sales representatives in retail stores .Another part of the study is to find out the effect of dress and personality of sales person on consumer attitude. This is with assumption that physical and verbal presentation is important in any sales presentation. Hence, this is also important factor in retail store environment. The study also tries to map the difference between males and females consumers on perception and influence of sales representatives on these parameters.

Development of Hypotheses: Academic research on impact of sales persons on consumers have dealt with its product relevant factors, market relevant factors and personally factors (*Pan and Zinkan, 2006*), sales volume influencing the purchasing behavior (Paul and Bell, 2001), type of consumer influencing the behavior of sales persons (Paul, 2001), retail store culture influencing the consumer behavior (e.g.Lcokshin et al, 1997, Palmatier et al, 2007). There is not enough literature available on emerging market, which is the retail destination by many global companies.

The first hypothesis is based on the assumption that dressed sales person can have better interactions and help in purchase behavior.Customers are more likely to develop a strong bond with their salesperson than they are with a brand or a store due to his good personality (Raynold and Arnold,2000). Decision of consumers may be influenced by advice, knowledge, interfering nature of salesperson. Their interaction is taken in to account while developing hypotheses. We begin by examining these variables to understand the roles of salesperson in retail store on consumer purchase behavior. Based on these insights, we can formulate the following hypothesis:

Hypothesis 1: The good and presentable dressed salesperson positively influences the purchase behavior of salesperson (H1).There will be gender variation to response to this attribute.

It is assumed that good dressed sales person will have better influenced on consumer compared to informal dressed personnel during presentation (Srivastava, 2011, Raynold and Arnold, 2000)

Hypothesis 2: The salesperson personality can positively influence the purchase behavior of a consumer (H2) Sales persons do influence the

consumer purchase behavior(Turhan and Özbek ,2013).Therefore, it is proposed that sales persons have a definite role in influencing the buyer in retail store as observed in industrial and pharmaceutical industry..

*Hypothesis 3: The advice of Salesperson can help in the purchase decision of the consumer (H3).*A knowledgeable sales person can influence the consumers. It may be more important if the prices are high. Study byPennington (1968) mentions no role of sales person in retail store..

*Hypothesis 4: The knowledge of the sales person helps and influences the consumer to purchase the product (H4).*Knowledge of sales persons will help and guide the consumer to take decision. (Badrinarayanan et al, 2011)

*Hypothesis5: The interference of the salesperson negatively affects the purchase decision of the consumer (H5).*Helpful nature of sales person is welcomed but some consumers may not like to take help unless asked for.

Methodology*:* Retailers do realize the role of sales men in retail stores but not adequate importance is given to them*.* Although retailers acknowledge the impact of sales force on store profits and customer service, current methods may fail to capture the sales potential of customers who enter their premises. (Lam et al, 1998).Therefore, questionnaire technique that is short and confined to variables is tried .Short interaction due to limited questions may give better response (Srivastava, 2012) Customer orientation and role conflict positively influence job performance of a sales representative. Role ambiguity negatively influences job performance, thus selling orientation has no effect (knight at al, 2007) Therefore, this research undertakes to study the role of sales persons employed in the retail stores and how they can influence consumers in their purchase

behavior. They are also called sales associated in some part of the world

Research Design: Study is conducted at six malls situated in Mumbai- a financial capital of India. Mumbai has a heterogeneous population and is mini India. Every fourth consumer coming out from Mall is approached for this study through intercept basis. *This gives a better approach of selection of samples for the study. Students doing MBA participated in the study in collecting the data. It is primary a descriptive study.* Data collection was similar to study conducted by Namkung and Jang (2010)

Questionnaire design: The questionnaire method was pilot tested earlier involving fifty respondents. Questionnaire is more focused on role of knowledge of the sales person, helpful nature of sales persons, advice of sales person in influencing purchase decision and how good and presentable dressing of sales person can influence the purchase decision. Five point scales is used to measure the expectation of consumers from sales person. Pilot testing helped to club the questions and made it more concise. Thus, the questionnaire is restricted to six questions only. This helped to improve the response rate and improved respondents and interviewer interaction. This helped to improve the response rate and improved respondents and interviewer interaction. Scale developed by Kellaris, Cox (1993), which originally included a summed, six-item, 5 point agreement scale, with a reported reliability for Cronbach's alpha of .92 are adopted .

Samples: Samples were selected on the systematic sampling. Of 328 respondents 82(25%) were females. Respondents are those coming out from the malls including families, students, employees and businesspersons. The intercept technique is adopted to fill the form. 82 (25%) are females compared to 246(75%) males in the present study. This ratio however, does not represent the national ratio (51:49). However, judging from the earlier study, it is the

male population who goes more often to malls compared to females (Srivastava, 2009). The majority is in age group of 20-30 years (61%) in female section compared to 76% for age group of 20-30 years for males. Other predominant visitors to mall are in age group of above 40 years 15% and 13% respectively for females and males respectively..

Data Analysis: The data were analyzed using SPSS for inference of the data as we felt these test could give enough data analysis and direction. It also takes care of basic objectives of research. Simplicity is especially important when measuring affective response (Allen & Madden, 1989, Kelaris and Rice, 1993)

Ethical consideration: Each respondent is asked for his permission for interviewed on his experience. Permission from respondents are taken due to ethical consideration

Results: Earlier study of Kamaladevi (2010) which mentions about packaging & labeling, service mix, and atmosphere delivers a superior customer experience are identified which should result in higher customer satisfaction, more frequent shopping visits, larger wallet shares, and higher profits ,better retail store environment where customer-salesperson relationships may exist to increase understanding in this area.

Personality of sales persons in retail store:
The first part of the study is to analyze the dress of salesperson in affecting sales. Proper dress of sales persons helps in projecting a personality. *In our study, dress of sales person affects overall purchase behavior but is more pronounced in males compared to females (x2=3.22).*This is another interesting result of the present study .This confirms our hypothesis that a well-dressed salesperson will influence purchase decision**(h1).**There is paucity of study on dress of sales person influencing the consumer.

However, the consumers will not like to be bothered by the representative in store unless called for. (X2=1.980).

Role of sales persons on purchase behavior:
Sales personnel do not determine the purchase behavior of consumers (Knight at al,2007, Turhan and Özbek ,2013).However, our results indicate that salesperson influence both males and females alike. 79.2% of Males reported the positive influence of sales personnel compared to females (51.2%) in influencing their purchase decision. The x2 value is 2.877.*Males are more influenced by sales personnel compared to females.*This confirms our hypothesis that sales person do influence the purchase behavior and there is a gender variation to response to this attributes**(h1 and h2).**This is an interesting observation of this study. This is also in line with the reports of Paul and bell, (2001) but contrary to reports of Pennington (1968), Knight at al (, 2007) and Turhan and Özbek ,(2013). Store atmospherics manipulate customer's expectations from retail salesperson behavior, subsequently affecting customer satisfaction if the retail Salesperson does not match expectations.

Effect of sales persons on consumers' decision:
The second parameter of study is to study the influence of representative in their purchase behavior. The present study reveals that sales person influence the decision of consumers (78%). This is more on higher side in electronic, cosmetic and apparel segments compared to grocery products. This is mainly due to products being more technical in nature. *Sales person in the store influences consumers but there is no gender variation in our present study (h3).* This is possible as length of the relationship between the buyer and salesperson increases; cognitive antecedents influence trust (Erevelles and Fukawa, 2013).Buying technical products require advice of sale personnel. Trained sales persons may influence the decision of the consumer. Knowledgeable sales personnel are likely to

influence the purchase behavior as per present study (**h4**).Table-1 gives the data.

Sales personnel and consumer interface in retail store:

Another part of the study is to study the interface between sales personnel and consumers. In the retail environment, the salesperson is a strong factor of influence in consumers' decision process because a store image and ability to build loyalty can heavily depend on the ability and characteristics of the salesperson (Engel et al,1995). The present study reports that neither male nor female will like to have any interference by sales persons during their visit to retail store unless asked for (x2=*1.960*).*34 percentage and 36 percentage of males and females respectively only reported their acceptance of their interference.* This is contrary to report of Cho (2001) which indicated that a significant interaction existed between consumer and salesperson. Consumer likes to have his or her own privacy while shopping. A certain class of consumer with "Ostrich personality" may like interference of sales person in retail stores. This confirms our hypothesis that only certain class of consumers will accept interference of sales persons **(h5)** Table-I gives the data.

Table1: Role of sales person in retail store on consumer purchase behavior (N=328)

Parameters of study	Males(N=246)	Females(N=82)
1.Dressing of sales person affecting purchase behavior (Positive)	174(71%)	46(56%)
Statistical value X2	*3.222*	
2.Salesperson help in purchase behavior (positive)	160(79.2%)	42(51.2%)
Statistical value X2	*2.877*	
3.Decision based on advice (positive)	194(78.9%)	62(75.6%)
Statistical value X2	*2.317*	
4.Do you like to get bothered by Sales rep in store (Positive)	84(34.1%)	30(36.6%)
Statistical value X2	*1.960*	
5.Do you go to retail store due to knowledgeable and friendly sales person	*42(13%)*	31(9.4%)
Statistical value X2	*1.760*	

Sales personnel as a factor for visiting retail store: Patronage of retail stories depends upon many factors. *Pan and Zinkan* (2006) have identified four factors for visit to mall but visiting a retail store due to sales personnel is not mentioned as a critical factor. However, attitude, knowledge of sales personnel do influence customer satisfaction (Turhan and Özbek ,2013, Prasad et al 2012,Barinarayanan2011,Sneider et al,2005).Do consumers come only due to sales personnel.? The present study indicates only 22% of consumers come due to sales personnel also. *There is not much difference between genders. (13% -male 9%-females).*

The last part of the study is to find out the expectation of consumers from sales person of a retail store. Product knowledge, good communication skills, awareness of different options, awareness of different brand availability and knowledge are the major attributes

expected from sales person in our study. *Product knowledge (4.3) and awareness of different brand availability (4.1) in retail store are two important expectations from sales personnel ofboth by males and females.* This is given in table-II

Table2: What consumers expects from Salesperson in the retail store (Scale 0f 1-5)

Parameters	Av.Score-Male	Av. Score-Females	Total
Product knowledge	4.3611	4.3652	4.3642
Good communication skills	3.8889	3.8947	3.8933
Aware of different options	4.0000	3.8462	3.8841
Aware of different brand availability and knowledge	4.1667	4.0625	4.0878

Thus, sales representative plays a role in retail stores. Retail stores should focus on these aspects too. Knowledgeable sale representatives may help in improving the customer's satisfaction level. Table -3 gives inferential analysis.

Table-3.Inferential analysis and testing of hypotheses

Hypotheses	Results	Comments
The good and presentable dressed salesperson positively influences the purchase behavior of salesperson (H1).	$X2$ tab as 3.22 >1.96. -Significant difference between men and women. Z cal value = 2.5 which is greater than the table value of 1.96.	-Well dressed salesmen will positively influence the purchase behavior -Proper dressing of salespersons is considered more important by men as compared to women.
The salesperson personality can positively influence the purchase behavior of a consumer (H2	-$X2$-2.877 > table value of 1.96, -Z VALUE-4.67	-Salesperson personality will positively influence purchase behavior
The advice of Salesperson can help in the purchase decision of the consumer (H3).	$X2$-2.317> table value of 1.96 - Z cal value = 0.622 which is less than the table value of 1.96	- Advice of the salesperson can help in the purchase decision of the consumer. - Both men and women feel that advice of salesperson can help in purchase decision.
The knowledge of the sales person helps and influences the consumer to purchase the product (H4).	- calculated value of $X2$-1.96 = table value - Z cal value = 0.416 which is less than the table value of 1.96.	- Knowledge of the salesperson helps and influences the consumer to purchase the product. - Both men and women feel that knowledge of the salesperson helps and influences the consumer to purchase the product
The interference of the salesperson negatively affects the purchase decision of the consumer (H5).	- calculated value of $X2$-1.76 < table value Z-1.0	- People do not like to be interfered by the salesperson in their purchase decision - Both men and women feel that interference of the salesperson that is

		not asked for can negatively affect the purchase decision of the consumer.

Discussion and Implications: Consumers in retail stores like see a known face while visiting retail stores. He feels more comfortable. However**,** Turnover of sales persons in the retail sector is very high (Yurchisin and Park (2010).Infact , average length of employment among sales associates inthe retail industry is a mere 80 days (Masters 2004). In retail stores, which are plagued by excessive rates of employee turnover, customers often complain that an inadequate level of service because the stores are understaffed orcontinuously staffed with new, inexperienced employeeswho lack a strong knowledge base of the stores' productsand policies**.**

Therefore, knowledgeable sales persons (KSP) added with store's image can be an attractive destination for consumers. Sales persons personality (SP), dresscode (DSP), good communication (CSP) may improve the satisfaction of the sales personnel and consumers. This may lead to positive relationship betweenperformance of sales personnel and retail sales. The implications shows that adopting selling skills, proper dress code , thorough knowledge of the product and skill to communicate should result in more sales. Retail sales=KSP+SP+DSP+CSP

A well skilled person will be highly motivated to work harder .Study by Paul and Bell (2001) suggests that harder the sales person works more will be the sales. Motivation will play a role in reinforcing the belief, built through Knowledge, Skills, Dress code and communication of sales persons. Therefore, based on the above the following model is suggested:
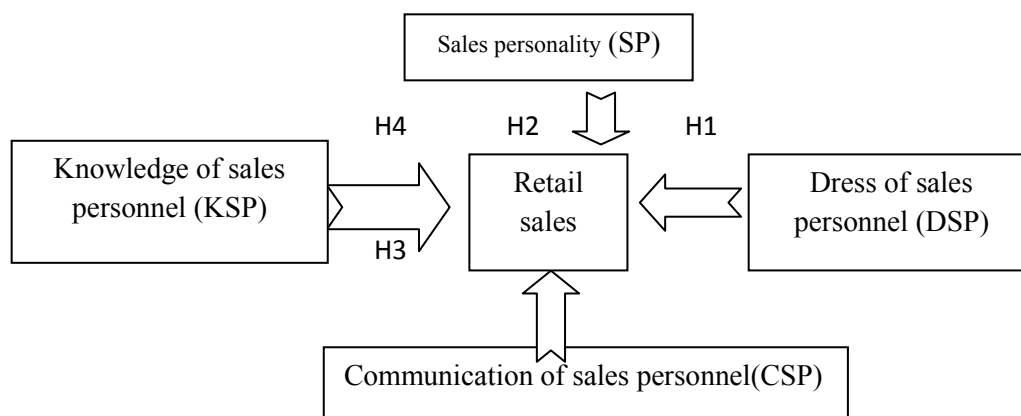
Therefore, role of sales personnel are important in retail stores where consumers requires attention and help. This is more important in eastern culture as shopping do are influenced by many external factors like ambience, sales person, category of products, store image (Srivastava, 2013).

Validation of Model:

Inferential analysis in table 3 confirms the validity of the linkage of each hypothesis in the construction of the model. Model says that retail sales is dependent on five main characteristic of sales person and are important by both men and women consumers. We have taken three categories of retail sales (one denotes high sales, two denotes average sales and three denotes

low sales). Similarly, we have taken three categories of personality, knowledge, dress and communication skills where one represents very important and three denotes not important. For interference of sales person while consumer do shopping, we have taken two categories one denotes liking the salesperson because of non-interference and two denotes disliking the salesperson because of interference.

Proposed the model says that retail sales varies directly proportional to knowledge, personality, dress and communication skills of the salesperson and it varies inversely proportional to the interference of the salesperson.

The validation this model based on the data collected from 246 male customers and 82 female customers. How these five factors, individually and together, are able to explain the variation in retail sales is the main objective during validation?

For finding the individual effect of each of these factors, we will look at the t value and the significance value. If the t value is high and the significance value is < 0.05, then we can say that these five factors will individually have a significant effect on retail sales. We will also see the sign of the t values. If the sign is positive, then it shows that they are directly related to retail sales. If the sign is negative, then it means that they are inversely related to retail sales.

For finding the combined effect of these five factors on retail sales, we will look at the value of R^2. If the value of R^2 is high, i.e. at least greater than 0.4 and the significance value < 0.05, then we can say that the combined effect of these five factors on retail sales is significant. This is given below:

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.653[a]	.427	.418	.516

a. Predictors: (Constant), interference , knowledge of salesperson, personality of salesperson, communication skills, dress of salesperson

From above, we observe that the value of R square is 0.427, which signifies that 42.7% of the variation in retail sales is explained because of these five characteristics of salespersons. The multiple regression equation of retail sales on all these five factors can be written as

Retail Sales = 0.606 + 0.332 (knowledge of salesperson) + 0.359 (Personality of salesperson) + 0.214 (Dress of salesperson) + 0.162 (Communication skills of salesperson) − 0.464 (Interference of salesperson) as given below:

Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	.606	.115		5.272	.000
	Knowledge of salesperson	.332	.050	.346	6.617	.000
	Personality of salesperson	.359	.044	.385	8.247	.000
	Dress of salesperson	.214	.046	.264	4.669	.000
	Communication skills	.162	.058	.132	2.802	.005
	Interference of salesperson	-.464	.078	-.327	-5.980	.000

a. Dependent Variable: retail sales

From the above equation, we can observe that retail sales is directly related to knowledge of salesperson, personality of salesperson, dress of salesperson and communication skills of salesperson and it is inversely related to interference of salesperson. This equation or model can be used to predict how the retail sales will vary based on the knowledge of salesperson, personality of salesperson, dress of salesperson, communication skills of salesperson and interference of salesperson. If a salesperson has high knowledge, good personality, is well dressed, has excellent communication skills, and does not interfere with the decision making of the customer, and then we will give a value of 1 to each of these parameters.

So we get Retail sales = 0.606 + 0.332 (1) + 0.359(1) + 0.214(1) + 0.162 (1) − 0.464 (1) = 1.209.
This value of 1.209 is closer to 1, which signifies that the retail sales will be high. This validates the first part of our model. The above table also shows that the t values for each of the parameters are high and the significance values are all less than 0.05. So all these 5 factors individually have a significant effect on retail sales. F value is 47.93, which are very high, and the significance value < 0.05. This shows that the combined effect of all these 5 factors on retail sales is significant.

ANOVA[s]

ANOVA[s]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	63.932	5	12.786	47.933	.000[a]
	Residual	85.894	322	.267		
	Total	149.826	327			

The other part of the inferential analysis is to test whether the opinion about these characteristics of salespersons differs according to men and women...

Group Statistics

	gender	N	Mean	Std. Deviation	Std. Error Mean	Levene's Test for Equality of Variances-F/Sig.-value
Knowledge of salesperson	Male	246	1.69	.714	.046	
	female	82	1.61	.681	.075	.270/.604
Personality of salesperson	Male	246	1.63	.721	.046	
	female	82	1.65	.743	.082	.165/.685
Dress of salesperson	Male	246	1.91	.835	.053	.006/.939
	female	82	1.90	.840	.093	
Communication skills	Male	246	1.42	.549	.035	
	female	82	1.26	.540	.060	11.056/.001
Interference o f salesperson	Male	246	1.66	.475	.030	.590/.443
	female	82	1.63	.485	.054	

From the significance value column, we observe other than communication skills, where the significance value is < 0.05, in other cases, the significance value is greater than 0.05. This means the opinion of men and women is similar regarding personality, knowledge, dress and interference of salespersons. i.e. both men and women feel that the salesperson should have a good personality, should be well dressed, should have good knowledge of product and should not interfere in decision-making. In the case of communication skills, the difference is that women are more particular than men are about the good communication skills of the salesperson.

This validates the second part of our model.
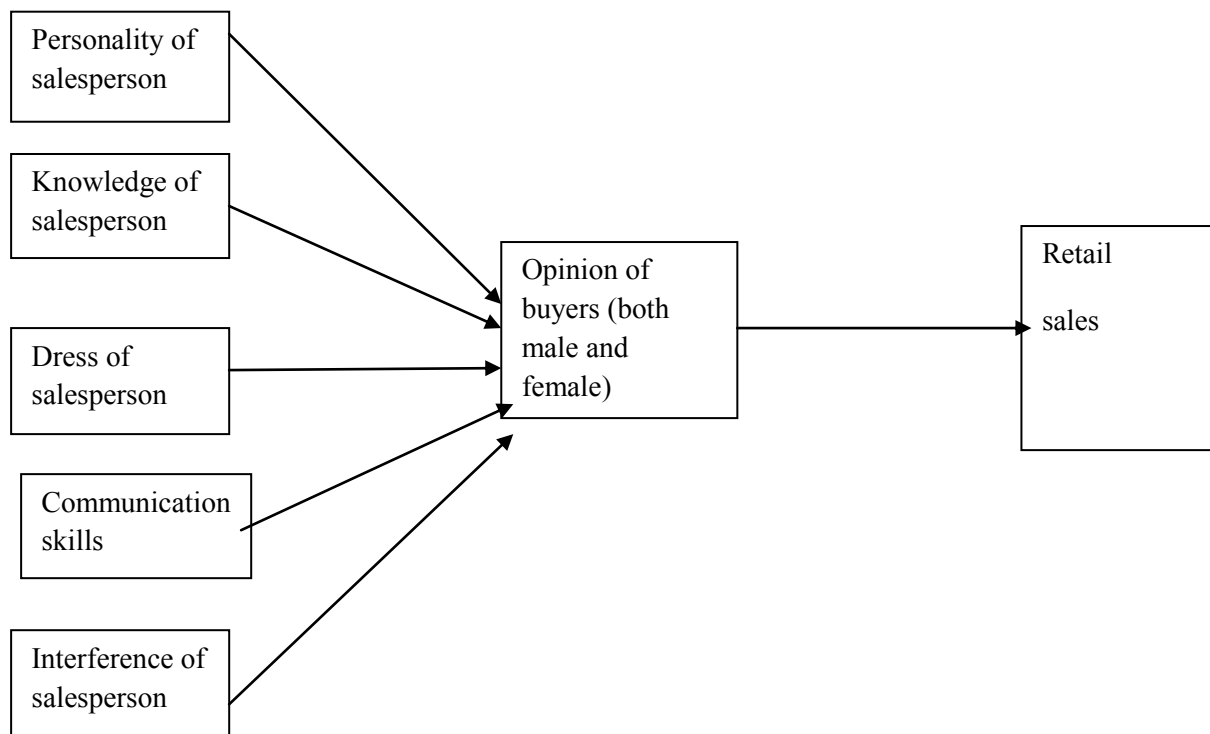
Conclusions: Sales personnel do act as a major source of marketing a product. However, people have their own perception towards the sales personnel. Some like the dressing some like the communication skills whereas some go for knowledge. However, very less research has been done in the area of sales personnel. Due to multiple brands coming up in the same store, the effective sales personnel remain an option for the companies. They can rely on the sales personnel largely in selling their products and even in influencing the customers to buy their products.

This study has yielded some interesting results regarding consumer opinions about the sales personnel. .Sales persons do influence the purchase behavior and there is a gender variation in response to this attributes In our study dress of sales persons affects overall purchase behavior but is more pronounced in males compared to females among the consumers.Knowledgeable sales personnel are likely to influence the purchase behavior as per present study. Sales personnel are influencing more of malesthan females as per our study.

Retail stores, therefore, have to keep skilled sales persons so that it can help them to improve sales and customer satisfaction. It may help in repeat visit of the consumers due to good effective sales persons.

Managerial Implications:Retail sales workers include both those who sell retail merchandise, such as clothing, furniture, and automobiles, (called retail salespersons) and those who sell spare and replacement parts and equipment, especially car parts, (called parts salespersons). Both groups' help customers find the products they want and process customers' payments.

Our research emphasizes that retail managers should frequently update on the training of sales personnel on a regular basis. Knowledgeable sales person will bring higher profit due to better customer satisfaction. This is more important for specialty stores where technical knowledge of sales persons will help to get better sales. Managers should give a dress code to his sales personnel as it does affect the consumer purchase behavior.Due to multiple brands coming up in the same store, the effective sales persons remain an option for the companies. It is necessary to have sales coaching and representative's development.

Limitation of the study: This study, being descriptive in nature, has the inherent

limitation of the results. Research has been conducted only in one metro city though this city is mini India due to diverse culture may not represent the population. Therefore, study on culture or ethnicity is possible extension of the research. Word of mouth due to customer satisfaction mediated by interaction with sales persons is also missing in the present study. Familiarity of sales person is not studied. It is important, as there is high degree of attrition in retail sector. Experimental study of variables on sales personnel can help in validation of the findings.

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WHAT SUPERMARKETS CHARACTERISTICS EFFECT CONSUMER BUYING BEHAVIOR AT LARGE: A RESEARCH STUDY IN CONTEXT OF EMERGING SUPERMARKETS ENVIRONMENT

Ghulam Mustafa, Babak Mahmood, Muhammad Shahzad Iqbal, Farooq Qaisar & Ghulam Murtaza

Abstarct

The current research investigates different characteristics of super markets that effect consumer behavior and aims to propose competitive strategies to augment super markets effectiveness. The population of respondents was comprised of shoppers from super markets located in Faisalabad city. The sample was selected by using random sampling technique whereas the questionnaire tool was used to collect the data from one hundred and two volunteer respondents. The data was analyzed statistically by measuring Chi square, Beta Value, Gamma Value and p-value in order to find the association between variables of the study. The results of research study revealed that there exist highly significant and positive relationship between independent variables "Ambience" "Product", Family Friendly Environment" and "service" and dependent variable "customer behavior". Whereas it was found that there exist significant relationships between "Location" and "customer behavior". Finally the results were discussed and recommendations were suggested to chalk out its practical applications.

Keywords: Super markets, Chi Square, p-Value, Significance level, Customer Behavior

INTRODUCTION

Supermarket is a modified form of the traditional grocery stores. It's a self-service shop that offers a wide variety of household products which are organized into racks. Supermarkets are larger in size and wider in selection than a traditional grocery stores, while are smaller and more limited in the range of merchandise than a hypermarket (Wikipedia, 2012). Distribution has been the major concern of the activity, of the retail goods and commodities in the developed countries even with leading companies listed on the stock markets. Super stores being the integral part of the supply chain ensure the efficient distribution of goods to consumers and maintained convenience and requirements as the keystone of their distribution and retailing policy. Recent literature has drawn attention to the speedy rise of supermarkets in different regions of the developing world as well and forecast their rapid spread. Timmer and Berdegue (2004), argue that the diffusion of supermarkets in developing countries may be conceptualized as a system of demand by consumers for supermarket services and the supply of supermarket services. The latter depends on investments by supermarket entrepreneurs. On the demand side, several factors like super store services, access to own transportation means,

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and household refrigeration etc have contributed in a great deal in expansion of supermarkets during the past 5-10 years.

The rising middle class on part of rapid industrial development in the city is supporting the development of supermarkets. Faisalabad is also called as "Manchester of Pakistan" because of its major impact on the economy of Pakistan due to its substantial growth in textile sector. The city also generates 25% revenue for the trade and commerce activity of Pakistan. This economic boom in the past decade witnessed the construction of major shopping malls and shopping plazas in order to cater the increasing needs of city's middle class. Such projects currently under construction include Motorway City, Kohinoor One, Doburg, Gateway Towers, Paradise Inn, MediaCom City, Centre Point, FDA City and Rehman Heights etc. (Rauf, 2009).

The first (Reardon, 2006) wave of supermarket wordiness took place in wealthier countries of Latin America whereas the second wave was commenced in Central Europe, and the third in poorer countries of Latin America, South East Asia and Eastern Africa. In South Asia and Western Africa fourth wave is beginning to shape up (Raghendra, Gaiha, Sharma, 2006). Wal-Mart, USA being the world's largest chain of retail stores has annual sales of US $ 282.2 billion in 2004 which is almost three times larger than Pakistan's GDP of about US $ 103 billion in 2004-2005. Pakistan's chain of retail stores, the Utility Stores Corporation (USC) instigated its operations in the seventies and at its peak had been the 975 retail stores outlets all over the country in the 1990s. The retail sector in Pakistan is now attracting the attention of both foreign and Pakistani investors. At least two foreign and a few local companies are reported to be actively engaged in setting up chain stores in the country. Rajani, Makro Habib, Metro cash & carry, hyper star, Alfateh, Family Mart, Utility stores and many others retail stores are currently operating in the Pakistan.

LITERATURE REVIEW

Consumer buying behavior is consumer's decision of purchasing goods and services for personnel consumption. The stimulus response model is a basic type of consumer buyer behavior model. According to this model marketing stimuli such as four Ps and main forces such as PEST forces, enter the consumer Black Box and cause observable consumer behavior in form of consumer's product choice, brand choice, purchase timing and quantity. Moreover four sets of buyer characteristics, which are cultural, social, personal and psychological, influence consumer buying behavior (Kotler, 1999). In order to understand customer behavior more precisely it is imperative to know the composition of customers (Applebaum, 1951). This may be composed of sex, age, color, occupation, education and economic status etc. Customer buying behaviors are not fix. There are number of factors like place of purchase, items purchased, time & frequency of purchase, methods of purchase and response to sale promotions that affect customer buying behavior. Whereas techniques such as analysis of retail store records, observation, interviewing customers, getting information using questionnaire and controlled examination, individually or collectively are useful to study customer behavior. The consumer buying behavior consists of six stages. This includes, awareness of need, information search, evaluating alternatives, purchase decision, purchase and post purchase evaluation.

Nugoho and Winhandovo (2009) in their research discover that CPV i.e., consumer perceived value, has significant impacts on customer buying behavior. The study points out the factors like familiarity, quality, prices, and

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risks involved about the products' available on stores, play a pivotal role in defining customer perceived value (CPV). The modified customer behavior may appear in form of customer's willingness to purchase or decide for future purchase.

Apart from behavioral factors affecting consumer buying behavior, the factors related to super store environment have significant impact on customer's cognitive and emotional responses which are driving forces of consumer buying behavior. The customer perception about product quality and services provided by the retail stores may results in modified customer behavior.

Super stores or retail stores need to facilitate their customers by offering unconditional replacement of defective, sub-standard products, manage adequate and effective system of quality control that helps to minimize customer complaints and replacements number, maintain advanced automated systems for an efficient inventory management, plan brand management to develop consumer loyalty and to gain maximum value through customer benevolence, suitable analyze location considerations in order to establish profitable operations as it helps to segment market, based on income levels, developing potential to compete with other stores, pulling maximum number of customers on their stores by taking into account traffic flow and parking space availability (Management advisory report, 2006).

So in context of current growth of super stores it is imperative to know consumer behavior in retail stores that will delineate that who buys why, what, when, and from where (Applebaum, 1951). There needs to form an emotional connection with shoppers through 'wow' factors which are increasingly driving store choice. These can include 'proving an enjoyable experience' and a 'pleasant shopping environment' eventually becoming cause of fast growth of super markets and changing shopping habits if customers. 'Staff service' has also significantly increased the importance for shoppers in the recent times (Neilson, 2012).

Conceptual Framework

Background Variables	Intervening Variables	Dependent Variables
1-Gender	1-Ambience	
2-Age	2-Location	
3-Education	2-Products	
4-Income	3-Family Friendly Environment	Consumer Behavior
5-Marrital Status	4-Services	

OBJECTIVE OF THE STUDY

The objectives of the study are to develop causal relationship between retail sore characteristics and consumer behavior, to determine the level of significance of each super store characteristic.

METHODOLOGY

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Methodology part of the research evaluates study to verify its results by explaining the relationship among different independent variables with the dependent variables.

Various techniques and tools begin from sampling technique, sampling, designing data collection tool, collecting data and then data analysis.

Due to limited scope and time resource, the data was collected from 115 respondents having frequent experience of shopping from eminent retail stores in Faisalabad city.

The population consists of super stores located in Faisalabad city including Metro Stores, Family Mart, Emart, Alfateh, Rachna Store etc.

The random selection technique was applied to pick samples. The respondents were categorized on the basis of gender, age, education, marital status and income. The data was collected from randomly selected respondents by using questionnaire tool because to collect the information from people who are diverse, large, and scattered, questionnaire (Alam 2002) is a systematically formulated document. The nominal and ratio scales used to measure the responses.

SPSS Statistical Package for Social Sciences tool used to analyze data and test hypotheses. To get out the relationship and degree of relationship between dependent and independent variables, P-Value, Chi Square and Gamma tests were applied.

Data organized in respect of frequency distribution of a single variable which is sometimes referred to as a univariate frequency distribution. It's the frequency of observations in each category of a variable. To construct a frequency distribution researchers simply list the categories of the variables and count the number of observations in each. It provides the standard form of a univariate frequency distribution.

In next step bivariate relationship examined which is a vital step in explaining and testing the research hypothesis. A relationship of the two variables means the distributions of values of the two variables that are associated mutually (Nachmias and Nachmias, 1992).

The responses collected using questionnaire recorded and valued using the rating scale. The rating scale is used whenever respondents are asked to make a judgment in terms of sets of ordered categories (Nachmias and Nachmias, 1992). In order to quantify the responses, Likert Scale technique was used to assign certain scoring to each of the response.

RESULTS & DISCUSSION

This chapter has been divided into two parts, Part A and Part B with aim to present the analysis and interpretation of data relating to the research problems taken under investigation during the stuy.

Part-A (Uni-variate analysis) deals the analysis of the respondents' socio-economic characteristics such as gender, age, income, marital status, education and their impact on consumer buying behavior.

Part-B deals with Bivariate analysis showing relationship among various independent variables i.e. 'Ambience', 'Location', 'Product', 'Family Friendly Environment', 'Services" and dependent variable 'Consumer Behavior'.

Table 01: Demographic Analysis

Items	Frequency	Percent	Cumulative Percent

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Gender

Male	70	51.9	68.6
Female	32	23.7	100
Total	102	75.6	

Marital Status

Married	74	54.8	72.5
Unmarried	28	20.7	100
Total	102	75.6	

Age

Below 20	6	4.4	5.9
20-30	30	22.2	35.3
30-40	39	28.9	73.5
40-50	14	10.4	87.3
Above 50	13	9.6	100
Total	102	75.6	

Income

Below 30000	25	18.5	24.5
30000-50000	45	33.3	68.6
Above 50000	32	23.7	100
Total	102	75.6	

Education

Inter	7	5.2	6.9
Graduation	26	19.3	32.4
Above Graduation	58	43	89.2
Other	11	8.1	100
Total	102	75.6	

The data represents dominance of male respondents and identifies that majority of respondents is married which is 72 percent. In respect of age they are in range between 30 to 40 years whereas income wise majority falls between 30 to 50 thousands rupees per month and mostly are having education of post graduation level.

Pearson Correlation

Variables	Pearson correlation
Ambience	.313**
Location	.253*
Product	.385**
Family Friendly Environment	.279**
Sale Services	.453**

Dependent variable: Customer buying behaviour

NS   =   Non-significant

*   =   Significant

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** = Highly-significant

MULTI-VARIATE ANALYSIS

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.659	.435	.373	.3931

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.811	10	1.081	6.996	.000
	Residual	14.062	91	.155		
	Total	24.873	101			

Coefficients

Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.769	.320		8.661	.000**
Education	5.870E-02	.057	.089	1.038	.302[NS]
Ambience	.151	.066	.193	2.275	.025*
Location	.133	.061	.193	2.171	.033*
Product	.168	.069	.262	2.429	.017*
Family Friendly Environment	-1.553E-02	.079	-.021	-.197	.844[NS]
Sale Services	.197	.066	.265	2.988	.004**

Dependent Variable: Customer Buying Behavior

NS = Non-significant

* = Significant

** = Highly-significan

Table 5.1:   Association between ambience and customer buying behavior

Ambience	Customer Buying Behavior		Total
	Agree	Strongly agree	
Low	12	5	17
	70.6%	29.4%	100.0%
Medium	26	35	61
	42.6%	57.4%	100.0%

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High		19	24
	5		
	20.8%	79.2%	100.0%
Total	43	59	102
	42.2%	57.8%	100.0%

Chi-square = 10.16   d.f. = 2   P-value = .006**   Gamma = .552
+

H2: Convenient locations of super stores yield positive impacts on consumer buying behavior

Table 5.2:   Association between location and customer buying behavior

Location	Customer Buying Behavior		Total
	Agree	Strongly agree	
Low	12	5	17
	70.6%	29.4%	100.0%
Medium	18	26	44
	40.9%	59.1%	100.0%
High	13	28	41
	31.7%	68.3%	100.0%
Total	43	59	102
	42.2%	57.8%	100.0%

Chi-square = 7.49   d.f. = 2   P-value = .024* Gamma = .401

P value shows the strong association between independent variable "Location" and dependent variable consumer behavior and gamma value shows relation between these two variables.

H3: Wider product range impacts consumer behavior positively.

Table 5.3:   Association between products and customer buying behavior

Products	Customer Buying Behavior		Total
	Agree	Strongly agree	
Low	18	6	24
	75.0%	25.0%	100.0%
Medium	16	24	40
	40.0%	60.0%	100.0%
High	9	29	38
	23.7%	76.3%	100.0%
Total	43	59	102
	42.2%	57.8%	100.0%

Chi-square = 16.01   d.f. = 2   P-value = .000**   Gamma = .590

P value shows the strong association between
product attributes related independent and

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dependent variable consumer behavior and gamma value shows positive relation between these two variables.

H4: Better Family Friendly environment at stores has favorable outcomes with regard to consumer buying behavior.

Table 5.4:   **Association between family friendly environment and customer buying behavior**

Family friendly environment	Customer Buying Behavior		Total
	Agree	Strongly agree	
Low	13	3	16
	81.3%	18.8%	100.0%
Medium	20	35	55
	36.4%	63.6%	100.0%
High	10	21	31
	32.3%	67.7%	100.0%
Total	43	59	102
	42.2%	57.8%	100.0%

Chi-square = 12.03   d.f. = 2   P-value = .002**   Gamma = .446

P value shows Highly Significant association between independent variable "Family Friendly Environment" and dependent variable consumer behavior. The gamma value shows positive relation between these two variables.

H5: Better Customer services offered by super stores positively effect consumer buying behavior

Table 5.5:   **Association between services and customer buying behavior**

Sale services	Customer Buying Behavior		Total
	Agree	Strongly agree	
Low	15	5	20
	75.0%	25.0%	100.0%
Medium	26	31	57
	45.6%	54.4%	100.0%
High	2	23	25
	8.0%	92.0%	100.0%
Total	43	59	102
	42.2%	57.8%	100.0%

Chi-square = 21.08   d.f. = 2   P-value = .000**   Gamma = .749

P value shows Highly Significant association between independent variable "Services" and dependent variable consumer behavior. The gamma value shows strong and positive relation between these two variables.

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CONCLUSIONS

The study concludes that super markets in Faisalabad are having prominent impacts on customer buying behavior. Which is mainly on part of their better environment that not only appeals aesthetic but also attracts families to come and shop frequently. Location of stores near to customers having potential to buy from such super markets and their facility to customers to park their vehicles has made super markets and an easy and trouble free buying source. Moreover wide product range helps customer to find solution of their divers needs under one roof. Whereas services like warranties, after sale service, staff cooperation are major factors contributing in modifying customer buying behavior.

All such major characteristics of newly established super markets make them distinctive and prominent over conventional stores in the area and hence rapidly increasing their share in the retail market business.

RECOMMENDATIONS

Faisalabad is third largest city with current GDP of 14 billion US$ and having projected potential of expansion to 87 billion US$ with 5.7%. per annum grpwth over the period of next five years. Its rapidly increasing growth rate is higher than Karachi and Lahore which are 5.6 and 5.5 respectively. The economic boom of the city has resulted in rise of middle class community that led to development of mega residential schemes and shopping malls (Wikipedia).

So there exists a huge potential of retail business in the city. The organizations having their intention of establishing such businesses can prepare their feasibility report by keeping critical attributes and characteristics of super markets as we discussed in our research study. Which will help them not only to approach customers more productively but will also enable them to start their business more successfully.

The study reveals that in order to have immediate customer attention and interest super markets need to focus on wide product range with quality at low price. They need to work on and concentrate customer needs apart from sales and revenue generation. Some measures that signify such focus may include convenient parking facilities, security services, offering credible sale deals like product warranties, after sale services and trained staff cooperation and family oriented store environment. As meeting customer's expectations more closely and intimately is the only key to triumph in the retail business.

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DOMINANCE OF AFFECTIVE OVER COGNITIVE CUSTOMER SATISFACTION IN SATISFACTION-LOYALTY RELATIONSHIP IN SERVICE ENCOUNTERS

Hari Govind Mishra & Surabhi Koul

Abstract:

The paper reports on a study which aims to understand the role of cognitive and affective components of customer satisfaction in service encounters. The paper is structured to explore a brief synthesis of the extant literature on key conceptual issues concerning the role of emotion in service encounters. Subsequently, the paper explores the satisfaction–loyalty relationship when both cognitive and affective component are included. The focus of this study is to investigate the relationship between emotional satisfaction, service quality, customer loyalty, and relationship quality within a retail setting. A total of eight retail stores of Jalandhar city participated in the study. During a two-month data collection period, 200 customers were surveyed. Convenience sampling was employed and self-administered surveys were used to collect data. The Findings emphasize the dominant role of affective component in satisfaction loyalty relationship.

Keywords: Affective, Cognitive, Customer Loyalty, Customer Satisfaction, Service-Encounter.

Introduction:

In the consumer marketing community, customer loyalty has long been regarded as an important goal (Reichheld & Schefter, 2000). Satisfaction is believed to mediate consumer learning from prior experience and to explain key post-purchase activities, such as complaining, word of mouth, and product usage (Bettman 1979; Howard 1989). The behaviors of frontline service employees are significant to customer evaluations of the service encounter (Hartline et al., 2000). Organizations can have a differentiated and sustainable competitive edge by providing an exceptional service delivery process (Gronroos, 2001).Traditional approaches to the study of consumer behavior have emphasized the concept of consumer satisfaction as the core of the post purchase

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period. Satisfaction is believed to mediate consumer learning prior to experience and to explain key post purchase activities, such as complaining, word of mouth, and product usage (Bettman 1979; Howard 1989).

The importance of understanding the customer-contact employee service encounter has been discussed in the marketing literature (Butcher et al., 2002; Hartline and Ferrell, 1996). In many cases, how a customer feels about the contact employee often determines whether the customer forms positive behavioral response towards the contact employee and the organization. Indeed, Liljander and Strandvik (1995) contend that customers who developed positive emotional responses towards individual contact employees will have a stronger relationship with and be more committed to the organization. Various studies suggests that both the amount of and type information processing that customers engage in during a service encounter will vary based on their emotional

responses and will consequently influence their evaluations . Therefore, it also seems likely that the customer satisfaction will be influenced by their emotional response to service failure and that they may respond differently to various types of recovery efforts depending upon their emotional states (Schwarz and Bless, 1991).

The role of emotion is gaining attention as a central element in service quality management (Oliver, 1997). Recent studies suggest that emotion is a fundamental attribute in satisfaction and that customer satisfaction should include a separate emotional component (Cronin et al., 2000). Indeed, Stauss and Neuhaus (1997) contend that most satisfaction studies have focused mainly on the cognitive component of emotion, while seemingly important affective component has been largely ignored. Further, Liljander and Strandvik (1997) argue that customer satisfaction includes both affective and cognitive components. The authors found that negative emotions have a stronger effect on satisfaction with quality than positive emotions. Despite the above, consumer behavior scholars have limited information about the nature of emotions in the consumption environment (Richins, 1997), and no conclusive guidance for management has yet been found (Gronroos, 2001).

Consequently, the paper reports on a study which aims to understand the role of emotion in service encounters. The paper is structured to explore a brief synthesis of the extant literature on key conceptual issues concerning the role of emotion in service encounters is presented. Subsequently, the paper explores the satisfaction–loyalty relationship when the emotional component is included.

Service Quality and Customer Satisfaction:
Gronroos (1984) define service quality as a perceived judgment, resulting from an evaluation process where customers compare their expectations with the service they perceive to have received. The author also suggests that service quality issues can be split into technical quality (what is done) and functional quality (how it is done). From a review of the services literature, it has been found that early research efforts concentrated on diminishing the confusion between customer satisfaction and service quality by determining whether there is any distinction between them (Bitner, 1990; Cronin and Taylor, 1992; Oliver, 1993). Indeed, customer satisfaction is different from service quality. The most common explanation of the difference between the two is that perceived service quality is a form of attitude, a long-run overall-evaluation, whereas customer satisfaction is a transaction specific measure (Bitner, 1990; Bolton and Drew, 1991; Chadee and Mattsson, 1996; Cronin and Taylor, 1992). This view is supported by qualitative research conducted by Parasuraman et al. (1985) which found several examples where consumers were satisfied with a particular service but still did not think that it was of a high quality. In other words, consumer satisfaction is an intervening variable that mediates the relationship between service quality judgments and behavioral intentions customer satisfaction behavioral intentions) (Cardozo, 1965; Fornell, 1992; Halstead and Page, 1992; Taylor and Baker, 1994). In fact, perceived service quality has been considered as one of the primary drivers of customer satisfaction (Kristensen et al., 1999; Martensen et al., 2000). Hence, the following hypothesis is proposed:

H1. Service quality is positively related to emotional satisfaction.

A brief review of Customer Satisfaction Research:
Consumer satisfaction has been variously defined in the literature, but the conceptualization that appears to have received

the greatest support is the view that satisfaction is a post choice evaluative judgment concerning a specific purchase selection (Day 1984). In early stages of services research, researchers attempted to diminish the confusion between customer satisfaction and service quality by determining whether there is any distinction between them and by exploring antecedents (Cronin and Taylor, 1992; Oliver, 1993a). Spreng and Mackoy's (1996) study further tests and confirms Oliver's conceptual model .lately, customer satisfaction has been commonly accepted as a different construct from service quality and the emphasis has been on studying the relationships between them (Shemwell et al., Taylor and Baker, 1994). With the consistent findings that service quality and satisfaction are different constructs and that service quality leads to customer satisfaction, the research interest moved to studying the linkages between the customer satisfactions, service quality and customer loyalty. A number of researches show a significant relationship between customer satisfaction and customer loyalty (Anderson and Sullivan, 1993; Cronin, Brady and Hult, 2000). So the overall research proposition is suggested as follows:

H2: There is a significant positive relationship between customer satisfaction and customer loyalty.

In the satisfaction literature, there has been a debate as to whether satisfaction is itself an emotional construct or a cognitive construct which includes an emotional component (Babin and Griffin, 1998; Bagozzi, 1991). Indeed, Wirtz and Bateson (1999) have suggested that satisfaction is a partly cognitive and partly affective (emotional) evaluation of a consumption experience and that separating the two is both valuable and necessary for modeling consumer behavior in service settings. Further, Oliver (1997) suggests that emotion "coexists

alongside various cognitive judgments in producing satisfaction" and is essential in understanding customers' consumption experiences.

Cognitive component in customer satisfaction studies:

The expectancy disconfirmation theory is the dominating model for measuring customer satisfaction (Brookes, 1995). That is, satisfaction is determined by the confirmation or disconfirmation of expectations with perceptions of the perceived performance on various service items (Danaher and Haddrell, 1996). The multi item disconfirmation model has been applied in the many customer satisfaction studies and has been proven to be very successful (Wirtz and Bateson, 1999). Many previous satisfaction studies, which focus on the cognitive component, suggest that there is a positive relationship between satisfaction and loyalty (Andreassen and Lindestad, 1998; Colgate and Stewart, 1998). So we propose the following preposition:

H2a: There is a significant positive relationship between the cognitive component of customer satisfaction and customer loyalty.

Affective Measures in Customer satisfaction:

Although there is still a debate about whether satisfaction is itself an emotional construct or a cognitive construct which includes an emotional component (Babin and Griffin, 1998). To some it appears that emotions may be one of the core components of satisfaction (Dube and Menon, 2000). Further it is suggested that emotions may distinguish customer satisfaction from service quality (Oliver, 1993a).

Recent studies recognize that emotion is a core attribute of satisfaction and suggest that customer satisfaction should include a separate emotional component (Cronin et al., 2000). But Stauss and Neuhas (1997) argue that most

satisfaction studies only focus on the cognitive component and that the omission of the affective component is one of the main issues in satisfaction research. Their proposition is supplied by Liljander and Strandvik (1997), who argue that customer satisfaction includes both affective and cognitive components. Further Stauss and Neuhaus (1997) suggest that it is inappropriate to assume that consumers experience the same emotions and cognition when they give the same score for their overall satisfaction level. We therefore propose to include a separate emotional component in satisfaction, as the major contributor to the affective element. It is proposed that one's emotions have an influence on behavior. This is due to human nature, in that one responds to an event in certain ways to maintain a positive emotion, such as happiness and avoid a negative emotion such as depression. Specifically a person's positive emotions tend to link to his/her decisions to stay or continue with what he/she been doing. Conversely negative emotions tend to link to the opposite decisions such as to leave and discontinue involvement (Bagozzi et al., 1999). Supporting by the previous findings that there is a connection between emotions and behavior (Bagozzi et al., 1999) study, which found that there is a significant relationship between emotions and loyalty, we propose

H2b: There is a significant relationship between the affective component of customer satisfaction and customer loyalty.

Overall Relationship Quality:

Past research has not studied quality from a relationship perspective; therefore the concept of relationship quality has not reached a generally accepted definition (Holmlund, 2001). Within the marketing literature, relationship quality has been discussed as a bundle of intangible values which augments products or services and results in an expected interchange between buyers and sellers (Levitt, 1986). The more general concept of relationship quality describes the overall depth and climate of a relationship (Johnson, 1999). Moreover, relationship quality refers to a customer's perceptions of how well the whole relationship fulfils the expectations, predictions, goals, and desires the customer has concerning the whole relationship (Jarvelin and Lehtinen, 1996). Consequently, it forms the overall impression that a customer has concerning the whole relationship including different transactions. According to Bateson and Hoffman (1999), when a consumer purchases a service, he or she purchases an experience created by the delivery of that service. During the consumption experience, various types of emotions can be elicited, and these customer emotions convey important information about how the customer will ultimately assess the service encounter and subsequently, the overall relationship quality. Therefore, the following is put forth:

H3. Customer satisfaction is positively related to relationship quality.

Conceptual Model:

Figure 1: Proposed research model.
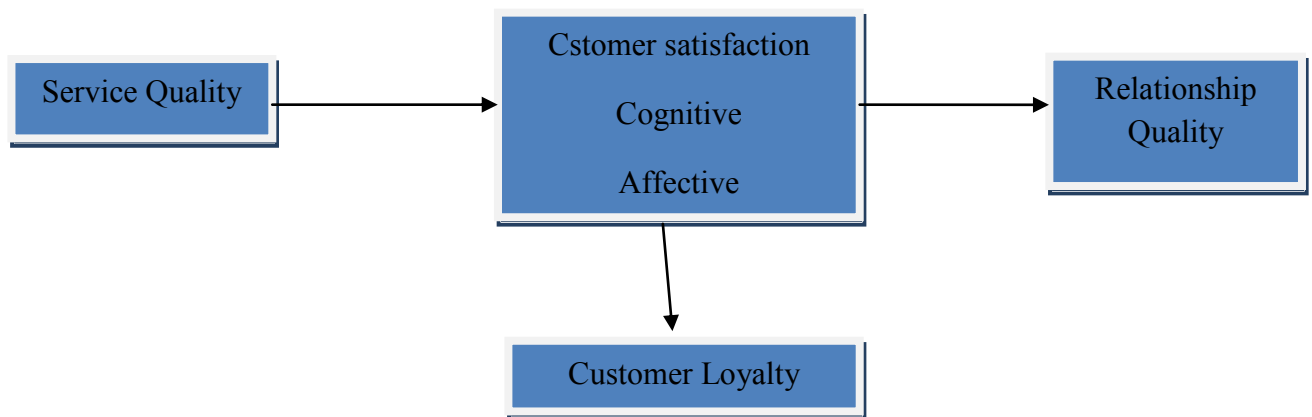
Based on the preceding literature, the research model for the study shown in figure 1, focuses on emotional satisfaction and its consequential impact on customer loyalty and overall relationship quality.

Methodology:

Sampling frame and context:

The emotional nature of retail shopping has been widely discussed by researchers for some time. For example, Donovan and Rossiter (1982) suggest that emotional states of shoppers can affect their retail patronage, store search, interactions with store personnel, and in-store behaviors. Specifically, the focus of this study is to investigate the relationship between emotional satisfaction, service quality, customer loyalty, and relationship quality within a retail setting. A total of eight retail stores of Jalandhar city participated in the study. During a two-month data collection period, 200 customers were surveyed. Convenience sampling was employed and self administered surveys were used to collect data. The average age of the respondents was 26.

Scales Employed:

Service quality

A four-item overall service quality scale was employed (Dabholkar et al., 2000).Customers were asked to indicate their feelings on the following seven-point Likert-type scales-in terms of service delivery of the retail store: "Has an excellent overall service"; "Has a service of very high quality"; "Provides a high standard of service", and "Delivers superior service in every way". Cronbach's alpha coefficient of reliability for this component measure of overall service quality was 0.92.

Customer satisfaction of cognitive component:

A Seven point likert scale was employed to measure both customer satisfaction and loyalty. The scale employed to measure the cognitive component of the customer satisfaction was customized from the instrument developed by Dean (1999). It is based on the multi item disconfirmation model and uses a single column format. The scale includes six groups of service attributes. At the end of each group an overall value for satisfaction with the focus of the items was obtained. The cronbach's alpha coefficient of reliability for this component measure of overall customer satisfaction came out to be .89.

Customer satisfaction of affective component:

To gain the insights into the affective component we used the emotional scale developed and tested by Liljander and Strandvik (1997). A typical scale reads "So far, my overall experience with this retailer makes me feel happy". Responses were on Likert scale from 1 (never) to 7 (often). The cronbach's alpha coefficient of reliability for this component measure of overall customer satisfaction came out to be .91.

Customer loyalty:

A four-item customer loyalty scale was adopted (Parasuraman et al., 1994). Using a seven-point Likert-type scale, customers were asked to indicate their loyalty towards the retail store along the following: "positive word of mouth", "complaining behavior", "switching behavior" and "willingness to pay more". Consistent with prior research (Parasuraman et al., 1994), the composite reliability alpha of the scale was 0.94.

Relationship quality

To measure customer's evaluation of relationship quality, a two-item direct relationship quality scale was developed. Customers were asked to state their overall assessment of the quality of their relationship with the contact employee and the company on a seven-point Likert scale.

Cronbach's alpha coefficient for this component measure of relationship quality was 0.90, thus suggesting adequate reliability.

Results and Analysis:

Factor Analysis: Affective Scale

It was intuitively expected that the emotions scale would be divided into two factors representing positive and negative emotions. Principal components analysis with the varimax rotation confirmed this expectation with the two factors explaining 46.1 percent and 19.1 percent of variance respectively (see table 1). However, feelings related to anger loaded more highly with the positive emotions than with negative. This result is not easily explained but it is possible that as anger is usually directed at someone, its interpretation is confused. Or anger might represent a third dimension of the emotional component and need to be further explored. This possibility is consistent with the model conceptualized by Debe and Menon (2002) which suggests that negative emotions have three components, "other attributed", self-attributed" and "situation attributed". In their model both positive and negative emotions can exist at same time at a high level, thus anger loads on both factor. In this study, a possible interpretation is that the respondents have simultaneously experienced high levels of positive emotions and anger.

Table 1: Emotions scale: factor loadings and reliability values.

Description	Factor Loadings		Reliability
Positive Emotions			.814
Happy	0.794		
Hopeful	.778		
Positively Surprised	.810		
Negative Emotions			0.77
Angry	.852	.546	
Depressed		.657	
Guilty		.828	

Humiliated		.771	

Note: Factor loadings less than .50 have been omitted.

Factor analysis: Cognitive Scale.

The dimensions of the cognitive scale, the service attributes have been developed and tested previously (Dean, 1999). However, fe items were reduced from the original scale, the account for different service attributes provided and a factor analysis was performed. Principal component analysis with varimax rotation identified five factors with eigenvalues greater than one, accounting for 76.1 percent of the variance. The factors are shown in the table 2 provided below.

Table 2: Affective scale: factor loadings and reliability values

Description	Factor Loadings				
	1	2	3	4	5
Physical Environment					
The store environment is comfortable for shopping	0.821				
Ambient conditions in store makes me purchase more	0.763				
Physical environment in the store insist to stay for a longer time in store	0.782				
Interaction and support					
Sales force in the store is always helpful		0.879			
Interaction with the sales force helps me to select the product.		0.817			
Salesforce guides me towards the product of my choice		0.811			
Administration					
Effectiveness			0.790		
Efficiency			0.834		
Friendliness of Staff			0.665		
After sales Service					
The retail store keeps in contact for further assistance.				0.814	
Regular updates of fresh stokes are provided by the retail store				0.897	
Technology					
The technology of the store is up to date					0.776

Factor Analysis for Loyalty Scale:

When the items for loyalty scale were analyzed, four factors emerged as shown in Table 2. These factors (positive word of mouth complaining behavior, switching behavior and willingness to pay more) accounted for 28.9%, 19.2%, 10.7% and 9.3%. Consistent with the Parasuraman et al (1994) study, the best reliability was demonstrated by "positive word of mouth". In relation to other factors, "Willingness to pay more" has the same items as that of Parasuraman et al (1994) but it is not internally consistent, while the items in "External Response to problem" and "propensity to switch" have been customized and are shown in Table 3.

To conclude the discussion on the scales, we found that they have proven sufficiently reliable to work with, and the items have generally loaded as expected on the various dimensions. Having established that the instrument was adequate to pursue the aim of the study , we now report and discuss the findings with respect to the specific aims.

Table 3: loyalty scale: factor Loadings and Reliability values

Description	Factor Loadings				
	1	2	3	4	0.94
Positive word of mouth					
I say positive things about the retailer	0.887				
I recommend retail store to someone who seeks my advice	0.954				
I encourage friends to visit the retail store	0.933		0.476		
Complaining Behavior					0.67
My complaints are easily solved		0.782			
I complaint to retailer if I experience problems.		0.777			
Switching Behaviour					0.87
Try to switch to other retail stores if I experience problems		0.591	0.689		
Try to decrease my purchase if problems occur.		0.563	0.691		
Willingness to pay more					0.75
Continue the same retail store even if price increases				.732	
Pay a higher price for the benefits received.				.780	

Factor Analysis for Service Quality and Relationship Quality:

A five item scale was developed for service quality and is shown in Table 4. Consistent with the Parasuraman et al (1994) study, the scale was developed and showed a high consistency.

The reliability was shown to be 0.92. Whereas for the Relationship quality a two item scale was developed. A reliability of 0.90 was seen for the scale. The factor loadings are shown in the table below.

Table 4: Scale for service quality and relationship quality:

Item/Construct	Standardized Loading	T- Value	Reliability
Overall Service Quality			0.92
In terms of service delivery, retail store:			
Has an excellent overall service.	0.95	45.10	
Has a service of very high quality.	0.96	46.47	
Provides a high standard of service.	0.92	45.52	
Delivers superior service in every way.	0.90	41.38	
Relationship Quality			0.90
What is your overall assessment of the quality of your relationship with the employees at the retail store	0.85	35.23	
What is your overall assessment of the quality of your relationship with retail store?	0.89	37.51	

Investigating the relationship between Service Quality and Customer satisfaction:

The first aim of the study is to investigate the relationship between service Quality and Customer satisfaction. For this a regression was run between service Quality as dependent variable and Customer satisfaction as independent variable. The results on the regression are shown in table 5, which clearly depict a significant relationship between customer satisfaction and service quality. A very important finding of the result is that the affective component of customer satisfaction has a stronger relationship as compared to cognitive. The B values came out to be 0.217 and 0.395 respectively for cognitive and affective components. The value of R^2 was 0.429 and F value came out be to 28.9. So the results prove the first hypothesis of the study that there is a strong relationship between customer satisfaction and service quality.

Table 5: Standardized B coefficients (Dependent variable service quality)

	B	t	Sig.
Cognitive Component	0.217	2.46	0.000
Affective Component	0.395	3.58	0.000

Investigating the Satisfaction- Loyalty Relationship:

The aim of the study is to test the satisfaction and loyalty relationship when both cognitive and affective components of satisfaction are included. To investigate the role of Customer satisfaction (cognitive and affective) in predicting customer loyalty, the first regression used overall customer loyalty as the dependent variable with cognitive and affective independent variables. The result of the multiple regression is shown in table 6. The adjusted R^2= 0.336 and F value came out to be 26.325, sig= 0.000. The B value for Cognitive component was seen to be 0.183 and for the affective component was seen to be 0.274. The results explained that the emotional component is an important factor for explain customer loyalty, apparently more important than the cognitive component. The results prove our first hypothesis that customer satisfaction (Cognitive and effective) have a positive relation with the customer loyalty.

Table 6: Standardized B coefficients (Dependent variable Customer Loyalty)

	B	T	Sig.
Cognitive Component	0.183	1.94	0.000
Affective Component	0.274	2.51	0.000

Investigating relationship between Satisfaction and relationship Quality:

Another very important role of the study is to study the relationship between Customer satisfaction and Relationship Quality. For this we conducted a regression analysis keeping relationship quality as the dependent variable and customer satisfaction as independent variable. The results on the regression are shown in table 7, which clearly depict a significant relationship between customer satisfaction and relationship quality. A very important finding of the result is that the affective component of customer satisfaction has a stronger relationship as compared to cognitive. The B values came out to be 0.234 and 0.482 respectively for cognitive and affective components. The value of R^2 was

0.481 and F value came out be to 38.9. so the results prove the third hypothesis of the study that there is a strong relationship between customer satisfaction and relationship quality.

Table 7: Standardized B coefficients (Dependent variable Relationship Quality):

	B	T	Sig.
Cognitive	0.234	2.32	0.000
Affective	0.482	5.18	0.000

Conclusion and Implications:

This research empirically examined the role of emotional satisfaction in service encounters. This study used the relationship between emotional satisfaction, service quality, customer loyalty, a relationship quality as a context, as well as data from a sample survey of 200 retail customers concerning their evaluation of their shopping experiences to address this issue.

Specifically, service quality is positively associated with emotional satisfaction, which is positively associated with both customer loyalty and relationship quality. Further investigations showed that customers' feelings of enjoyment serve as the best predictor of customer loyalty, while feelings of happiness serve as the best predictor of relationship quality.

Table 8: Results of Proposed Research Model

Path Direct Effects	Standard Estimate (t-value)
H1: Service Quality → Emotional Satisfaction	0.69 (21.84)
H2: Emotional Satisfaction → Customer Loyalty	0.66 (20.06)
H3: Emotional Satisfaction → Relationship Quality	0.68 (18.80)

Given the significant relationships between emotional satisfaction and both service quality (t = 21.84; p= 0.001) and customer loyalty (t= 20.06; p= 0.001), managers need to pay particular attention to how customers feel during the service delivery process. Consequently, being well informed about the feelings of customers can bring forth valuable management initiatives. To achieve this, employees can be trained to observe evoked emotions in customers and to report them to the organization. This can increase the potential for imposing a significant and positive impact on customer loyalty and relationship quality.

Not surprisingly, emotions play a critical role in the customer-contact employee interaction. Moreover, Czepiel and Gilmore (1987) suggest that human interactions are always more engaging than impersonal ones, and that it is possible for a customer to display mixed attitudes towards a service firm and its employees. In line with previous findings (Bagozzi et al., 1999; Liljander and Strandvik, 1997), this study generally supports the connection between emotions and behavior. Indeed, feelings take on monetary worth as customers' emotional displays often influence

their future behavioral intentions such as intent and word-of-mouth (Fox, 2001). The significant role of emotional satisfaction in influencing behavioral intentions presents a new challenge to retailers. More importantly, retailers should shift their efforts from a single concentration on merchandise breadth, depth, and quality, to include an emphasis on creating a pleasant and entertaining experience for customers who are interested in more than just the product. In doing so, retailers can effectively position and distinguish their store by building on the relationship between store atmosphere and customers' emotional states.

Another significant finding of the study is the role of affective component of customer satisfaction. It was seen that although there is a strong relationship between customer loyalty and emotional satisfaction but role of affective component is stronger than the cognitive component. Similarly in the relationship between customer satisfaction and relationship Quality, the impact of affective component was seen to be more effective as compared to cognitive. So we can analyze that the role of emotions in customer loyalty and relationship Quality is very important.

Fundamentally, research has shown that attracting new customers costs organizations more than trying to retain existing ones (Griffin, 1998; Gronroos, 2001). Therefore, it seems feasible that managers should seek to enhance service quality and build customer loyalty by implementing customized customer-contact employee relationship programs (Beatty et al., 1996). Successful customization in service encounters requires that the contact employee actively recognizes the subtle emotional cues from the customer and then adapt the service delivery accordingly (Bitner et al., 2000). These efforts are of great importance, given the significant relationship between emotional

satisfaction and relationship quality (t =18:80; p =0.001), which suggests that customers' feelings of emotions can be experienced from the start of the service consumption process to the termination of the service experience, and even long after the actual consumption has ended. In addition, a pleasant experience can also encourage customers to build a more lasting relationship with the store and seek to return.

Limitations and future research directions:
This research contributes to a richer and more systematic understanding of the role of customer satisfaction in service encounters. In particular, this study examined the role of emotional satisfaction and its relationship with service quality, customer loyalty, and relationship quality.

The findings demonstrated both components of customer satisfaction are important in enhancing customer loyalty and relationship quality. The results imply the need for a service firm to strategically leverage on the key antecedents of customer loyalty and relationship quality in its pursuit of customer retention and long-term profitability. In interpreting the results, the limitations of the study have to be considered. First, the use of a specific type of retail store (i.e. chain departmental store) is a limitation of this study. Future research should replicate these findings by using samples from both within and across various industries, as larger informant samples would provide greater breadth of understanding. Second, the employment of a cross-sectional design poses as another limitation. Future efforts could benefit from testing the proposed research model and hypotheses in a longitudinal design, so that actual behaviors of shoppers can be taken into account. Also, customers' past behaviors were collected on a self-report survey basis. Future research could obtain customers' actual behaviors through real-time electronic data collection in order to minimize the

disadvantages associated with self-report data. Also of interest would be further triangulation research, where interpretive and phenomenological approaches could be undertaken to provide additional insight into the various facets of emotional satisfaction.

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EFFECTS OF SALESFORCE AUTOMATION (SFA) ON SALES AND CUSTOMER RELATIONS: FINDINGS OF A NON-PARAMETRIC STUDY

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Abstract

Increasingly, salespeople adopt, or are being asked to adopt and use a variety of handheld technologies to increase their selling productivity and efficiency. Given this trend, many researchers have begun to explore the question of sales force adoption of technology specially the automation of sales force also known as SFA (sales force automation).One can find many studies on SFA, its antecedents and consequences, Nevertheless, limited work has been done on SFA's impact on Salesforce productivity and customer relationships in highly specialized small scale sales force of an engineering/technology intensive firm. The purpose of this paper is to quantitatively, using non-parametric analysis, extend and verify, if possible, two earlier published-qualitative studies by the author that investigated the usage of sales force technology by sales people and its effect on organization's sales performance and customer relations. It was concluded that SFA usage does not significantly explains strengthening of customer relations. However, there is some evidence that both are not independent of each other and SFA usage might increase the product sales.

Keywords: Sales Force Automation, sales force management, customer relationship management, CRM, SFA, Customer loyalty, Sales productivity

INTRODUCTION

The study of the use of technology in business processes and for our case particularly in marketing and sales has become a common feature in both academic and business world. In recent years researchers have focused on automation of sales force commonly known as

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Sales force Automation (SFA) (Morgan & Inks, 2001; Pullig et al, 2001; Speier & Venkatesh, 2002; Malik, 2008a, 2008b). Some researchers are of the view that not much has been done on SFA and many unknowns exist on SFA usage and its impact on individual and organizational performance gains (Morgan & Inks, 2001; Pullig et al, 2001; Speier & Venkatesh, 2002; Ingram et al, 2002; Malik, 2008a,2008b; Dyche, 2001). Use of SFA by the organizations does not only means the automation of sales process but its essential objective is to make sales staff effective and efficient in developing relationships with customers by effectively performing relationship based activities the things that computers' and technology alone cannot achieve (Cotteleer et al, 2006).

Ingram et al (2002) reported that organizations, world wide, are strategically managing their customers' relationships by turning to *sales*

force automation SFA solutions. According to the estimates of industry analyst IDC, organizations in the world have already spent $ 3 billion in SFA technologies by 2004 and the number is on the rise. (Cotteleer et al, 2006).

Under this context the aim of this paper is to investigate, using non-parametric statistical techniques, the impact of SFA on sales force performance in particular and customer/channel members' relationships in general. The remainder of the paper is structured as follows. The following section will present the relevant review of literature. That will be followed by the explanation of research methodology and objectives of research. The paper will conclude with the analysis of results, limitations of research and implications.

LITERATURE REVIEW

In general converting all manual sales activities into electronic activities with the help of hardware and software technologies is called the automation of sales force

Definition of SFA

In general converting all manual sales activities into electronic activities with the help of hardware and software technologies is called the automation of sales force. Honeycutt Jr. (2005:1) gives   a bit latest version of SFA in these words *"SFA in general includes communication technologies like cell phones, beepers, car faxes, wireless devices (e.g. Black berry), and the internet."* Malik (2003, 2008a,2008b) adds that in SFA, all or most of the sales-people activities are streamed line and are empowered by hardware and software tools of information technology and mobile computing devices like laptops and PDAs-Hand-Held devices (Palm) etc.

Functionality and Technology of SFA

The functionalities and scope of SFA technologies are limitless but most modern web based and GPRS enabled SFA systems can help Sales representatives in, booking orders, checking inventory, customer segmentation, computing efficient driving routes, sending automated and manual emails via black-berry, forecast sales, customer buying patterns, documenting remarks and comments of customer to be seen by relevant colleagues, configure product specifications in the front of client, analyzing sales data, drill or data mine

the available customer, product, competition, and own-organization information for any sales related reason. (Honeycutt Jr, 2005; Dyche 2001; Greenberg, 2001; Gary 2001)

Issue of measuring SFA Performance

Ingram et. Al, (2002), reported that it is not easy to capture the impact of SFA technologies on sales and eventually the organization's productivity. Honeycutt Jr, (2005) believes that there is little empirical evidence regarding the increased productivity and efficiency due to SFA usage. Nevertheless, most of the recent researchers agree on the certain performance gains by sales force from SFA's proper usage for instance like increased productivity in the sales process. By productivity researchers mean, less time on non selling administrative activities and doing more in lesser time, increased contact management abilities, sharing and availability of information among colleagues and with in organization, speedy and timely availability of required information to SFA users, reduction of errors in sales processing, better customer segmentation and targeting, better call planning, overall improvement in communication level, increases impression/status in clients mind.(Malik, 2003,2008a,2008b; Morgan and Inks, 2001; Rivers and Dart, 1999).

 Colombo (1994), identified that productivity is measured through efficiency (measured thorough time variable) and effectiveness (measured through numbers of ordered booked) achieved in sales process and the second

important dimension of customer relationship can as well be measured by operational variables like cross selling/up-selling, brand

RESEARCH OBJECTIVES AND HYPOTHESIS:

Drawn from literature review, the main research objectives of this study are as follows:

To investigate if the usage of Salesforce automation (SFA) brings a significant improvement in the productivity and effectiveness of sales force. This objective is studied by using the before SFA and after SFA data on number of orders booked in one month of selling. Hypothesis in this regards will be:

H1: Average number of orders per month are higher in Post SFA as compared to pre SFA

To find out if there exits any relationship between customer interests/relations and the usage of automation technology by the Salesforce. In order to find out whether there is any correlation between these two we will state our hypotheses as follows;

H2: Usage of SFA technology and customer interest/relations (CR) is positively associated. (They are not independent of each other)

To find out the effect of sales force automation on customer relationships (CR) and to investigate whether use of automation technologies bring any change to customers perception and strengthens customer loyalty and relationships. We will carry out the slope test in order to find the effect of SFA usage on CR. We can use a simple Regression Function for such purpose, where we will take only one explanatory variable such as a PDA/an SFA tool. The concept is more complex then it seems and is derived from the model proposed by Malik(2003) for the BAT-British American Tobacco subsidiary, PTC(Pakistan tobacco company) Sales function given below:

L_{cut} = γ_0 + γ_0 PDA/sfa tool + U (single variable regression)

   Where

   L_{cut} =   Customer Loyalty/relation (positive relationship proposed)

preferences (brands sold by salesmen using SFA technologies etc) and certainly the frequency and repetition of order.

$\beta_0, \alpha_0, \gamma_0 > 0$ whereas $\beta_1 < 0$, $\alpha_0 > 0$ and $\gamma_0 > 0$

Note: In order to avoid dummy variable trap (because PDA is dummy variable), we can drop the intercept terms i.e. $\beta_0, \alpha_0, \gamma_0.$

Multiple Regression model: Dummy Dependent Variable Model-D (Malik, 2003)

$L_{it} = \alpha + \beta P_{it} + \gamma V_{it} + \lambda V_{it}^2 + \theta Y_{it} + \phi T_{it} + \delta A_{sit} + \rho N_{it} + \mu W_{it} + \nu G_{it} + \varepsilon_{it}$ .... (d)

In above given model d, where we want to study the customer loyalty toward PTC brands. A person either is loyal to brand or not. Hence, the dependent variable, customer loyalty (L_{it}), can take only two values: 1 if the person is loyal to PTC brand and 0 if he or she is not. We will use logit model to estimate the above. However the definition of variables are given below for information sake: Definition of Variables and Expected Signs:

Lit = Loyalty toward the products (customer loyalty)

Pit = Price level (it affects negatively)

Vit = number of visits (it affects positively)

Vit^2 = number of effective visits (returns to visits are diminishing)

Yit = Income level/ Disposable Income (it affects positively)

Tit = Taxes (i.e sales tax, excise tax etc.), (it affects negatively)

Asit = Sales force automation (it affects positively)

Nit = Population (it can be population size or population growth), (it affects positively)

Wit = Weather or Season (Hot Weather), (it affects negatively)

Git = Availability (of brand), (it affects positively)

εit = Random Error Term (E(εit)=0, E(εit)^2 =σ^2, E(εit εjt) =0), the terms are mean, variance and covariance respectively. It is called a white noise process.

In this way we can capture the direct effect of automation on the customer relation and loyalty hypothesis in this regard will be :

As we know that for the simplest regression: Y = $\alpha + \beta X + e$, i=1, 2, 3…11

H3: $\beta > 0$ (the change in Customer relationship is more due to usage of SFA then anything else in the model, if there is more then one explanatory variables)

RESEARCH METHODOLOGY

Non-Parametric Analysis

Siegel and Castellan, (1988: 34) explain that nonparametric, or *distribution free* tests are so-called because the assumptions underlying their use are "fewer and weaker than those associated with parametric tests". To put it another way, nonparametric tests require few if any assumptions about the shapes of the underlying population distributions. According to Siegel and Castellan (1988:35), nonparametric tests are used:

If the sample size is very small, there may be no alternative to using a nonparametric statistical test unless the nature of the population distribution is *known exactly*.

Nonparametric tests typically make fewer assumptions about the data and may be more relevant to a particular situation. In addition, the hypothesis tested by the nonparametric test may be more appropriate for the research investigation.

Nonparametric statistical tests are typically much easier to learn and to apply than are parametric tests. In addition, their interpretation often is more direct than the interpretation of parametric tests.

Resaercher in the curent study, used nonparametric tests for data analsysis essentially due to almost unique, small specilaised sample along-with before-and-after condition research design. Furtermore due to use of the non-parametirc analysis, the assumptions of normal distribution (normaltiy), generalizibilty, relaibilty and internal validity doesnot apply.

Population, Sample and Measurements

The sample for this research is drawn from a highly specialised almost unique engineering technology oriented firm with a small but higly qualified engineering sales force in Pakistan. The identity of the firm was not allowed to be reveelad by the senior managers of the firm. The firm allowed the researcher to administer a survey questionare to seven salespeople: all male, all holding at least a Bachelor in enginnering and more then 5 years of field expeience in the same firm. Survey questions were drawn from the lietrautre. Non parametric Data was collected and collated with 100% response rate. Three main areas were questioned adopting scales from Malik (2003). Seven questions each on SFA Usage/adoption and Customer relations/Interest. And a third section asked questions on before and after SFA selling/orders taken. In the first two parts, a five point likert scale was used in which respondent were asked to choose from never=1 to always-=5.

Hypothesis and relevant tests

The tests given in table 1 below and relevant statistics required were adopted form Hollander and Wolfe (1999) for each of the hypotheses:

Table 1 Hypotheses and relevant nonparametric tests

Hypotheses	Non-parametric tests used:
H1: Average number of orders per month are higher in Post SFA as compared to pre SFA	Wilcoxon Sign rank test
H2: Usage of SFA technology and customer interest/relations (CR) is positively associated. (They are not independent of each other)	Spearman
H3: $\beta > 0$ (the change in Customer relationship is more due to usage of SFA then anything else in the model, if there is more then one explanatory variables)	Theil

DATA ANALYSIS AND RESULTS

Wilcoxon sign rank test

Ho: No difference in Pre and Post SFA average number of orders/selling

H1: Average number of orders per month is higher in Post SFA than pre SFA

Ho: $\theta = 0$

H1: $\theta > 0$

Reject Ho if $T^+ > t\alpha$, at α level of significance

Table 2 Data used for Wilcoxon Sign rank test

Salesman	Average number of orders taken per month [Before SFA usage]	Average number of orders taken per month [After SFA usage]
1	4	6
2	5	8
3	3	3
4	6	8
5	5	8
6	4	9
7	5	9

One order may include one or all of the following:1) spare parts; 2) training ; 3) maintenance; 4) up-gradation; 5)accessories and 6) full package

Table 3 Wilcoxon Sign rank test: Calculation

Salesman *(i)*	Before SFA *Xi*	After SFA *Yi*	Zi (*Yi –Xi*)	|Zi|	Ri	Ψi	RiΨi
1	4	6	2	2	1.5	1	1.5
2	5	8	3	3	3.5	1	3.5
3	3	3	0	0	-	-	-

4	6	8	2	2	1.5	1	1.5
5	5	8	3	3	3.5	1	3.5
6	4	9	5	5	6	1	6
7	5	9	4	4	5	1	5

T^{+} = 21

At, n= 6, α= .047, From Table A-4 (Hollander and Wolfe, 1999), tα = 19. Since T^{+} = 21 > tα = 19, we reject Ho.

Result & Conclusion 1

Since T^{+} = 21 > tα = 19, we reject the null hypothesis which means there is significant impact of SFA on Sale force performance. And average number of orders increase when SFA is used as compared to when SFA is not used.

Large sample approximation:

$T^* = T^{+} - \{n\,(n+1)/4\}\,/\,\{n(n+1)(2n+1)/24\}^{1/2}$

$= 10.5/(22.75)^{\frac{1}{2}} = 2.20$

at α= .05, Z=1.645, and since T^* = 2.20 > Z = 1.54, we reject Ho and conclude that results of the previous test are true.

Spearman test

Ho: The customer relations and SFA usage are independent.

H2: Usage of SFA technology and customer interest/relations (CR) is positively associated. (They are not independent)

Ho: rs=0

H2: rs>0

At the a=.05 level of significance, reject H0 if rs > rs, a, otherwise do not reject. Table A-31(Hollander and Wolfe, 1999).Using the data given below, Spearmen is computed:

Table 4 Data used for Wilcoxon Sign rank test

Observation	SFA Usage (x)	Customer Relations (y)
1	28	30
2	25	30
3	12	25
4	28	31
5	27	30
6	33	35
7	32	33

Table 5 Spearman test: calculation

I	Xi	Ri	Yi	Si	Di=Si-Ri	Di*Di
1	28	4.5	30	3	-1.5	2.25
2	25	2	30	3	--1	1
3	12	1	25	1	0	0
4	28	4.5	31	5	0.50	0.25
5	27	3	30	3	0	0
6	33	7	35	7	0	0
7	32	6	33	6	0	0
					∑(Di*Di)=3.5	

Therefore:

rs=1-(6∑ Di/((n (n*n – 1)))

rs= 1- (6*3.5)/7(7*7) = 0.9375

From Table A.31 with n=7, considering the significance level α = 0.05 we have rS,α= 0.714

Result & Conclusion 2

Since rs is greater than rS,α,, we reject Ho, at 0.05 level of significance and conclude that there customer relation and SFA usage have a significant positive association and are not independent.

Theil test

H0: β = 0 (the slope of regression line is zero)

H1 = β > 0 (the slope of regression line is greater than zero)

At α level of significance reject Ho if C >ka, table A-30 (Hollander and wolfe, 1999).

Table 6 Data used for Theil test

Observation	SFA Usage (x)	Customer Relations (y)
1	28	30
2	25	30
3	12	25
4	28	31
5	27	30
6	33	35
7	32	33

Table 7 Thiel test: Calculations

(i,j)	(Dj-Di)	C(Dj-Di)	(i,j)	(Dj-Di)	C(Dj-Di)
1,2	0	0	3,5	5	1
1,3	-5	-1	3,6	10	1
1,4	1	1	3,7	8	1
1,5	0	0	4,5	-1	-1
1,6	5	1	4,6	4	1
1,7	3	1	4,7	2	1
2,3	-5	-1	5,6	5	1
2,4	1	1	5,7	3	1
2,5	0	0	6,7	-2	-1
2,6	5	1			
2,7	3	1	C=10		
3,4	1	1			

From Table above the value of C = ∑∑C (Dj-Di) = 14-4= 10

Result & Conclusion 3

From table A.30 (Hollander and wolfe, 1999), with n=7, at α = 0.068 → Kα = 11, since C is less than Ka therefore we *do not reject the null hypothesis* at 0.068 level of significance. Thus we can conclude there is no significant evidence that the slope is positive and SFA usage doesn't significantly help in explanation/prediction of customer relations/interests.

Table 8 bleow shows key results and findings of the tests.

Table 8 Results & Findings

Hypotheses	Non-parametric tests used:	Remarks
H1: Average number of orders per month are higher in Post SFA as compared to pre SFA	Wilcoxon Sign rank test	Hypothesis supported
H2: Usage of SFA technology and customer interest/relations (CR) is positively associated. (They are not independent of each other)	Spearman	Hypothesis supported
H3: $\beta > 0$ (the change in Customer relationship is more due to usage of SFA then anything else in the model, if there is more then one explanatory variables)	Theil	Hypothesis NOT-supported

DISCUSSIONS

The first hypothesis is supported and present evidence that SFA usage can help increase the order size and frequency. The second hypothesis which is also supported suggests s that there is some sort of positive association and dependency between SFA usage and customer relationships. Third hypothesis brings out an interesting finding quite contrary to earlier studies. It suggests that change in use of SFA technology or merely a use of SFA technology may not help explain then customer relationships. This finding may need further investigation as to what may be other factors that can help explain loyal customers other then ease of technology usage.

IMPLICATIONS AND LIMITATIONS

In the last few years, organizations have invested heavily in new sales force technologies. As we understand from this study that the main purpose of the automation of sales is to improve sales force performance in particular and to enhance organizational customer relations in general. The evidence in this study points out to the fact that SFA does improves not only the efficiency and effectiveness of sales force but the performance of the over all sales process as well. It however contradicts previous studies that SFA usage may help increase and solidify the customer relations. In most of the industry-trade literature, SFA, however, is considered an operational level front-end CRM-customer relationship management tool. It has shown to impact sales and relationship both positively. But in this study the evidence stands otherwise. Manger may have to become wiser in investing in SFA technologies. The integration of SFA with other organizational functions like marketing, finance, procurement, distribution and logistics is an important and notable feature that has not been dealt with in this study. In general we can say that a proper and wiser SFA usage leads to a stronger image of the company in the minds of customers at both- ends, front and back. The study has certain limitations including a very small sample size that reduces the reliability and the external and internal validity of the study. The measurement scale may not be as reliable as well. Only three non parametic test were conducted and there is room for more

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DETERMINANTS OF MOBILE COMMERCE ACCEPTANCE AMONGST GEN Y

Jay P.Trivedi & Sunil Kumar

Abstract

The E-Commerce industry is one of the fastest growing industries in India. Every morning we hear about new E-Comm ventures and their success. The smartphone boom in the world and in India is going to transcend E-Commerce to an altogether new level. M-Commerce is setting its feet in the Indian Market. A lot of research supports the fact that Gen Y is the largest pool of Mobile users. In the present study the researchers have studied the parameters which could make M Commerce an instant hit amongst GenY. Descriptive research design was used for the research. Convenience sampling was used to conduct the survey. Descriptive and inferential statistics was used to analyse the data. The results validate TAM and add that Perceived Trust and Self-Efficacy directly influence behavioural intentions, hence adding new constructs to TAM

Keywords*: E-Commerce, Mobile Commerce, Gen Y, Technology Acceptance Model, Theory of Reasoned Action, Theory of Planned Behaviour.*

Introduction

E-Commerce is the perceived as the next big thing in the Indian Retail Market. There is factual data buttressing the perception. Avendus Capital, a leading Indian Investment Bank, pegged Indian e-commerce market at Rs 28,500 Crore for the year 2011. On March 7, 2014 e-tailer Flipkart claimed it has hit $1 billion in sales, a feat it has managed to achieve before its own targeted year of 2015.

Basis a data released by IAMAI, the Internet penetration percentage has soared from 3.6 % to 11.4 % from the year 2006 to 2012. The Internet user base in India, as on December 31, 2013 is 238.71 million. Telecom Regulatory Authority of India (TRAI) had pegged Internet subscribers in India at 164.81 million as of March 31, 2013, with seven out of eight accessing the Internet from their mobile phones. TRAI's report puts India's wireless telecom subscriber base at 875.48 million. Of this 522.21 million are urban subscribers and 353.27 million are rural subscribers. A report published by Banyan Netfaqs Pvt. Ltd suggests that there are about 80 million plus users of active feature and smartphones in India. A study done by IMRB (2010) and IAMAI revealed that 70 % of the active users of mobile internet fall into the age group of 18-35 years. Ample literature has suggested that the Gen Y is driving this mobile revolution in India.

Flipkart, the biggest Indian online retailer, receives approximately 20 % of its business through Mobile Devices. The Flipkart management has decided to seriously pursue business from handheld devices. Their commitment towards m commerce is reflected through the recent Flipkart app campaign across major TV Channels. These types of transactions are termed as M Commerce. The increasing mobile devices indicate a huge potential for the mobile commerce to be successful in India. Indians' have been quick in accepting the

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Internet revolution. It is interesting to study whether the same shall be replicated in the new m commerce technology. If the answer is yes, the factors which will determine the acceptance should be discovered.

In this study, the researchers have worked towards testing the technology acceptance model and other select constructs on the youth's behaviour towards M Commerce. This study will help the Telecom companies, E Commerce companies and the business community at large, to get a better understanding of the M Commerce expanse in India. Also, India is proving to be a goldmine for marketers across the globe, which all the more increases the importance of pursuing research in the area of M Commerce.

Literature review

The success of M Commerce in India will depend on the acceptance of the technology. Literature review conducted for studying individual technology acceptance has been centered around the theory of reasoned action(Fishbein and Ajzen,1975) the technology acceptance model (Davis et.al, 1989) and the theory of planned behaviour (Ajzen, 1991).

Fishbein and Ajzen (1975) coined the theory of reasoned action and established that behavioral intentions are formed basis an individuals' attitude towards the behaviour and perceived subjective norms. Attitude reflects the individuals' positive or negative feelings towards an object. Subjective norms are the perceptions of other significant related person, influencing the subject.

Ajzen and Madden (1986) developed the theory of reasoned action further into theory of planned behaviour by adding the construct of perceived behavioural control, which is defined as, an individual's perceived ease or difficulty of performing the particular behavior or self-efficacy. The current dimension of perceived behavioral control, is in sync with Bandura's (1977, 1982) concept of perceived self-efficacy which "is concerned with judgments of how well

one can execute courses of action required to deal with prospective situations" (Bandura, 1982, p. 122).

Davis et.al (1989), framing the technology acceptance model, proposed and established that an individual's usage is determined by Behavioural intention, which is jointly predicted by perceived usefulness and perceived ease of use. The extent to which an individual believes that the technology will enhance performance is known as perceived usefulness. Perceived ease of use is defined as the extent to which an individual believes that using a particular technology will be free of effort. Behavioral intention is defined as the extent to which and individual intends to perform a specific behaviour. The model also proposed that perceived ease of use is an antecedent of Perceived usefulness.

Many researchers have tested these models individually or by combining them to better the understanding of the consumer's behaviour for new technology. Researchers have added new and valid constructs like perceived trust, perceived cost, financial risk and subjective security to name a few , to understand the acceptance of technology.

Anckar (2003) studied the factors affecting consumer adoption decisions and intents in M commerce. The results gave that there are more drivers than perceived ease of use, perceived usefulness. Drivers like limitation of networks and high initial costs and operating costs were influencing adoption of mobile services and in turn m commerce.

Wang (2004) studied the drivers of m commerce in Taiwan basis the technology acceptance model, innovation diffusion theory, perceived cost and risk as constructs and established that that all variables except perceived ease of use significantly affected users' behavioral intent. This result was very surprising keeping in mind the various other research outputs which have validated perceived ease of use as an important determinant towards acceptance of m commerce.

Venkatesh et.al (2005) studied the impact of gender and age on technology acceptance and brought out that technology is no longer perceived as a male oriented domain. Technology acceptance model was used as a platform to conduct this study. Attitude towards technology, subjective norms and perceived behaviour control were the independent variables and behavioural intention was the dependent variable. The impact of dependent variables was mediated with age and gender.

Pousttchi et.al (2006) proposed a model addressing perceived usefulness, perceived ease of use, subjective security and task technology fit influencing m commerce acceptance. The results confirmed the findings from the task technology fit theory and technology acceptance model but rejected subjective security as a driver influencing m commerce. Fong et.al (2008) conducted an experiment in china to understand the Chinese acceptance of the m commerce. His results suggested that the Chinese were not too eager to buy the m commerce story inspite of their agreeing to the convenience it offers. Wei et.al (2008) conducted an experiment in Malaysia to uncover the m commerce adoption factors there. The results established that perceived usefulness, social influence and perceived cost were important determinants associated with consumer's intentions to use m commerce.

Yeh and Ming Li (2009) emphasized that trust was an important determinant in acceptance of m commerce and conducted a study including quality and satisfaction as a determinant towards building trust. The results showed that despite customization , brand image and satisfaction all directly affecting customer trust , it were customization and brand image which had a stronger direct effect on trust formation. This leads us to believe that trust is an important determinant towards acceptance of m commerce.

Danny Kao (2009) also emphasized that trust was an important determinant towards acceptance of m commerce and conducted a survey exploring if the transaction trust which would significantly affect the intentions to adopt m commerce. The results emphasized that transaction trust does significantly impact customer's intention to adopt m commerce. Zheng et.al (2012) conducted a similar study to find out the determinants of M Commerce acceptance in china and suggested that consumers' attitude toward using M Commerce is influenced significantly by perceived usefulness, perceived cost, perceived entertainment, especially by the factor of perceived usefulness. Basem Al-Louzi (2012) established that perceived trust and social influence were an important determinant towards acceptance of m commerce in Jordan in addition to the perceived ease of use and perceived usefulness. Malik, Kumra and Srivastava (2013) conducted a study in India to explore the determinants of consumer acceptance of m commerce. The results reveled that perceived usefulness and ease of use had a significant impact on acceptance of m commerce while perceived financial risk adversely impacts the acceptance of m commerce by consumers.

Studies for factors leading to acceptance of m commerce are being conducted across geographies and this motivated the researchers to conduct a similar experiment in India. As per the more recent studies conducted, perceived trust has proved to be an important determinant towards the acceptance of mobile commerce. Hence the variable of perceived trust was also included in the study

Methodology

The Objective of this study was to understand the factors which determine the factors which lead to acceptance of m commerce. The research design used was descriptive. The independent variables were Perceived ease of use (PEOU), Perceived usefulness (PU), Perceived trust (PT), Self-efficacy (SE) and Subjective norms (SN). The dependent variables were Attitude towards M Commerce and

Behavioural Intention. In the first step PEOU, PU, PT and SE were the independent variables and Attitude towards using M Commerce was the dependent Variable. In the next step, Attitude also becomes an independent variable and its significance, along with Subjective Norms is tested over the dependent variable behavioural intention. Convenience sampling was used to choose the respondents. The sample size was chosen basis other published works. Structured questionnaire was administered to 150 students in the age group of 18-24 years. Responses of the students were taken online. About 130 students responded of which 110 responses were complete and considered further for data analysis.

The first section of the questionnaire (questions 1-27) consisted of items adopted from Davis (1989) and Morris et.al (2005). The inter item consistency was tested with Cronbach's alpha test. For this the questionnaire was sent for pilot testing to a group of 25 students. SPSS was used to analyse the data. All the constructs showed the alpha value greater than 0.75 and hence were considered for final questionnaire. Pearson Correlation was also run to avoid the problem of multi correlation among the variables chosen.

The following hypotheses were created:

H1: Perceived ease of use will have a significant impact on behavioural intentions mediated by attitude towards using m commerce

H2: Perceived usefulness will have a significant impact on behavioural intentions mediated by attitude towards using m commerce

H2a: Perceived usefulness will have a significant impact on behavioural intentions without being mediated by attitude towards using m commerce

H3a: Perceived Trust will have a significant impact on behavioural intentions mediated by attitude towards using m commerce

H3b: Perceived Trust will have a significant impact on behavioural intentions without mediated by attitude towards using m commerce

H4a: Self-Efficacy will have a significant impact on behavioural intentions mediated by attitude towards using m commerce

H4b: Self Efficacy will have a significant impact on behavioural intentions without mediated by attitude towards using m commerce

H5: Subjective Norm will have a significant impact on behavioural intentions for using m commerce

According to TAM theory, the actual usage of a specified system will be determined by an individual's intention to use and attitude towards using a system (Davis et al., 1989). Attitude, in this research, is hypothesized to mediate the influences of the one beliefs, trust on the intention towards using mobile commerce. Accordingly, the hypothesis which will be formed is:

H6: Attitude towards using m commerce will have a significant impact towards behavioural intentions for m commerce

Reliability analysis, Factor analysis and Multiple regressions were executed to arrive at the results.

Data Analysis

Reliability can be believed as measurement of consistency. The most popular and commonly used method to assess internal consistency is Cronbach alpha which is defined as the average of all possible split-half coefficients, which result from different ways of splitting the scale items (Malhotra and Birks, 1999). They mentioned an alpha of 0.70 or higher as an appropriate range to measure the reliability. To assess the reliability of the questionnaire during this research, Cronbach alpha was used. As can be seen from the Table 1, all scales have Cronbach's alpha values which are higher than 0.7.

Constructs	Number of items	Mean	ST. D.	Cronbach's Alpha
PEU	6	2.924	1.544	**0.787**
PU	6	2.568	1.1379	**0.842**
AT	3	2.594	1.2961	**0.781**

BI	2		2.505	**1.1023**	**0.87**
SN	2		3.221	1.4167	**0.799**
PT	4		3.146	1.4297	**0.837**
SE	4		**2.43**	1.3049	**0.831**

The mean value of self-efficacy is lowest with 2.43 that show the somewhat agreement for confidence of M-commerce technologies using ability of the respondents. The standard deviation of perceived ease of use is highest among all the constructs which indicates that there are many different opinions of respondents for the benefit of using M-commerce and the responses of the items in this construct are far from the mean value (2.924) in comparison with other constructs. The smallest standard deviation (1.1023) is of behavioral intension that exhibits that the item scores are less different in the respondent's assessment.

Factor Analysis

The researchers conducted the factor analysis was used to test a construct validity of the data and to identify underlying constructs in the data, as well as to reduce the number of variables with the attempt to retain as much of the information as possible and make the remaining variables meaningful and easy to work with. The following are the factor underlines in factor analysis: Perceived Ease of Use (Factor 1) contained six attributes and explained 50.951% of the variance in the data, with an eigenvalue of 3.057.

Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.057	50.951	50.951	3.057	50.951	50.951
2	.909	15.154	66.105			
3	.801	13.342	79.448			
4	.514	8.561	88.008			
5	.420	6.999	95.007			
6	.300	4.993	100.000			

Extraction Method: Principal Component Analysis.

Perceived Usefulness (Factor 2) contained six attributes and explained 56.030% of the variance in the data, with an eigenvalue of 3.362.

Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.362	56.030	56.030	3.362	56.030	56.030
2	.842	14.041	70.070			
3	.662	11.034	81.105			
4	.487	8.120	89.224			
5	.378	6.292	95.516			
6	.269	4.484	100.000			

Extraction Method: Principal Component Analysis.

Attitude towards using M-commerce (Factor 3) contained three attributes and explained 70.323% of

the variance in the data, with an eigenvalue of 2.110.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.110	70.323	70.323	2.110	70.323	70.323
2	.668	22.255	92.578			
3	.223	7.422	100.000			

Extraction Method: Principal Component Analysis.

Behavior intention to use M-commerce (Factor 4) contained two attributes and explained 88.514% of the variance in the data, with an eigenvalue of 1.770.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.770	88.514	88.514	1.770	88.514	88.514
2	.230	11.486	100.000			

Extraction Method: Principal Component Analysis.

Subjective Norm (Factor 5) contained two attributes and explained 83.296% of the variance in the data, with an eigenvalue of 1.666.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.666	83.296	83.296	1.666	83.296	83.296
2	.334	16.704	100.000			

Extraction Method: Principal Component Analysis.

Perceived Trust (Factor 6) contained four attributes and explained 67.911% of the variance in the data, with an eigenvalue of 2.716.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.716	67.911	67.911	2.716	67.911	67.911
2	.686	17.153	85.064			
3	.314	7.851	92.915			
4	.283	7.085	100.000			

Extraction Method: Principal Component Analysis.

Self-Efficacy (Factor 6) contained four attributes and explained 67.937% of the variance in the data, with an eigenvalue of 2.717.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.717	67.937	67.937	2.717	67.937	67.937
2	.634	15.845	83.782			
3	.445	11.124	94.906			
4	.204	5.094	100.000			

Extraction Method: Principal Component Analysis.

Next the researchers conducted the correlation analysis to study the association between each construct by using bivariate correlation analysis. The results of the analysis are shown in the following table:

Correlation coefficients

		PEOU M	PU M	AT M	BI M	SN M	PT M	SE M
PEOU	Pearson Correlation	1						
PU	Pearson Correlation	.414**	1					
AT	Pearson Correlation	.486**	.682**	1				
BI	Pearson Correlation	.494**	.576**	.606**	1			
SN	Pearson Correlation	.130	.388**	.458**	.370**	1		
PT	Pearson Correlation	.402**	.544**	.441**	.437**	.239*	1	
SE	Pearson Correlation	.683**	.382**	.435**	.456**	.213*	.457**	1

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

It is envisaged from above table that all the constructs are positively correlated. It is noted that Subjective Norm and Perceived Ease of Use are not significantly correlated; Subjective Norm, Perceived Trust and Self-Efficacy are significant with 5 % level of significance but they are not significant with 1 % level of significance.

Multiple Regressions

The following is the regression model to study the effect of the various construct (i.e. SE, PU, PT and PEOU) on Attribute towards using M commerce:

$$AT = a + \beta_1 * SE + \beta_2 * PU + \beta_3 * PT + \beta_4 * PEOU$$

where a = constant of the intercept term, $\beta_1, \beta_2, \beta_3$ and β_4 are the regression coefficient of Factor 7, Factor 2, Factor 6 and Factor 1 respectively.

The following are the results of regression analysis by using SPSS.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.721[a]	.520	.501	2.294

a. Predictors: (Constant), SE M, PU M, PT M, PEOU M

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	603.212	4	150.803	28.661	.000[a]

Residual	557.725	106	5.262		
Total	1160.937	110			

a. Predictors: (Constant), SE, PU, PT, PEOU

b. Dependent Variable: AT

Regression 1 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.205	.795		-.259	.796
	PEOU	.094	.047	.189	1.998	.048
	PU	.363	.054	.560	6.748	.000
	PT	.016	.057	.023	.274	.785
	SE	.061	.072	.081	.850	.397

a. Dependent Variable: AT

It is noted from above regression results that the PEOU and PU emerged as significant predictors and PT & SE are not significant predictors of AT at 5% level of significance. Around 52% of the variations are explained by the independent variables in AT.

Next regression model is to study the effect of the various construct (i.e. SN, PEOU, PU and AT) on BI towards using M commerce:

$$BI = a + \beta_1^* * SN + \beta_2^* * PEOU + \beta_3^* * PU + \beta_4^* * AT$$

where a = constant of the intercept term, $\beta_1^*, \beta_2^*, \beta_3^*$ and β_4^* are the regression coefficient of Factor 5, Factor 1, Factor 2 and Factor 3 respectively.

The following are the results of regression analysis by using SPSS.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.684[a]	.468	.448	1.601

a. Predictors: (Constant), SN, PEOU, PU, AT

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	239.434	4	59.859	23.356	.000[a]
	Residual	271.665	106	2.563		
	Total	511.099	110			

a. Predictors: (Constant), SN, PEOU, PU, AT

b. Dependent Variable: BI

Regression 2 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.116	.587		-.197	.844
	PEOU	.083	.027	.250	3.033	.003
	PU	.107	.042	.248	2.519	.013

AT	.172	.071	.259	2.415	.017
SN	.099	.066	.122	1.511	.134

a. Dependent Variable: BI

It is envisaged from the above results of regression that PEOU, PU and AT are significant variables of BI. It is also noted that around 47% of the variations are explained by these variables for BI. Also, SN is not significant predictor for BI.

Next regression model is to study the effect of the various construct (i.e. SE, PT) on BI towards using M commerce:

$$BI = a + \beta_1^{**} * SE + \beta_2^{**} * PT$$

where a = constant of the intercept term, β_1^{**} and β_4^{**} are the regression coefficient of Factor 7 and Factor 6 respectively. The following are the results of regression analysis by using SPSS.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.523[a]	.274	.260	1.854

a. Predictors: (Constant), SE , PT

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	139.900	2	69.950	20.352	.000[a]
	Residual	371.200	108	3.437		
	Total	511.099	110			

a. Predictors: (Constant), SE M, PT

b. Dependent Variable: BI

Regression 3 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.759	.530		3.318	.001
	PT	.129	.041	.289	3.133	.002
	SE	.161	.046	.324	3.509	.001

a. Dependent Variable: BI

From the above regression results, it is noted that the independent variables are highly significant and approximately 27% of the variations are explained by these variables for BI.

Finally, the regression model is to study the effect of PU on BI towards using M commerce:

$$BI = a + \beta_1' * PU$$

where a = constant of the intercept term, β_1' is the regression coefficient of Factor 2. The following are the results of regression analysis by using SPSS.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate

1	.576[a]	.331	.325	1.771

a. Predictors: (Constant), PU M

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	169.377	1	169.377	54.027	.000[a]
	Residual	341.722	109	3.135		
	Total	511.099	110			

a. Predictors: (Constant), PU

b. Dependent Variable: BI

Regression 4 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	1.132	.541		2.094	.039
	PU	.247	.034	.576	7.350	.000

a. Dependent Variable: BI

Finally, on the lines of Technology Acceptance Model, it is proved in above regression that the PU is highly significant and 33% of the variations are explained by PU for BI.

Conclusion and interpretations

As seen in regression 1, PEOU has a significant impact on attitude towards using m commerce. In regression 2 along with Attitude towards using m commerce it has a significant impact on behavioral intentions towards m commerce. Hence the first hypothesis (H1) is found to be valid. As seen in regression 1, PU has a significant impact on attitude towards using M commerce. In regression 2 along with Attitude towards using M commerce it has a significant impact on behavioral intentions towards M commerce. Hence the second hypothesis (H2) is found to be valid. As seen in regression 4, PU was found to have a significant attitude towards behavioural intentions. Hence the hypothesis (H2a) was found to be valid. As seen in regression 1, PT had no significant impact on attitude towards using m commerce. Hence this hypothesis (H3a) was found to be invalid. As

seen in regression 3, PT had a significant impact on behavioural intentions towards using m commerce. Hence this hypothesis (H3b) was found to be valid. As seen in regression 1, SE had no significant impact on attitude towards using m commerce. Hence this hypothesis (H4a) was found to be invalid. As seen in regression 3, PT had a significant impact on behavioural intentions towards using m commerce. Hence this hypothesis (H4b) was found to be valid. As seen in regression 2, Subjective norms had an insignificant impact on behavioural intentions towards using M commerce. Thus, Hypothesis (H5) is accepted. As seen in regression 2, Attitude towards using M commerce has a significant impact towards behavioral intentions which allow us to accept Hypothesis (H6).

Interpretations

The above results validate the Technology Acceptance Model. The model emphasized that PU will be a significant factor influencing the behavioural intentions towards using m commerce mediated by attitude towards using m commerce and also influence behavioural

intentions directly without being mediated by attitude. Subjective norms were found to have no significant impact over behavioural intentions. This too, confirms with the TAM. Additionally, Perceived Trust and Self-Efficacy were found to have an insignificant impact over attitude formation towards m commerce. But they directly influenced behavioural intentions towards using m commerce. Hence the researchers propose the below model for acceptance of M commerce amongst Gen Y
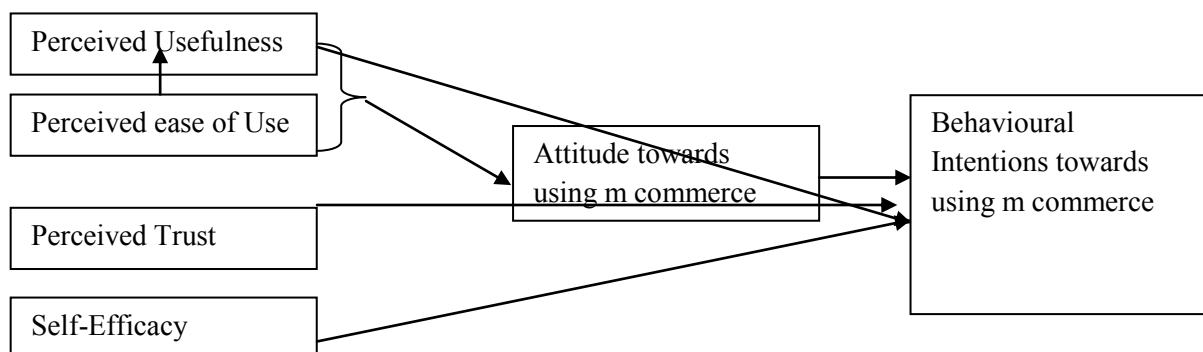
Managerial Implications

Behavioural Intentions are important determinants of the actual behaviour. The research validated the technology acceptance model for acceptance of m commerce amongst the Gen Y. Additionally, it also established that perceived trust and self-efficacy has a significant impact on behavioural intentions towards m commerce without mediation from attitude. Hence the organizations promoting m commerce should focus on Gen Y. The advertisement should highlight the ease of using m commerce and its usefulness. The ad can highlight various situations when a boy/girl needs to carry out urgent transactions and they lack time. The further story can unfold with the protagonist accomplishing the task quickly and easily with m commerce. The ad should also focus on highlighting the sheer trust exhibited by the protagonist on the m commerce process and vendor. The ad should focus on the self-efficacy aspect also. It should convey that youth is confident about using the new platform confidently. Hence e commerce companies should aggressively promote their m commerce platform to the youth through mass media platforms. Subjective norms was found to be insignificant, hence there is no need to bring in a youth celebrity to endorse m commerce from that perspective.

Scope of future research and limitations

This research was done in Bangalore city and amongst students of MBA program only. Future research in this area can be done on the all India basis. Researchers can also conduct a gender wise and profession wise research for preference of mobile commerce, which is not studied in the current research. Additionally, TAM has been added with new constructs by other leading researchers. Hence the impact of their constructs on acceptance of m commerce in India and amongst youth is also subject to further research.

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WHAT'S REALLY PROPPING UP PROPERTY PORTALS? AN EXPLORATORY STUDY OF E-SERVICE QUALITY FROM THE SOUTHERN TIP OF AFRICA.

Justin Beneke

Abstract

Due to the increasing use of Internet access, and a burgeoning property market in South Africa, real estate agencies are placing a focus on electronic channels to acquire prospective buyers. Using the Internet and mobile technologies represents a new means to reach customers and achieve lower operating costs. This study seeks to ascertain which aspects of e-service quality are most prominent in forming the consumers' online experience. A survey of 300 past/prospective property buyers was executed to obtain data for the empirical analysis. As mirrored in other studies of this nature, it was found that trust is paramount when initiating property sales online. All other variables underpinning the construct (site features, information, accessibility, communication, reliability, responsiveness and personalisation) also proved significant, thus reiterating their combined importance in ensuring an optimal customer experience. A cluster analysis revealed that older respondents preferred a higher level of support – across all attributes of e-service quality – when interacting with online property services. Lastly, the mobile interface appears to appeal to 'students' as well as 'mature workers'.

Keywords: real estate, property, e-service quality, Internet, marketing, South Africa.

INTRODUCTION

Owing to continually increasing accessibility and proliferation of technology in the mass market, the corporate sector has made strategic advances in adopting the use of these technologies. The Internet, in particular, has become a powerful tool in the arsenal of the corporate marketer (Bond & Seiler, 2000). South Africa, as the newest member of the BRICS consortium (Economist, 2013), is no exception to this rule. Internet penetration in the country stands at just over 20% with almost half of all adults in urban areas participating in online social networks (Goldstuck, 2012). Furthermore, a rapidly growing segment of users are choosing to access web sites through their smartphones, perpetuating the trend of expanding Internet penetration (Wild, 2013).

The South African real estate industry has begun to invest in advanced technological infrastructure, including the usage of an online interface (Sapa, 2013). This interface is used not only to market the company and provide vital consumer information, but also to provide a platform for the facilitation of the sale of real estate (Bidoli & Tobin, 2006). To this end, the Internet is quickly creating a generation of sophisticated buyers and sellers (Bond & Seiler, 2000). Whilst it is true to say that e-commerce has been impeded by technological and human barriers, as outlined above, high value industries (e.g. property) are less likely to have suffered the same fate. Buyers now have a wealth of information at their disposal and can quickly and easily check for reputable agents, as well as the profile of various neighborhoods (Sapa, 2013). Likewise, sellers can quickly determine which agency is the most prolific and thus list with them.

However, the mere presence of online real estate sites is not sufficient to grow a thriving marketplace. This study considers the

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application of e-service quality in this high value industry, with a view to informing academics and practitioners of the manner in which consumers assess online property services.

RESEARCH STATEMENT

This study primarily aims to ascertain the key dimensions of e-service quality, thus highlighting the factors that potential buyers consider important when perusing residential property in an online environment. This will be achieved through a confirmatory factor analysis. As a secondary concern, this research explores the discriminatory power of this construct through an exploratory factor analysis with the aim of discovering potential buyer typologies which could assist in segmenting the online market.

Whilst research in the domain of e-service quality is not in its infancy, the majority of such studies have been conducted on e-commerce oriented corporations (e.g. banking and retail). In contrast, this study relates to a considerably more complex realm which entails lengthy transaction processes, onerous administrative requirements and a high degree of information searches. It is hoped that the study will therefore cover new ground through the exploration of a fundamentally different industry.

LITERATURE REVIEW

E-service, broadly speaking, may be defined as the role of service in an online environment (Rust & Lemon, 2001). Following on, the concept of e-service quality may thus be defined as the consumers' overall evaluation and judgment of the delivery of service in a virtual setting (Santos, 2003).

E-service offerings constitute experiences resulting from purchase through, or engagement with, information technology mediated service delivery (Rowley, 2006). The e-service quality construct was derived from what has become a standard construct in scholarly work, namely the SERVQUAL model (Jun, Yang & Kim, 2003). However, this construct has certainly not been universally accepted as a 'one size fits all' solution and although there are dimensions which frequently occur, researchers have yet to agree on a standard definition which encompasses findings from all studies pertaining to the topic. Compounding this situation is the fact that different authors use different descriptors in labeling these dimensions and thus synergies among the models are difficult to fathom (Rowley, 2006).

Rowley (2006) performed a meta-analysis through collating a number of studies in the area of e-service quality. She found that the following dimensions are the most prominent in terms of measuring this phenomenon: "site features" (25), "security" (24), "responsiveness" (15), "accessibility" (13), "reliability" (13), "information" (10) and "communication" (8). Other themes uncovered include "delivery" (7), "personalisation" (7) and "other" (18). The salient dimensions are discussed below.

Site features

Site features is in fact not a self-standing dimension of e-service quality, but rather a culmination of multiple, more focused dimensions which authors often refer to collectively. The two most embedded dimensions in this respect are those of website design and ease-of-use.

Website design relates to the structure and aesthetics of an on-line interface, including determinants such as the architecture of the website, the colours, graphics, images, animations and the overall presentation of a website's content and information (Shaohan & Minjoon, 2003). The web interface is a forum for customers to ascertain valuable information and indicators about the company with which they are dealing. Due to the lack of physical contact inherent in online interactions, customers use visual cues obtained from the website to make

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inferences as to the credibility and stature of the company. It is thus important that the interface makes a good impression on the prospective or even loyal consumer, so as to gain new business, or merely retain profitable customers of old. Research previously conducted showed that a highly important variable in determining whether customers return to a website or not was that of the design features and the emotional experience attached with accessing the site (Jun *et al*, 2003). It is therefore not difficult to see why companies should place an emphasis on ensuring that the design quality of their online interface is of the highest order (Shaohan & Minjoon, 2003).

Ease-of-use relates to factors such as the ease with which customers can find web pages from search engine listings, navigate and absorb content from the website, as well as the simplicity with which key variables such as the websites address can be remembered for future use (Jun & Yang, 2008). The structure of the site and linkages between pages are therefore crucial to ensure that ease-of-use is realised (Jun *et al*, 2003).

The layout and functionality of features on the website appear pertinent to property buyers. As property is a complex product, information needs to be clearly articulated and presented. In conjunction, tools such as an internal search facility and a bond repayment calculator need to be simple to use.

Information

Information essentially relates to the quality of text and revolves around providing customer-centric, credible content and services in a timely fashion (Lee & Lin, 2005; Jun & Yang, 2008; Janda *& Trocchia,* 2003). This is carried out in an effort to reduce the length of an information search, inherently allowing for profitable opportunities (Jun & Yang, 2008). Companies operating within the online environment must be able to provide customers with concise and

easy to understand information, as any poor content could result in a customer leaving the website and thus representing an opportunity spurned (Shaohan & Minjoon, 2003).

Dated information has proven to be a large detraction for prospective consumers and so the need for relevant information is paramount to online success. Consumers have also been shown to dislike vast quantities of information within the web presence, as it is believed to make the finding of relevant information exceedingly difficult (Jun & Yang, 2008).

The usefulness and relevancy of applicable information cannot be overstated in the property market. This is crucial in allowing the buyer to evaluate options and ultimately arrive at a purchase decision.

Personalisation

In an e-service environment there is an intrinsic lack of real-time interaction, and this can discourage online purchasers. Personalisation can overcome this barrier through creating a user-specific interactive environment and even sending communication to users at pre-determined, on-supply or on-demand intervals. The use of 'rule-engines' or 'personalisation software' also increases a site's ability to provide customers with custom information relating to their preferences and interests, as determined by their search behavior (Jun & Yang, 2008).

Personalisation is, however, no silver bullet. The fact that users are weary of providing personal information to sites has limited the extent to which customization is possible (Lee & Lin, 2005). Trust, another dimension of e-service quality (discussed below) may, in fact, be able to moderate this risk.

Despite all this, increasingly complex advances in data mining technologies, such as collaborative filtering, now enable websites to analyse real time buying behavior, which allows

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the site to personally recommend and offer services and products suited to specific users. This technology even permits websites to offer applicable content to infrequent users based on similar user behavior (Shaohan & Minjoon, 2003). Ultimately, it is critical for businesses to engage customers in personalized dialogue and to learn more about their needs to better anticipate their future preferences (Jun & Yang, 2008).

Property buyers are often claimed to be "time poor'', meaning that they cannot afford to check property sites on a daily basis. Customisation software (e.g. RSS feeds) will allow listings to be pushed to customers when they are made available on the site. Hence, the site will intelligently filter content and then dynamically engage with buyers when appropriate. This convenience attribute is likely to find favour with buyers.

Communication

Communication is defined as keeping customers informed and communicating with them in a language which they understand (Santos, 2003). This relates to the flow of information, both from the company and other users of the site.

Researchers have also embodied, within the communication dimension, the need for variability with regards to languages. Santos (2003) found that more than 90% of websites operated in cyberspace are composed in English, whereas the mother tongue of 75% of web customers is not English. The employment of multiple languages should therefore be investigated so as to satisfy the needs of the customer base. Although it is initially time consuming and expensive, effective implementation of such may bring about a larger customer base and thereafter, an elevated level of sales.

A further aspect to the communication dimension is the encouraging of customers to develop and express their views through online communities and forums (Shaohan & Minjoon, 2003; Lin & Lee, 2005). It is suggested that through these communities, customers can access valuable guidance from experts or other consumers with similar interests or requirements, as well as alert companies themselves to consumer concerns.

Accessibility

Whilst communication primarily refers to the content, accessibility refers to the mechanism to retrieve it. Hence, accessibility refers to the ability of companies to offer multiple channels of communication through various touch points and interfaces. This facilitates engagement with the real-estate company through Internet-enabled and mobile-enabled devices (Jun *et al*, 2003; Jun & Yang, 2008). The propensity of using a mobile interface and the customers mostly likely to use this channel is explored in the empirical analysis section of this article.

Accessibility also refers to communication platforms such as e-mail, live customer services through online 'chat', push technologies where the flow of information is automatically triggered, as well as conventional channels such as telephone, fax and postal communications (Shaohan & Minjoon, 2003; Santos, 2003). Researchers have put forward the notion that companies should invest in these capabilities and that companies intercept consumers through monitoring behaviour and proactively offer assistance when need be (Shaohan & Minjoon, 2003).

Reliability

Reliability essentially refers to the alignment of expectations and service delivery. According to Jun & Yang (2008), reliability involves the customer's perceptions of the consistency and security of the service provided by companies operating within an online sphere. This dimension deals primarily with four determinants, namely: a) the correctness of order fulfillment, b) prompt product deliveries,

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c) accurate billing, and d) timely responses to communiqués between customer and company.

However, the concept of reliability is usually associated with e-commerce companies that dispatch merchandise, as opposed to companies which act more as a shop window than an online store (i.e. which are not used for conducting transactions or sales), (Jun & Yang, 2008). Nonetheless, the dimension does indeed share some commonality. In essence, reliability still encapsulates maintaining timely communications with customers, ensuring full functionality of the web presence and providing customers with accurate information, as mentioned previously (Lee & Lin, 2005; Janssen, Semeijn & Van Riel, 2003). As property buyers are most likely to be discerning consumers, they are less likely to be forgiving with respect to incorrect information on the site, leaks of customer details, etc.

Trust

Trust has been described as a fundamental ingredient of the relationship between a seller and a buyer (Dimitriadis *et al*, 2005). Trust is synonymous with credibility and security (Janssen *et al*, 2003), also highlighted by Rowley (2006) as being dominant within e-service quality literature. Credibility essentially relates to the company reputation and confidence consumers embody in the brand, whereas security addresses the technical specifications of the website security, notably privacy policies and payment methods (Jun & Yang, 2008). The issue of credibility would almost certainly be more pertinent than technical security within the online real estate sector, which is corroborated by other studies (Janssen *et al*, 2003; Shaohan & Minjoon, 2003).

The relevance of trust arises due to the lack of personal contact experienced within the online environment. Consumers cannot be sure as to the existence and legitimacy of the company behind an online interface, especially when

brand awareness around the company is low (Dimitriadis *et al*, 2005). Here, brand admiration can play an important role in mitigating issues around credibility and security.

It is suggested that trust in the site is paramount for a real-estate company as it operates in an environment of uncertainty. Purchasing property is far from routinised response behaviour for most individuals, and carries a significant degree of risk for all parties concerned. It is therefore unsurprising that trust in the brand may serve to allay some of these fears.

Responsiveness

Responsiveness relates to several aspects surrounding the online experience, including the promptness and helpfulness of the service provided by an online operator, as well as the technology on which the interface runs (Lee & Lin, 2005; Jun & Yang, 2008). There are thus both human and technological factors at play.

A recent study showed that 42% of top-ranked websites take longer than five days to respond to e-mail enquiries, did not respond at all, or were merely inaccessible (Jun & Yang, 2008). However, overly responsive behaviour is also seen to detract from customer satisfaction and thus a degree of moderation is essential (Janssen *et al*, 2003). Hence, excessive responsiveness can lead to suspicion on behalf of buyers.

The other angle to this dimension involves the style of web site design (e.g. use of high-resolution graphics) as well as the download speeds enabled by the hosting server (Jun & Yang, 2008). These factors have an influence on the performance of information searches and may also impede navigation capabilities. However, with ever increasing Internet speeds and significant reductions in cost, the connectivity component of responsiveness is gradually improving (Lee & Lin, 2005).

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Responsiveness is likely to be an important consideration for many property buyers. Assuming a level of affluence is required to invest in property, such buyers are likely to be pressed for time and used to a superior level of customer service. A sluggish website, or unreasonable delays in attending to queries, is therefore likely to deter these individuals.

In summation, the literature review examined the construct of e-service quality, incorporating the dimensions of site features, information, personalisation, communication, accessibility, reliability, trust and responsiveness. All these factors underpin the experience that consumers' perceive when visiting a web site, including those of property portals.

METHODOLOGY

The sample consisted of South African residents who had purchased, are currently purchasing, or who will in the foreseeable future purchase property. Two waves of sampling were adopted for this study. In the first wave, convenience sampling used was applied in this study in order to identify suitable respondents, and encourage them to participate in the study. Malhotra (2010) cites this as being a common approach as it is relatively straight-forward to implement. In the second wave, snowballing was useful as a 'top up' in the sense that respondents were able to refer the researchers to friends and colleagues at a similar life stage who were also interested in property. Snowball sampling is therefore effective in compiling a sample where consumers who fit a very specific profile need to be found (Malhotra, 2010).

In terms of accessing respondents, buyers and prospective buyers were targeted directly, as well as through various real estate companies who administered questionnaires on the researchers' behalf. As no population list was acquired, and a large number of respondents were needed, this sampling approach was advantageous.

A small-scale pretest of the questionnaire was conducted, and some minor amendments then made to the wording. Thereafter, the full survey was deployed.

RESULTS & DISCUSSION

Respondents were segmented into two groupings. These subsets included those who had previously used a South African real estate website (152 responses), and those who had not (148 responses). In order to test the e-service construct, only the former cohort was used.

Reliability analysis: E-service Quality

In testing the e-service quality construct, the first step taken was to perform a reliability analysis on the measurement items as this gives the researcher a clear indication of the internal reliability of the construct, and helps to ascertain whether the variables are cohesive in their measurement. This is particularly important in the field of exploratory research where models, concepts and constructs are to a large degree, previously untested. The Cronbach Alpha for the e-service quality construct is 0.85. This represents a highly cohesive construct (Nunnally, 1978), implying that all the variables which make up the construct are in fact testing the same phenomenon, namely e-service quality. Thus all items were retained for further analysis.

Regression analysis: E-Service Quality

The researchers made use of multiple linear regression modeling to understand which items (dimensions) are highly correlated with the construct under consideration. The relationships being tested are confirmatory in nature, as the statistical analysis is based on preconceived theory. It is preconceived in this case that the variables ESQUAL1R – ESQUAL8R are, in fact,

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statistically related to the construct of *e-service quality* and the analysis therefore aims to confirm this.

The multiple linear regression model is presented table 2.

Table 2: Output for the linear regression model

	Model Estimates	Revised Model		
	Parameter Estimate	Standard Error	T Statistic	Prob. Level
(ESQ)-1->[ESQUAL1R]	0.622	0.074	8.458	0.000
(ESQ)-2->[ESQUAL2R]	0.676	0.068	9.896	0.000
(ESQ)-3->[ESQUAL3R]	0.655	0.066	9.919	0.000
(ESQ)-4->[ESQUAL4R]	0.643	0.084	7.610	0.000
(ESQ)-5->[ESQUAL5R]	0.686	0.078	8.789	0.000
(ESQ)-6->[ESQUAL6R]	0.717	0.088	8.113	0.000
(ESQ)-7->[ESQUAL7R]	0.613	0.071	8.643	0.000
(ESQ)-8->[ESQUAL8R]	0.643	0.097	6.612	0.000

Key:

ESQUAL 1 = Site Features
ESQUAL 2 = Information
ESQUAL 3 = Accessibility
ESQUAL 4 = Communication
ESQUAL 5 = Reliability
ESQUAL 6 = Trust
ESQUAL 7 = Responsiveness
ESQUAL 8 = Personalisation

In judging the parameter estimates on their strength of association to the construct, a parameter estimate of 0.7 to 1.0 (i.e. $\beta > 0.7$) was used to signify a strong relationship. In emerging markets, such as South Africa, an argument has been raised that this may be adjusted to 0.6 to account for the heterogeneity in the market and some respondents' difficulty in answering certain questions within research instrument (Burgess & Steenkamp, 2006). Thus, this study adopts 0.6 as the ultimate cut-off. All parameter estimates, as per table 2, exceeded this.

According to the output, the variable trust (0.72) is in fact the best predictor of the e-service quality, followed by reliability (0.69),

information (0.68), accessibility (0.66), communication (0.64), personalisation (0.64), site features (0.62) and responsiveness (0.61). This implies, for example, that trust is a preferable variable to reliability in scoring the consumers' online experience.

Exploratory Factor Analysis: E-Service Quality

The researchers opted to run an Exploratory Factor Analysis (EFA) to uncover latent phenomena underpinning the e-service quality construct. Using Varimax normalized orthogonal rotations during the EFA, it was found that two distinct factors explained 63.79% of the variation in the data. This is depicted in table 2.

Table 2: Eigenvalues extracted from the Exploratory Factor Analysis

	Eigenvalues Extraction: Principal components			
Value	Eigenvalue	% Total variance	Cumulative Eigenvalue	Cumulative %
1	4.00423	50.05288	4.00423	50.05288
2	1.09931	13.74138	5.10354	63.79420

As can be seen in table 3, two distinct latent factors emerged from the exploratory factor analysis, with significant variables (factor loadings of 0.7 and above) occurring in each. Latent factor one consists of the variables: Communication, Trust, Responsiveness and

Personalisation. Latent factor two contains the variables: Site Features, Information and Accessibility. Here, factor loadings show the correlations of each manifest variable on the latent factor.

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Table 3: Factor loadings extracted from the Exploratory Factor Analysis

Variable	Factor Loadings (Varimax normalize Extraction: Principal components (Marked loadings are >.700000)	
	Factor 1	Factor 2
ESQUAL1R	0.093520	0.874634
ESQUAL2R	0.327610	0.754133
ESQUAL3R	0.260214	0.817404
ESQUAL4R	0.769470	0.182872
ESQUAL5R	0.473363	0.548894
ESQUAL6R	0.740071	0.251404
ESQUAL7R	0.702689	0.323993
ESQUAL8R	0.734960	0.131053
Expl.Var	2.581613	2.521923
Prp.Totl	0.322701	0.315240

Key:
ESQUAL 1 = Site Features
ESQUAL 2 = Information
ESQUAL 3 = Accessibility
ESQUAL 4 = Communication
ESQUAL 5 = Reliability
ESQUAL 6 = Trust
ESQUAL 7 = Responsiveness
ESQUAL 8 = Personalisation

Latent factor one seems to encapsulate a high-technology orientation (which we have labeled 'techno-savvy'), whilst latent factor two seems to encapsulate a more traditional mindset towards e-service quality (which we have labeled 'traditional').

In order to further analyse the e-service quality variables with regards to consumer preferences, age is added into a non-hierarchical cluster analysis in order to investigate whether age could be used as a significant demographic variable to create typologies. This is depicted in figure 1.

Figure 1: A plot of means comparing the e-service quality variables and age

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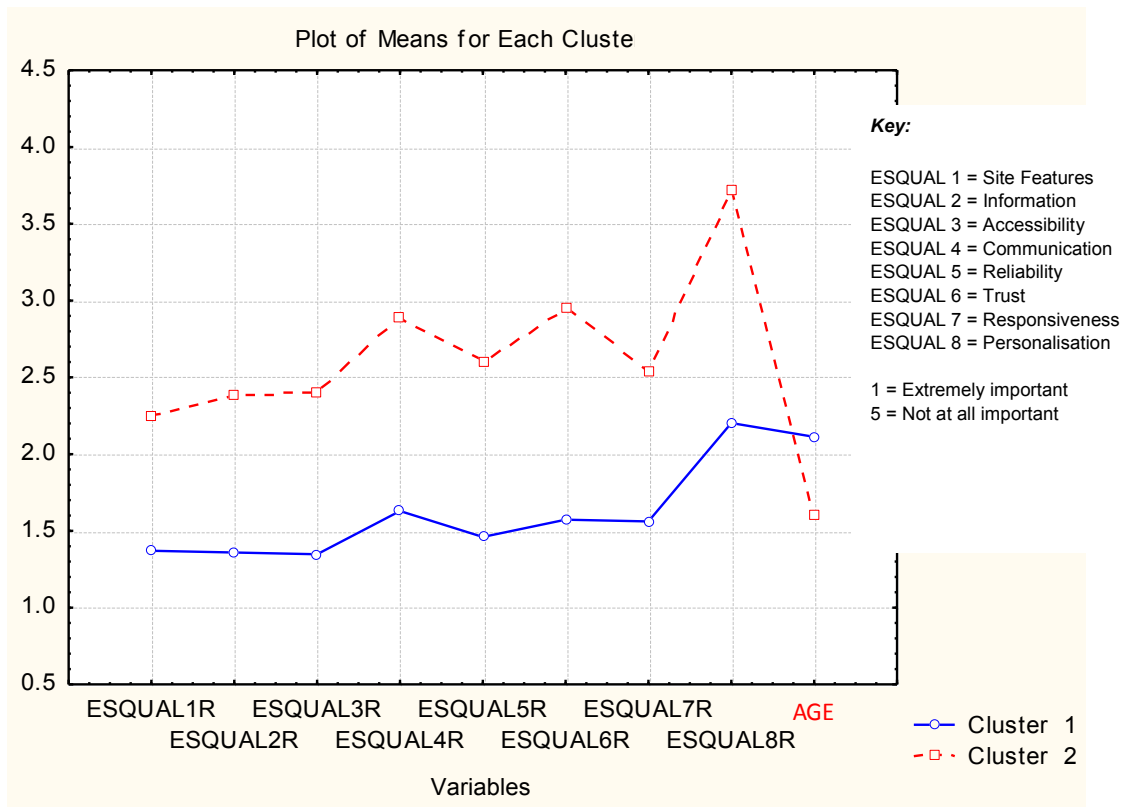
Cluster one shows a slightly older group of respondents that find most of the variables affecting quality to be important to their satisfaction levels, with personalisation being the least important variable. The younger age group, shown in cluster two, found none of the variables as important as cluster one does, some of these to a much larger extent (e.g. personalisation). Their responses to the importance of these variables are seen as either neutral or important, but to a lesser degree relative to those consumers in cluster one. It is thus evident that although the mapping of responses follows a similar pattern for both cohorts, younger respondents consistently placed less emphasis on each attribute.
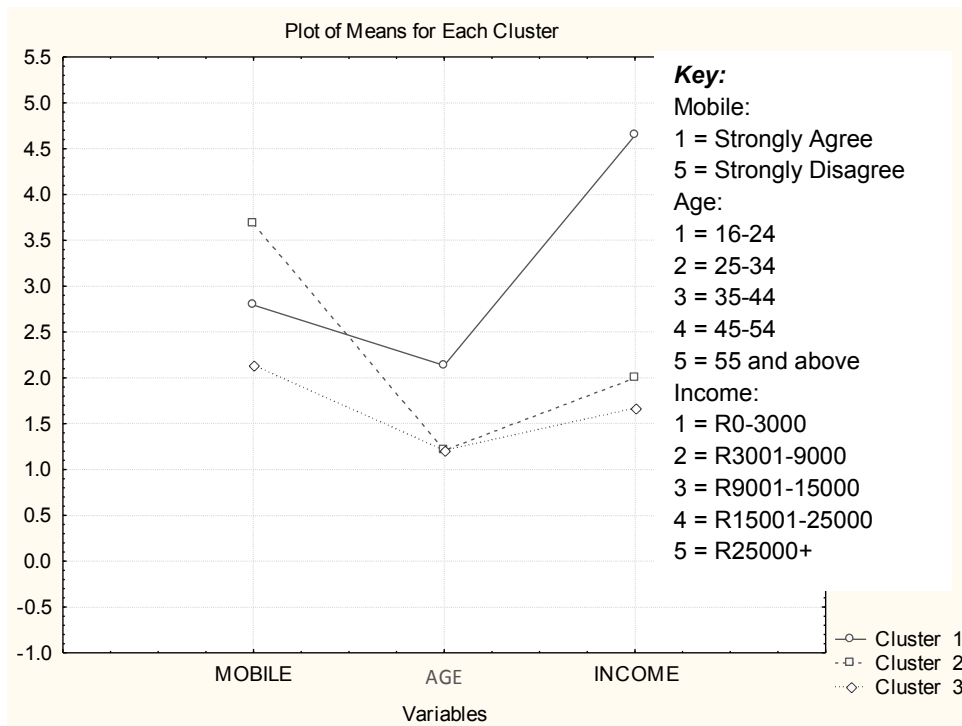
Mobile presence: Finding a target audience

The need for a mobile presence, along with the diverse functionality that it offers, was also considered in this study. A non-hierarchical cluster analysis was performed (see figure 2) and it was found that three distinct groups exist.

The first group (cluster 3) may be termed '*students*'. These individuals are young and have a low income, yet strongly favour the inclusion of a mobile interface, and are thus likely to be techno-savvy. Students also tend to be supported financially and thus have greater access to highly priced advanced mobile phones. The second group (cluster 2) may be called '*young workers*'. They are, likewise, relatively young, have slightly higher income than the '*students*', yet tend to disagree that the addition of a mobile interface will add value. This may be due to risk aversion in buying high value items with the aid of a mobile interface at this life stage, or may be due to the fact that they are connected to the internet at work and therefore do not see the need for a mobile platform. The third group (cluster 1) may be defined as '*mature workers*'. They are in the highest income bracket - mostly earning over R 25 000 as a monthly household income. They are aged between 25 and 44 and, somewhat surprisingly, tend to agree that a mobile interface adds value to property transactions. This group is likely to be somewhat techno-savvy, as these individuals have been in the workplace for some time and may well have gained an appreciation for the impact effective technology can have on productivity. This group also has the financial stability needed to make use of highly priced mobile phones. However, their responses were not as enthusiastic as those from the youngest cohort.

Figure 2: A plot of means comparing the variables mobile, age and income

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Plot of Means for Each Cluster

Key:
Mobile:
1 = Strongly Agree
5 = Strongly Disagree
Age:
1 = 16-24
2 = 25-34
3 = 35-44
4 = 45-54
5 = 55 and above
Income:
1 = R0-3000
2 = R3001-9000
3 = R9001-15000
4 = R15001-25000
5 = R25000+

— ○ — Cluster 1
- □ - Cluster 2
··· ◇ ··· Cluster 3

CONCLUSION & MANAGERIAL IMPLICATIONS

The study found that trust is paramount when initiating property sales online. This particular variable (0.72) was found to be the leading predictor of e-service quality, followed by reliability (0.68), information (0.67), accessibility (0.66), communication (0.64), personalisation (0.64), site features (0.62) and responsiveness (0.61).

The results are not unexpected. Trust has been found to be paramount in industries which involve high value transactions and where relationships and reputation are deemed paramount. Reliability is also closely related to trust in that credibility is built through a service that performs consistently well. It may therefore be concluded that real-estate brands, with a strong reputation in the offline world, are likely to be perceived as superior in terms of their online presence. Therefore, the halo effect of such brands is likely to be carried forward into the online realm.

Our research also serves to confirm prior studies which have also pointed to a role played by other variables, most notably site features, information and accessibility. These technical facets add value to the service and are, likewise, crucial to ensuring the customer has a pleasant experience whilst considering property online. As such purchases are high risk in nature, each facet has a role to play in lowering the level of perceived risk.

A cluster analysis revealed distinctive differences between the perceptions of younger and older consumers towards buying property online. The former group appears to find none of the above mentioned variables as important as the latter group does. However, on the whole, the patterns for both groups exhibited a similar profile in terms of relative importance.

Considering the variable age, it must be stated that although younger and more techno-savvy consumers will be the prime market for the real estate industry in years to come, the industry cannot afford to neglect those consumers who are currently most active within the market. These consumers are generally of an older nature due to their accrued wealth and as such,

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have a more traditional mindset with respect to service and support required. To successfully reach, and avoid jeopardising the relationships with these consumers, the human factor, including the aid of offline facilities, remains important.

The mobile interface appears to appeal to '*students*' as well as '*mature workers*'. It is surmised that these individuals have access to smart phones capable of being used for accessing mobile property portals. However, it was found that '*young workers*' appear less enthusiastic about the mobile interface, seemingly preferring to either access such portals via the Internet, or through visiting agents personally. This may be attributed to a number of reasons. As first-time buyers, '*young workers*' may be somewhat risk averse to using new technology for a high involvement purchase. It should also be noted that smart phones are a relatively new phenomenon and as such, '*students*' (the youngest cohort) may be more progressive with respect to adopting this

technology and being open to partake in mobile commerce activities. It should also be noted that students are more likely to be aspirational buyers of property than serious buyers of property at this life stage. This may also influence their viewpoint – their outlook on property marketing channels may be quite different at the actual time of purchase.

Finally, it should be acknowledged that this is a cross-sectional study which serves to reflect a scenario at a particular point in time. Further studies in due course are therefore recommended to glean insights into the amalgamation of technology and residential property marketing, as well as the impact that e-service quality has on decision making in this context. As mobile technology matures and consumers become comfortable with electronic channels, confidence in buying higher value items through this medium will surely increase, and present exciting opportunities to marketers in this field.

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APPENDIX: E-SERVICE QUALITY DIMENSIONS

The following table includes a list of the e-service quality dimensions considered, including descriptions thereof.

Dimension	Description
Site Features	Website design, functionality and ease of use
Information	Quality and scope of the content
Accessibility	Channels and facilities through which information may be accessed
Communication	Language and community-oriented interaction
Reliability	Consistency with which expectations are matched by service delivery
Trust	Credibility of the company and the technical security of the website
Responsiveness	Timeliness of the website and company employees in delivering customer support.
Personalisation	Customisation of the user experience through information presentation and flow.

A FRESH LOOK ON THEORY OF INFLUENCE STRATEGIES: A CONFIRMATORY STUDY

Kaushik Mandal & Koushick Roy

Abstract:

Influence strategies vis-à-vis channel management developed so far originated from USA. Since developing country like India is heterogeneous to USA in terms of culture and economy, it calls for an alternative influence model for the said nations. Hence purpose of this research is to develop a model confirmatory in nature based on India. After reviewing literature 29 items have been recognized but during the process of model development 9 items have been dropped. Employing EFA (Exploratory Factor Analysis) 6 latent dimensions have been identified and by CFA (confirmatory factor analysis) suitability of the model has been tested. Result observes a clear deviation from the present influence theories. Hence it is imperative for Indian marketers not to follow the western rules blindly rather to develop new way of channel control. Moreover from this research the same marketers get idea of prioritizing influence attempt based on influence facet wise importance.

Keywords: Channel Control, Influence facets, exploratory factor analysis, Confirmatory factor analysis, Reliability & Validity.

1.0 Introduction

Managing channel of distribution is one of the important tasks of marketers in the present competitive business environment. Efficient channel management becomes compulsion among the marketers for timely placement of product & service to customer. Logistic management is not sufficient to bring efficiency in the channel management (Gomes-Casseres, 1994: 62-65). Despite efficient logistic management in the distribution, optimum efficiency is unreachable for channel managers. Hence, research suggests in favor of efficient behavioral management to complement logistic management in channel system (Bowersox, 1968). Marketer led behavioral management of the channel participants leads to initiation of long term relationship between themselves (Kotler, 1997). Consequently, channel participants consider themselves as an integral part of the company. Therefore, it is needless to comment that efficient behavioral management helps marketers to bring channel participants under their control. Motivation of channel participants is one of the important management activities helping marketers to drive the channel member's behavior toward fulfillment of strategic objective of the company. Channel principal uses various strategies to motivate channel participants with the aim of directing them according to company objectives. Numbers of ways are available for marketer to influence channel participants. All these strategic ways need for influencing channel participants are termed as influence strategies in the various literatures (Frazier & Summer, 1984:

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43-50; Frazier & Summer, 1986: 169-173; Kale, 1986: 387-388; Frazier, Gill & Kale, 1989: 50-52; Boyle et al., 1992: 462-466). Different research articles published so far aim to develop a framework that will promote the effectiveness of influence attempts of the organizations employed in managing channel principal relationship. All these literatures commonly have opined six dimensions of influence strategy in managing channel principal relationship. Detail introspection of all these researchers has found one common limitation that all of these researches have been carried out in western nations, mostly in USA. Hence, it is not out of place to put question on the applicability of the research outcome in developing nations for example India. These observations are more concrete when we think about difference in culture & economic development between developed and developing parts of the world. As we know the western culture is predominately low context whereas other part of the world is predominated with high context culture (Würtz, 2005; Hall & Hall, 1990) and cultural orientation affects business execution (Narver & Slater, 1990) especially in shaping influence strategy decision. Thus we feel that possibly facets to influence channel participants are different in between USA & Afro-Asian nations. Also we can think that not only culture but also economic development can play the vital role in influencing channel partners (Cavusgil, Ghauri, & Akcal, 2013). We can agree with the help of two important logics in favor of our thinking. Western nations are more economically developed and thus scope of market potential realization is more compared to India. As market prosperity brings larger entrepreneurial activities it results in higher degree of competition. Further, degree of competition in industry correlates very much with the bargaining power of the channel participants (Roering, 1977: 17-19) and Marketer decision about appropriate influence strategies is based on bargaining power mainly (Dwyer, 1981: 108-109; Ghauri & Usunier, 2003: 66-68).

Possibilities of realizing larger scope of market potential to channel participant ignite motivation for them and lowers their resistant to apply desirable execution of the plan & policy as desired by their respective marketer (Das & Kumar, 2011: 1238-1242).

Thus, logically it is clear that the macro factors like economic development & culture show the requirement of local, country or region specific marketing strategies in relation to influencing channel partners. Hence, it calls for new marketing modes in relation to influencing & controlling channel partners in the Indian economy which is very upcoming economy (Rosinski, 2003). Therefore, it is necessary to study the available literatures vis-à-vis channel influence before framing the research objective.

2.0 Literature Review

Literatures in the context of 'controlling channel partner' are possible to classify into five groups. The first literature group consists of researches which are prominently covering channel partner's dependence on channel leader (marketer) (Frazier, Gill & Kale, 1989: 52-65). Second set of literature develops on the facets of responses in relation to influencing channel partners by the channel leaders (marketer) based on the said dependence of channel partner (Lusch, 1976: 385-88; Gaski, 1984: 12-18; Frazier & Summer, 1986: 170-174). Further, it is plausible to divide the rest of the literature into three broad areas. First one of this kind is the group of research where studies have been made on channel partner's perception about the power enjoyed by their respective channel leader (marketer) and how it is related with channel partner's dependence towards channel leader(marketer) (Simon,1953: 505-507; French & Raven ,1959: 154-156; Swasy ,1979: 342-344; Ansary & Stern ,1972: 48-50; Hunt & Nevin,1974: 188-189). Second gamut of literatures of the same kind is based on the perception of channel partner in relation to strategies made by the respective channel leader (marketer) to influences them (Boyle, 1992; Frazier & Sheth, 1985:42-44; Payan &

Mcfarland, 2005). Final segment of literature assumes 'influence strategy' works in the mode of channel communication and act as an exercised power (Coughlan et.al. 2009). All of these researches mentioned under five categories repeatedly referred in the literature are carried out by Frazier & Summer (1984). This work appears to be significant since authors have presented various facets covering all aspects of influence strategies. Frazier & Summer (1984) have identified six strategies: Threat, legalistic plea, promise, request, and recommendation and information exchange. Further they have categorized the same into two broad types based on the nature of coercion involved in it. According to their proposal threat & legalistic plea are the two coercive strategies and rests four are coming under non-coercive strategies. Dwyer & Walker (1981) have also reported the same whether influencing to the channel subordinate would be coercive or not. Research carried out by Frazier & Summer (1984) opens the new path for the channel academics but not without any doubt. Since all the works are limited within automobile dealer's network of a State of USA and thus raise doubt over its acceptance in the different economic and cultural environment of the world. In an alternative attempt Frazier & Sheth (1985) have made an important comment. They have identified future research need in various dimensions for further validation of the conceptual description they have presented. For that reason they have advocated extending their research in different business environments such as different nature of competition and varieties state of the economy. Frazier & Summer (1986) also have produced an opposite result which put question on the generalization of their previous work. Research result of the research of Frazier & Summer (1986) has also stimulated researchers to extend this early framework in different economic & cultural settings with an alternative intention to enrichment of the prior work. Possibly that is the reason, why Kale (1986) & Frazier, Gill &

Kale (1989) have extended influence related research activities outside USA. In fact they have extended their work in a developing nation, India. We have seen major deviation in the result with the result earlier reported by previous researchers (Frazier & Summer 1986; Frazier & Sheth 1985) in case of both the research outcomes. We can justify this contradiction only by varying status of economy between India & USA (Rosinski, 2003). Recently similar observation has been made by Chinomona (2013). He has justified uniqueness of his research since it has been carried out in one of the Asian nation namely Thailand where *gaunxi* social rule as a means of channel governance is predominant. Thus he has established the importance of direct effects of dealers' legitimate power on overall relationship quality of the small scale manufacturer. This research partially refutes the models empirically developed in USA and further necessitates the requirement of similar research in other Asian nations. Fraizer & Rody (1991) have presented a new look by broadening the use of influence strategies in case of distribution management of industrial product. They have found a significant relation between two broad spectrums of influence strategies: coercive & non coercive and channel conflict. They have found three strategies like promise , threat , legalistic plea as an integral part of coercive strategies and other four strategies namely 'information exchange' , 'request' , 'recommendation' along with 'discussion of business strategy' as the non-coercive strategic options. Finally, they have reached to a conclusion that coercive and non-coercive strategies act reciprocally in relation to resolution of conflict. At the same time Frazier & Rody (1991) are also doubtful about extension of their research in other channel context. In fact they have put emphasis on comparative study between industries. Earlier Frazier et al. (1989) have also given importance to carry out channel relationship research in Afro-Asian nations. As a matter of fact they have studied channel partner engaged in one B2B industry in

India and have opined for much more research within developing economy and on the subject of comparing industry wise variation. Hence, all these discussions converge to the point that distribution channel research must carry out in various local settings and only then integration of the result with global concept is possible. Boyle et al. (1992) find influence strategies are correlated with different alternative structure of governance (market, administration, franchise &corporate). Therefore, again it justifies carrying out the research in the context of a developing nation like India since structure of governance is different for any developing country. Payan & Mcfarland (2005) in recent study theorize the effect of influence strategies on compliance of channel partner. Their findings in favor of applying non-coercive influence strategies on channel partner when adequate level of support from the marketer is assured. Finally they conclude, coercive influence acts only in case of high dependence of channel partners on channel leader. These entire conclusions are not free from doubt of its applicability in wider global context.

Hence, research literatures either directly or indirectly talk about extension of the work in countries other than USA. More specifically they promote logic to execute a fresh research in the context of behavioral management of distribution channel in upcoming developing countries. We also understand and mention the logic of carrying out the same in the upcoming developing countries like India. Available literatures in this regard (Frazier et. al., 1989) are based on sample of one industry, which calls for further modification vis-à-vis sample of multiple & heterogeneous industries.

As surveyed research literature appears with certain directions. In the next section these all directions lead to research queries and research objectives for the present work.

3.0 Objective of the Present Research

Reviewed literature reconfirms the fact that influence strategy researches are mostly confined to USA and other developed nations. Hence, it calls for the research query: whether existing theories in respect to influence facets serve the purpose of the marketer who manages channel partners of India. This can be possible only by hypothesizing construct for India and empirical testing of the same. Thus, objective of the present research is to develop the influence strategy construct based on various facets of influencing strategies in the context of India. We have found another important limitation in the existing literature. None of the researches estimated the importance of each of the strategies they have identified. But it is extremely necessary to know the importance of each strategy. Hence, we have developed the second objective which is to measure the importance of each of the facets of influence. It is also fairly required to compare practice of influence facets between developed and developing nations. Thus, in third of our research objectives we have compared the construct we have developed with construct developed by Boyle et al. (1992).

4.0 Survey Coverage & Sampling

We have concentrated on the distribution channel partners of four industries namely pharmaceuticals, cement, FMCG and Water-purifier (organizational selling division) which are mostly employed distribution channel for the purpose of selling. In fact we have executed the survey in one of the representative Indian state i.e. West-Bengal, where almost all the religions, castes & creeds are present. Actually cultural homogeneity between India & West Bengal is high (Sengupta, 2009). Thereafter from the various sources like i) yellow pages, ii) trade information bulletin ,iii) company representatives , we have collected name , address & phone number of various channel partners of first three competing companies in terms of market-share for each said industry. From the generated pool of channel partners we have selected randomly 80% of the respondent i.e. 358 in number. We sent them a letter of

request & subsequently called by phone for an appointment. We avoided email because some of them are reluctant to use internet facilities. We received 219 positive responses. One of us met personally to each respondent and filled in questionnaire by them. We provided assistance only to those who requested for help. Overall our rate of response is 61.17% which is good in this kind of distribution partner oriented research.

5.0. Procedure for construct development

We followed a process for construct development. We started with a valid & reliable scale of one of the existing research by Boyle et.al. (1992).We converted the statements of the referral construct in suitable form in accordance to familiarity of the respondent of our research. Then we screened it through the experts for making the construct relevant for the Indian context (See Appendix). We carried out the **exploratory factor analysis** (by **Principal Component Analysis** with **Kaiser Normalization** & with **Varimax Rotation**) of the screened items and identified the factors latent behind. Next step was to purify further by means of **pruning of items** having **low correlation** with the said latent factor (ref). Further we examined the construct by checking its **reliability & validity**. Finally we tested through **CFA** (confirmatory factor analysis) whether hypothesized relationship framed by EFA (exploratory factor analysis) is statistically acceptable or not. CFA helped us to confirm the latent dimensions we constructed during EFA.

Identification of Items for final Survey

As we mentioned that we have taken all the items after converting its statements suitable for Indian respondent. Further, questionnaire has been developed in multi-languages for seeking opinion of the experts. We have prepared in multi-languages because of wider acceptance of the questionnaire by the potential respondents. Further we have used continuous scale explaining two limits in place of a likert scale used in previous works. Furthermore, we have

instructed that 5 indicates fully agree & 1 indicates fully disagree in the scale. We also instructed that scale is used as a continuum with two limits 5 & 1. That means, person who have responded with 5 are having highest degree of conformity and persons who have responded with 1 is having lowest degree of accord. Person opined in between, they are either in the side of conformity (>3) or in the side non-conformity (≤3).

We have carried out pilot study among the students of marketing (PG level), marketing executive, researchers, faculty members and distribution channel partners, reminding them objective of our study and asking their opinions in relation to appropriateness of the items intended to use in our study. Our expert panel has opined items like 4,6,10 &16 are not relevant for Indian context. In Item 4 it is stated that company request certain things to channel partner and asks them to comply with without indicating any positive gain for compliance or negative outcome for non compliance. Experts have viewed that acceptance of request without knowing its future outcome is impossible to adhere in the Indian context and thus having little or no use. In item 6, it is mentioned that "a company makes it clear that failing to comply with their request would result in penalties against the concerned business". According to opinion of the expert panel, in a symbiotic & mutually beneficial relationship like this case between marketer & channel partner, most of the time no parties can charge penalties against other. However, if one of them possesses very high bargaining power (Porter, 1980), it is possible for him to impose penalties against each other. But this is a rare situation in the Indian context. Hence, expert panel has opined that this statement is also of no use. Item 10 states that "company asks to accept new ideas without giving any explanation of possibilities it brings to channel partner's business". Experts have observed that without knowing fully well about consequence nobody is ready to accept any new ideas. Thus it is again of no use in our

survey. Similarly for item 16, experts have commented that without knowing the reward or punishment for adherence or no adherence, no channel partner is ready to obey company directives. Thus they have suggested not to incorporate item 16 in the questionnaire. Therefore, we have eliminated items 4, 6, 10 & 16 to incorporate opinions of our study panel and for final survey we have worked with only 25 statements (see appendix).

5.2 Exploratory Factor Analysis:

Before, we proceed for factor analysis based examination; we have checked the sample adequacy of the experimental research. We have carried out Kaiser Meyer–Olkin (KMO) measure of sample adequacy with the objective of checking sample adequacy of the present research. We found KMO value .815 (See Table: 1) which is very good as suggested by Nunnally (1978). Further, we checked the multidimensionality of the items. Multidimensionality of items is necessary condition for operating 'factor analysis'. We employed 'Barlett test of sphericity' for the purpose of verifying multidimensionality. Approximate chi-square value is 1909.742 with 253 degrees of freedom and this result breeds significant probability values (.000). Hence, we claim in favor of multidimensionality of the items and thus satisfy the one of the pre-conditions of exploratory factor analysis. For executing 'Exploratory Factor Analysis' we opted for identification of the components having highest to higher **eigen values** by 'principal component analysis' (Snook & Gorsuch, 1989:150-153). We have generated principal factors up to **eigen value** of 1 as suggested by Kaiser (1958). Finally, we have rotated factors with the help of varimax rotation scheme with Kaiser Normalization to generate an interpretable solution. Varimax rotation is a kind of orthogonal (shift of axis with ninety degrees angle) rotation and by varimax rotation it is possible to segregate factors without hampering the original result (Peter, 1981). We received a six factors solution with 63.71% of variance explained. Solution was good and justified the identification of latent unobservable construct.

Table: 1 Result of Exploratory Factor Analysis & Reliability Measures

Kaiser-Meyer-Olkin Measure of Sampling Adequacy			0.815
Bartlett's Test of Sphericity	Approx. Chi-Square		1909.742
	Degree of freedom		253.000
	Probability of Significance		0.000

Name of the Latent Factor (Influence Strategies)	Item Variables	Factor Loading	Variance Explained	CA	CR	Mean Score	Importance**
Big Bossing	I-29, I-24, I-27, I-18, I-26, I-12, I-17	.824, .818, .781, .672, .664, .621, .528	22.68%	0.849	0.874	1.95	9.65%
Promise	I-21, I-9, I-25, I-28, I-3, I-20	.756, .739, .711, .672, .539 , .506	16.56%	0.808	0.82	3.71	18.37%
Agreement Adherence	I-11, I-5, I-23	.843, .818, .777	8.55%	0.815	0.836	2.76	13.66%
Recommendation	I-7, I-19, I-13	.693, .673, 662	6.27%	0.676	0.716	3.94	19.50%
Strategic Partnering	I-14, I-8	.860, .846	5.19%	0.719	0.842	3.66	18.12%

| Dream Selling | I-1, I-2 | .791, .721 | 4.46% | 0.637 | 0.728 | 4.18 | 20.69% |

**(Mean Score of the Particular Factor/Total Mean Score)

CA= Cronbach's Alpha & CR=Composite Reliability.

5.3 Factor Naming

We used naming of the factors to express the latent (hidden) idea behind it. First factor extracted in the present research is a combination of 29, 24, 27, 18, 26, 12 & 17 items (See Table: 1).Among the items 29, 24,27, 18 & 12 are named as 'Threat' and item 26 & 17 are named as 'Legalistic Plea' in the work done by Boyle et. al.(1992). Our understanding of the Indian market tells us that in India, marketer uses two pronged approaches. One is attitude of bossing in general towards their partners to control them. They can manifest this attitude either by showing business threat or by legal threat. Another is to help channel partner as elder brother doing for other brothers in Indian families. Thus we name this way of partner handling of the marketer as 'Big Bossing'. Second extracted factor is obtained by clubbing items 3, 9,20,21,25 & 28 together. Other than item 20 we get exact matching of the items with the items identified under factor 'Promise'. Hence we can consider the factor name as 'Promise'. Third obtained factor comprised items 5, 11 & 23. We believe that by these items marketers employ compliance gaining tools/tactics by showing various positions of the agreement /contract. Hence, we propose the name of the factor as 'agreement adherence'. This naming is in line with work of Boyle et. al (1992) since all these items match with legalistic plea in the construct proposed by them. Next factor derived with combining items 7, 19 & 13 which are predominately items related to recommendation. Boyle et. al. (1992) also observed the same. So, without any hesitation we name the factor as 'Recommendation'. Items 8 and 14 have been grouped together and as a result generated the fourth factor. We Observed that Items 8 & 14 are in relation with strategy implementation of the marketer very much. Marketers deploy techniques in such way that

their channel partners should orient them toward long term strategic issues rather than the short term (daily) recurring issues. Therefore, it is not mere exchange of information rather it is broad based, strategizing partner. Hence we propose the factor name as 'Strategic Partnering'. Extracted last (sixth) factor have two items 1 & 2. According to work of Boyle et.al (1992) item 1 is under 'Recommendation' and item 2 is under 'Information Exchange'. We think that Item 1 is related to future benefit of channel partner if they follow direction of marketer in toto and item 2 is related to marketer's caring attitude towards channel partner's profit. Both of these direct towards selling dream of the future to the channel partners. Therefore we understand that by applying both the items marketer presents the dream path for business prosperity. Hence we propose the name of the factor as 'Dream Selling'.

5.4 Reliability and Validity of the construct

Although reliability measure of any construct is the primary basic for validity measure yet it is not the proof of final validity (Nunnally, 1978). In the present research we estimated reliability of each construct by **Cronbach alpha**. Since the **Cronbach alpha** sometimes fails to measure multidimensionality of the construct (Schmitt, 1996: 350-352), we also used **Composite reliability** to measure the same. Result is found good (value above 0.6) for all the said cases when we used **Cronbach alpha** as a measure of reliability. We also found much better value of the **Composite reliability** of each of the construct and that is more than .7 (Yusoff, 2011). Further, we checked discriminant & convergent validity for satisfying the secondary condition for construct validity (Peter, 1981). Some of the past researches (Frazier & Summer, 1984) clustered six influence strategies into two groups namely coercive and non-coercive nature

of the strategies. Further it is stated that recommendation, promise and dream selling are purely non-coercive type whereas big bossing & agreement adherence are purely coercive type. We understand from common senses that influence strategies for any particular nature(coercive or non-coercive) must have high correlation with each other and influence strategies of two different nature (for example one coercive and one from non-coercive nature) must have low, negative or zero correlation. These are the conditions of **Convergent** and **Discriminant** validity which in turn satisfy the condition of **Construct** validity (Campbell & Fiske 1959). We have analyzed the latent factor correlation matrix of various influence strategies. Non-coercive influence strategies namely **promise**, **recommendation** & **dream selling** are correlated strongly. For example, between promise & recommendation correlation value is .842; between promise & dream selling correlation value is .451 and between recommendation & dream selling correlation value is .643 (See Table: 2).This result satisfies the condition of convergent validity. We observed moderate to strong correlation value (.340) between two coercive influence strategies namely big bossing & agreement adherence and that proves further the condition of the same.

Table: 2 Implied Correlation

Influence Strategies	Recommendation	Strategic Partnering	Dream Selling	Agreement Adherence	Promise	Big Bossing
Recommendation	1					
Strategic Partnering	0.215	1				
Dream Selling	0.643	0.326	1			
Agreement Adherence	0.161	0.305	0.272	1		
Promise	0.842	0.328	0.451	0.226	1	
Big Bossing	0.118	0.158	-0.057	0.34	0.236	1

We have also observed few correlation values to test the discriminant validity between any two influence strategies of varied nature. For example one can select Big Bossing with dream selling. In fact we found negative correlation between big bossing & dream selling. Similarly correlation between big bossing & recommendation is weak positive (0.118) and correlation between big bossing & promise is again low positive (0.236). We also identify similar result for the pair between agreement adherence and any of the non-coercive strategies. Hence, our hypothesized model of influence is valid.

5.5 Confirmatory Factor Analysis

We have not restricted ourselves by carrying out reliability & validity analysis only. Indeed we have tried to confirm the model (construct) extracted in '**Exploratory**' analysis by '**Confirmatory**' factor analysis. Confirmatory analysis started with goodness of model fit although the fact is that it is only the primary part of model confirmation. To test the discrepancy between sample covariance matrix and population covariance matrix we have carried out chi-square test. If the developed model based on samples creates minimum discrepancy we may receive an insignificant probability value of estimated chi-square. But simultaneously we have to consider the fact that the chi-square test is extremely sensitive to sample size (Byrne, 2010; Anderson & Gerling, 1988; Tanaka, 1985). Most of the recommendations are in favor of higher (more than) size of sample (Hair, Black, Babin, Anderson & Tatham, 2006; Chou & Batler, 1995: 80-83; Biswas, 2008: 178-181) which in fact have been maintained in our work. In the present

research estimated χ2 value is 147.329 at 185 degree of freedom which produces high insignificant probability value (0.981). Since this research satisfies the sample size requirement, we can consider the present one as a case of good model fit. Two other alternative measures which are not affected by sample size are also available to verify the suitability of chi-square measure. We can estimate both non centrality parameter & scaled non centrality parameters to verify whether χ^2 value is larger than the degrees of freedom or not. Only to receive the value of scaled non-centrality parameter we have to divide χ^2 value by sample size. In the present research we worked with more than 200 samples and χ^2 value received is less than calculated degree of freedom. Hence, our model fit perfectly with respect to two alternative measures that are independent to sample size, namely, **NCP** & **SNCP**. Another group of absolute measures are **GFI** (Goodness of fit Index) and **RMSEA** (Root mean square error of approximation). In the present research GFI value is close to 1 (.947) and RMSEA value is 0.00 and that is less than .08 (which is criterion) indicating perfect fit of the model. Another set of measures which is known as incremental fit measures. In this set of measure, we compare between proposed model & baseline (or null) model. Null model is the model where all variables are uncorrelated among each other.

AGFI (Adjusted goodness of fit index), NFI (Normed fit index), CFI (comparative fit index) are the three well known incremental fit measures. However, researchers (Rigdon, 1996) found CFI is most appropriate in case of model development. Especially in case of dealing with small sample size, CFI is the best measure (Bentler, 1990). For CFI Hu & Bentler (1999) proposed the critical value .95 and CFI value of our present research crossed it perfectly. AGFI (.921) & NFI (.926) both the values found in the present research cross the recommended value of model fit. Trucker-Lewis index is a kind of measure in this set which combines incremental fit principle with measures of parsimony by adjusting with the degree of freedom of the respective model (i.e. null model & proposed model). Value for TLI in our research is more than 1 and crossed well the recommended value (0.9 or greater). Thus it indicates again good fit of our proposed model. Purpose of testing parsimony in the model is to check whether model fit is due to over fitting of the data or not. AIC (Akaike Information Criterion) is another measure under this set of parsimonious fit measures. Value of AIC in case of our proposed model is positive but less than other comparative models like null or saturated model and thus it helps to infer no over fitting of the data in the proposed model (Hu & Bentler , 1995; Byrne, 2010).

Table: 3 Summary of Model Fit Employing CFA

Fit Indexes	Expression	Criteria for Model Fit	Our Model
Absolute/Predictive Fit Chi-Square	CMIN	Low χ2 relative to degrees of freedom with an insignificant p value (p > 0.05)	147.329
	DF		185.000
	P		0.981
	CMIN/DF	2:1 (Tabachnik and Fidell, 2007) 3:1 (Kline, 2005) Ratio of χ2 to df ≤ 2 or 3, useful for nested models/model trimming (Schreiber et al. 2006)	0.796
Root Mean Square Residual	RMR	Good models have small RMR (Tabachnik and Fidell, 2007)	0.090
Goodness of Fit Index	GFI	Values greater than 0.90 (Hooper et al., 2008)	0.947
Adjusted GFI	AGFI	Values greater than 0.90 (Hooper et al., 2008)	0.921
Normed Fit Index	NFI Delta1	Values greater than 0.80 (Hooper et al., 2008)	0.926
Tucker-Lewis Index	TLI rho2	Values greater than 0.95 (Hooper et al., 2008)	1.030
Comparative Fit Index	CFI	Values greater than 0.95 (Hooper et al., 2008)	1.000
Non Centrality Parameter	NCP	<0.05	0.000
Root Mean Square of Approximation	RMSEA	Values less than 0.07 (Steiger, 2007)	0.000
Akaike Information Criterion	AIC	Smaller the better; Schreiber et al. 2006	329.329
Browne-Cudeck Criterion	BCC	Smaller the better; Schreiber et al. 2006	351.844
Bayes Information Criterion	BIC	Smaller the better; Schreiber et al. 2006	637.734

Finally we compare our model with a work of Boyle et.al (1992) and we find fit statistics (χ^2, GFI, AGFI & CFI, RMSR) mentioned by them for both of their studies are lesser or same in relation to model fitted in our research (See Table: 3). Hence, model we propose is better in respect to other standard model of channel management (See Figure: 1 for final model).

6.0 Importance of the Latent factor

All the previous researches put their effort to unfold strategies vis-à-vis controlling channel partners but they are silent in measurement of importance of the each of the strategies they discovered. Probably, they assume equality in importance of the strategies identified. This postulation is unacceptable in practical senses. Thus, we recognize the necessity of measuring importance for each of the strategies. Hence, we propose for measuring the importance of each of the identified strategies. Measure is simple and logic based. In the questionnaire we have presented items in the statement form to examine the effect of influence strategies on channel partner. Scale value of the item ranges between 5 & 1 and where 5 indicates highest agreement and 1 indicate lowest agreement which actually denotes the highest impact and lowest impact. Since high scale value corresponds to higher impact we take mean value of the item score as a measure. In fact we have calculated mean score of all factors (strategy) by averaging the scores of items under it and take a ratio between i^{th} factor score and sum total of all factor score as relative importance of said factor (strategy). We can see table: 4 to check the importance of each factor.

$$Relative\ Importance\ of\ each\ Strategy = \frac{Mean\ Score\ of\ i\ th\ Strategy}{\sum_{i}^{n} Mean\ Score\ of\ i\ th\ Strategy}$$

Table: 4 Comparison with Boyle et al. (1992)'s work

Boyle et.al. 1992			Our Present Work		
Influence Strategies	Mean Score	Importance*	Influence Strategies	Mean Score	Importance*
Recommendation	3.37	23.42%	Big Bossing	1.95	9.65%
Information Exchange	2.97	20.64%	Promise	3.71	18.37%

Promise	2.58	17.93%	Agreement Adherence	2.76	13.66%
Request	2.35	16.33%	Recommendation	3.94	19.50%
Legalistic plea	1.75	12.16%	Strategic Partnering	3.66	18.12%
Threats	1.37	9.52%	Dream Selling	4.18	20.69%

*(Mean Score of the Particular Influence Strategy/Total Mean Score of all Influence Strategy)
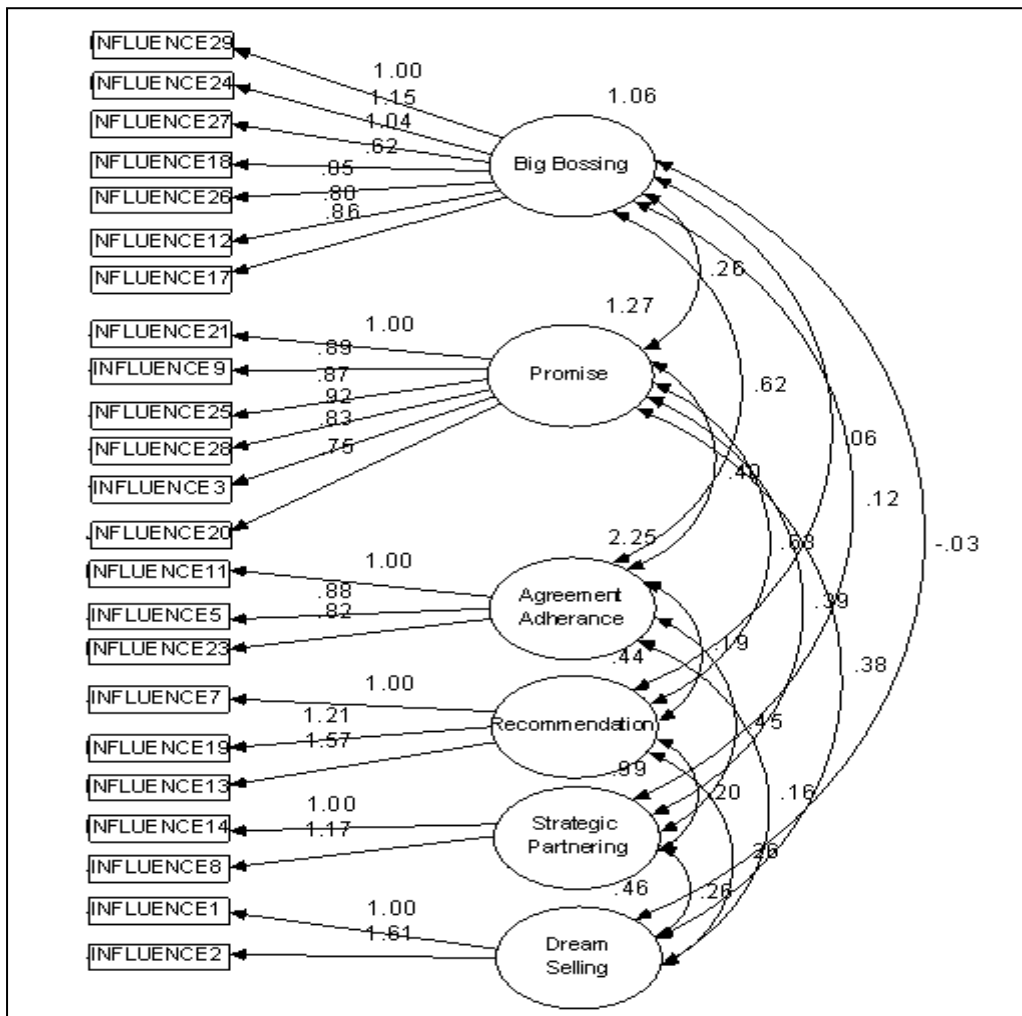

Figure: 1 Final Model Confirmed by Confirmatory Factor analysis

7.0 Comparative Contribution of the Present Research

Before, we end we have to estimate the contributions we ably make by the present research. We can recall our purpose in this regard. We execute the research outside USA and more specifically a nation i.e. India which is heterogeneous compared to USA in the sense of culture and economy. It is also relevant to conduct research in India because it is one of the upcoming economies (Cavusgil et. al, 2013). Further we modify the pre-existing researches by increasing the representation of portfolio of industries in the sample. We take samples from the channel partners of four different industries. Moreover we collect the sample from same level of channel partners whose nature of business is same. Simultaneously, by doing so we increased the degree of industry representation in terms of samples but without compromising the homogeneity of the sample. Thus, despite having previous researches in these relevant issues of channel management, our purpose is important since it drives us towards modifying

the previous construct by overcoming the limitation of previous works.

Present research is contributory since it produces different outcome in comparison with the result produced by the research carried out in USA (Frazier & Summer, 1984; Frazier & Summer, 1986; Kale, 1986; Frazier, Gill & Kale, 1989; Boyle et al., 1992). Broadly they have identified six influences as perceived by channel participants of USA. Our research also extracted the same number of influence strategies but two of them are new. We derive two strategies which are exactly common with the work Boyle et. al. (1992). They are 'promise' & 'recommendation'. These two strategies are recognized as non coercive strategies in the literature (Frazier & Summer, 1986). Hence it implied that nature of non-coercive strategies is independent to culture and useful across the culture. We also identify strategy called 'agreement adherence' which is made up with the items which are sourced from strategy called 'legalistic plea' in the work of Boyle et al. (1992). It is understandable that the items covering a portion of the items are used to describe 'legalistic plea' but it sounds more like adherence of agreement. Similarly, in case of 'information exchange' strategy named by Boyle et al. (1992) is changed by us as 'strategic partnering'. We believe 'strategic partnering' is more appropriate descriptor of the strategy. But in both the cases nature wise strategies are more or less same.

We identify differences mostly in coercive type of strategies compared to work carried out in USA (Frazier & Summer, 1984; Frazier & Summer, 1986; Kale, 1986; Frazier, Gill & Kale, 1989; Boyle et al., 1992) with the present work. 'Request' is one important non coercive strategy in their work which is not found in our case. Alternatively, our research talks about dream selling which is also not seen in their research. Dream selling is a strategy found by us is a hybrid outcome between items of 'recommendation' and 'information exchange'. We have seen some major departure of our

research outcome from the work of Boyle et al. (1992) in relation to strategy called 'threat'. We have found item of 'threats' (as per work of Boyle et.al (1992)) are added with items of legalistic plea (as per work of Boyle et.al (1992)) and produce big brother attitude of Indian channel leader over the Indian channel partners. Introspection of the Indian culture tells about more networked form of society where brotherhood has a commanding role for family integration. Moreover in Indian culture affiliation motive are predominant whereas in USA achievement motives are predominant in societies (Dickson, 2003: 735-740). As a result of this we can see the accommodative role of elder brother in Indian family. We can extrapolate this cultural specialty in India in the context of business. In the context of business as the relationship is not only personal but also professional, 'threat' is used with equal importance with the brotherhood. Hence, for Indian business we feel the combinatory usage of big brother & threat which leads to big bossing.

After comparing the result we have seen some differences (See Table: 4) between present research work and work of Boyle et al. (1992). Relative importance of coercive strategies is lower in the findings of Boyle et al. (1992). Likewise relative importance on non coercive strategies is higher in the finding of Boyle et al. (1992). Result is indicative. In India coercion is used as strategic option higher compared to USA.

We have also found difference in top priority vis-a-vis perceive importance between channel partners of USA and that of India. Result shown by the research of Boyle et al. (1992) has assigned highest importance to 'recommendation'. Compare to this the present work has identified 'dream selling' as the highest importance (See Table: 4).

Finally to conclude our present research has attained the objective successfully. This work we hope is contributory to the research related to channel controlling strategy.

Appendices

Influence Strategies & Items Variables (Referral work for this Research)

(Boyle, Brett.F.Robert Dwyer A. Robicheaoux, and James T. Simpson 1992)

Item Variables
I-1) Company makes it clear that by following their recommendations, our business would benifit.
I-2) Company focuses on general strategies (as opposed to specific tactics) as to how to make our
I-3) Company makes promises to give something back in return for specific action of our dealership.
I-5) Company refers to portion of our franchisee agreement which favour their position to gain our
I-7) Company makes it explicit, when making a suggestion, that is intended for the good of our operation.
I-8) Company concentrates more on strategic,long term issues,rather than specific cources of action our
I-9) Company provides price breaks or other incentives for our participation in manufacturer promos ,
I-11) Company makes a point to refer to any legal agreements we have when attempting to influence our
I-12) Company threatens poorer service to our business should we fail to agree to their requests.
I-13) Company provides a clear picture of the anticipated positive impact on our business a
I-14) Comany discusses the orientation our management personnel should take with regard to long term
I-17) Company "Reminds us"of any of our obligations stipulated in our sales agreement.
I-18) Company uses threats of disturbing our business,such as higher prices for supplies, slow delivery
I-19) Company outlines the logic and /or evidence for expecting success from the specific programms
I-20) Company attempts to change our perspective by looking at how our business decisions affect the '
I-21) Company offers specific incentives for us to make changes in marketing and / or operating
I-23) Company uses section of our sales agreements as a ' Tool ' to get us to agree to their demands.
I-24) Company communicates their ability to " Make Thing Difficult " for our business if specific
I-25) Company uses bonuses for meeting sales or profit quotas.
I-26) Company makes biased interpretations of our selling agreement in order to gain our cooperation in
I-27) Comapny states that specific services will be discontinued for not complying to requests.
I-28) Company offers incentives to us when we initially had been reluctant to cooperate with a new
I-29) Company threatens to reduce the amount of business they will do with our firm, should their

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WORKERS PARTICIPATION IN MANGEMENT-A STUDY AT BHEL, HYDERABAD

Pagudala Suchitra

ABSTRACT

An organization is made up of men, materials, money and machinery. Of these, only man is living and is the most significant resource, which makes all the difference in the organization. Human Resource Management is a process mainly concerned with the recruiting of persons, training them and putting them to the most productive use and is also concerned with maintaining congenial industrial relations. It is the proper functioning of human resource that lies behind effective planning, organization and control and also behind cost effective operations and marketing. Hence, it is an essential prerequisite for all the organizations to recruit and retain effective and efficient HR. Of all the HR problems that have emerged in the corporate forefront in the recent times, the problems of IR is the one that has achieved more prominence than any other issue. The good industrial relations help retain employees and run the organization successfully. The basic thrust of the study is to to examine the relationship between the management, workers and trade unions representing the firm's work-force at BHEL. A study of the work conditions, mainly the level of wages and security of employment. Worker's participation in management crystallizes 'industrial democracy' means management of an industrial unit by the people, for the people and of the people. The study shows that WPM is quite successful contributing to the production of the organization to a great deal.

Keywords: HRM, IR, WPM, Participative Management

INTRODUCTION

HR is defined as "a whole consisting of inter-related, inter-dependent and interacting physiological, psychological, sociological and ethical components" (Michael J. Jucius). (3)

"HRM is the planning, organizing, directing, controlling of the procurement, development, compensation, integration and separation of human resources to the end that individual, organizational and social objectives are accomplished." (Flippo). (4). HRM can be defined as a process of procuring, developing and maintaining competent HR in the organization so that the goals of an organization are achieved. It is an art of managing people at

work in such a way that they give their best to the organization.IR sprouts out of employment relation. It is dynamic and developing socio-economic process and is a designation of a whole-field of relationship that exists because of the necessary collaboration of men and women in the employment processes of industry." By Dale Yoder. (5)IR is concerned with the systems and proceduresd used by the unions and employers to determine the reward for effort snd other conditions of employment to protect the interests of the employed and their employers and to regulate the ways in which employers treat their employees." By Armstrong. (6)

"IR is an integral aspect of social relations arising out of employer-employee interactions in modern industries which are

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regulated by the state in varying degrees, in conjunction with organized social forces and influenced by the existing institutions." By V.BSingh (7)

Participation means the meaningful interactions of human beings with people they are concerned to enhance their sense of being in control of their immediate environment. WPM is also called as 'Participative Management', in the absence of which workers consider themselves to be just employees, having no commitment to the objectives of the organization. It is believed that worker's participation enhances productivity, fosters and maintains industrial peace and harmony, enriches human personality and renders job satisfaction, thereby boosting up their morale. Hence, the need for worker's participation in management. WPM is a system of communication and consultation, either formal or informal, by which the workers of an organization are kept informed, as and when required, about the affairs of the undertaking and through which they express their opinion and contribute to the decision-making process of the management.

WPM refers to the mental and emotional involvement of a person in a group situation which encourages him to contribute to group goals and share in responsibility of achieving them- Keith Davis() "Applied to industry, the concept of participation means the sharing the decision- making power by the rank and file of the organization through their representatives, at all appropriate levels of management in the entire range of managerial action."- Mehtras.()

REVIEW OF LITERATURE

Participative management is considered as process by which the worker's share in decision-making extends beyond the decisions that are implicit in the specific contents of the jobs they do. This, in actual practice, amounts to the workers having a share in the reaching of final managerial decisions in an enterprise-B.R.Virmani. (9)

Unions have viewed Quality circles as means of extracting more labor. Efforts at motivating workers have always been seen an attempt to wean them away from the union. Quality circles have given power to the individual worker, not the union.-Business India.

Empowered individuals know that their jobs belong to them. Given a say on how things are done, employees feel more responsible. When they feel responsible, they show more initiative in their work, get more done, and enjoy the work more.-Richard S.Wellins. (10)

The general purpose of financial participation is to enhance financial commitment to the organization by linking the performance of the firm to that of the employee. Thus, it is argued that the employee is more likely to be positively motivated and involved if she or he has a financial stake in the company by having a share of profits or by being a shareholder.-Ian Beardwell and Len Holden. (11)

There are five ethical perspectives involved in participative management. The ethical orientations stem from morality principle, recognition of human dignity, loss of self-respect, physical and mental health of employees and negative consequences of heirarchial organizations of work.-Joseph R. DesJarding and John J. McCall. (12)

Technology and organizations today are so complex that specialized work-roles are required, making it difficult for people to participate successfully if they go very far beyond their particular environment. This means that low-level workers can participate successfully in operating matters, but they usually have difficulty in participating in policy matters.-John W. Newstorm and Keith Davis. (13)

Another issue is an employees right –not to participate. There is no evidence that participation is good for everybody. Many people do not want to be bothered with participation.-Ibid(14)

The objective of WPM is to co-determine at the various levels of enterprises in Germany, assign

the final authority to workers over all matters relating to an undertaking in Yugoslavia, promote good communication and understanding between labour and management on the issues of business administration and production in Japan, and enable work- force to influence the working of industries in China.-C.B.Mamoria, Satish Mamoria and S.V.Gankar. (15)

Five levels of workers participation ranging from the minimum to the maximum as these levels of participation influence the process and quality of decision-making in an organization. They are Informative, Consultative, Associative, Administrative and Decisive participation ranging form minimum to maximum. -Mehtras.(16)

The state shall take steps, by suitable legislation, or in any other way , to secure the participation of workers in the management of the undertakings, establishments or other organizations engaged in an industry.- Article 43 A of the Indian Constitution.

It is necessary in the context that the worker should be made to feel that in his own way he is helping build a progressive state, the creation of industrial democracy, is a prerequisite for the establishment of a socialist society.-Second Five-Year plan of India.

The Government of India set up a 'Study group on WPM' in 1956, consisting of representatives of the government, employers and workers to examine the system of WPM in UK, Sweden, France, Belgium, West-Germany and Yugoslavia and make recommendations for the Indian case. The recommendations made were- WPM should be introduced ins several undertakings on a voluntary basis and a sub-committee consisting of workers, employers and government should be set up for considering WPM in India.

Participation through ownership was extended to its logical end when the Supreme court, in its judgement in Navneet R>Kamani vs R.R.Kamani(1984) allowed workers to take over a sick unit. Kamani Tubes, New central Jute Mills, Kamani Metals and Alloys, Powder Metals and Alloys and HCS Ltd., are the companies that have been taken over by their respective worker's co-operatives. (K.Aswathappa) (17)

The treatment of participation reveals two significantly different models of participative management: human relations model and human resources model. The first closely resembles the concept of participation, which the managers appear to accept to use for their subordinates. The second describes the sort of comparative policies that managers would apparently like their subordinates to follow. Both the models have three basic components- (i) a set of assumptions about people's values and capabilities (ii) certain prescriptions as to the amount and kind of participative policies and practices that managers should follow keeping with their assumption about people. And (iii) a set of expectations with respect to the effects of participation on subordinate morale and performance. (18)

It is a system of communication and consultation either formal or informal by which employees of an organization are kept informed about the affairs of the undertaking and through which they express their opinion and contribute to management decisions. (19)

Participation provides greater autonomy for subordinates and often leads to increasing motivation for workers. (20)

Objectives of the Study

To study the amount of relationship existing between workers and the management.

To study the effectiveness of worker's participation in management.

To examine whether the employees are satisfied with the various levels of participation in the organization.

Create and promote a sense of belongingness among workers and contribute their best to the organization and thereby increase productivity.

To give suggestions for the improvement of participation in BHEL.

Making employees better understand their roles in the organization.

RESEARCH METHODOLOGY

Research Design: The research study undertaken is purely analytical and based on the facts or information already available which are analyzed to make a critical evaluation of the material.

Sampling Design: The sample design is probabilistic sample design indicating that each element of the sample has a known probability of being included in the sample. Simple random sampling technique is employed. The data is collected from the workers of various departments.

Sample size: The sample size of the workers taken is 96.

Data Collection methods:

The required data are mainly collected through the following methods:-

1. Primary data: Primary data are the first hand information available to the researcher and the sources for collection of primary data are

a. **Questionnaire:** This is one of the commonest methods where a list of questions are administered to each employee and required information is collected from them.

b. **Personal interviews with the management:** The staff interviewed here are HR manager, HR Officers and workers.

Both these two methods were employed in the due course of carrying out the research study.

2. Secondary data: - The required secondary data were collected through available books, Journals and discussions held with the staff and officials.

NEED FOR THE STUDY

WPM is an elastic concept. For the managem,nt, it is a joint consultation with prior to decision amking,but for workers, it means co-determination, for trade unions, it is the harbinger of a new order of social relationship aqnd a new set of power equation within the organizations and for the government, it is an association of labour with the management with out the final authority or responsibility in the process of decision making. For many reasons, WPM in India has failed. To list a few

Lack of understanding of the concept

Rigid attitude of the employees

Vagueness of the legal definitions, scope and functions of the bipartite forums.

Half-hearted implementation of the decisions arrived at these forums

Suspicion in the minds of the trade union leaders about the fairness of the scheme.

Despite the noble intention behind the scheme, it has faced more failure than success as anticipated. Hence the present study is undertaken with an objective of examining the pros and cons of the concept and the reasons for its effective implementation at BHEL and if not suggest ways of effective implementation of the same.

LIMITATIONS OF THE STUDY

Due to time constraint, all the particulars in detail could not be collected.

Few of the employees were not ready to disclose the information as asked in the questionnaire.

The data provided from the company's side was insufficient.

Analysis done is purely made on the data collected.

DATA ANALYSIS

1.Workers participation is a powerful tool for managing the Industrial relations?

Table 1

Valid	Frequency	%
Strongly disagree	1	1
Disagree	11	11.5
Neither agree nor disagree	23	24
Agree	26	27.1
Strongly Agree	35	36.5
Total	96	100

WPM as a Tool for IR

■ %
■ Frequency

Fig 1
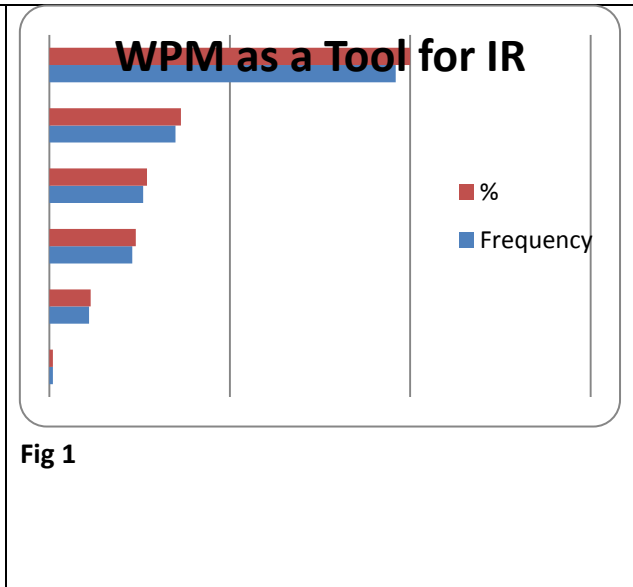
Analysis Of the 96 respondents, 36.5 percent [35] and 27.1 percent of them have strongly agreed and agreed respectively. 24 percent were undecided and a mere 12 percent have disagreed to the statement.

Conclusion From the responses, it is evident that the Workers Participation in Management is very essential in order that Industrial peace and harmony exists.

2.Workers are provided a chance to take part in the decision-making process?

Table 2

Valid	Frequency	%
Disagree	6	6.3
Neither agree nor disagree	13	13.5
Agree	33	34.4
Strongly Agree	44	45.8
Total	96	100

Workers role in Decision-making

■ Frequency ■ %

Frequency; Disagree; 6,3
Frequency; Neither agree disagree; 13,5
Frequency; Agree; 34,4
Frequency; Strongly Agree; 45,8
Frequency; Total; 96

Fig 2
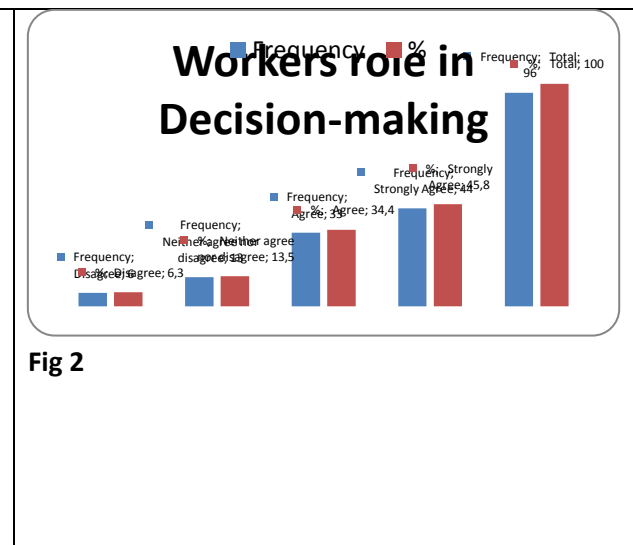
Analysis Of the 96 respondents, a major 45.8 percent are strongly in favour and 34.4 percent also agree to it. Only 13.5 percent would not decide. 6.3 percent disagreed with the statement].

Conclusion The responses indicate that the management has definitely provided chance to the workers to take part in decision making process. It indicates that Industrial relations are good in BHEL.

3. Participation promote the interest of both the parties i.e., management and workers.

Analysis Of the 96 respondents, a major 53.1 percent have strongly agreed. But it is also noteworthy to observe that 29.2 percent could not either agree or disagree with the statement.

Table 3

Valid	Frequency	%
Disagree	1	1.0
Neither agree nor disagree	28	29.2
Agree	16	16.7
Strongly Agree	51	53.1
Total	96	100.0

Fig 3
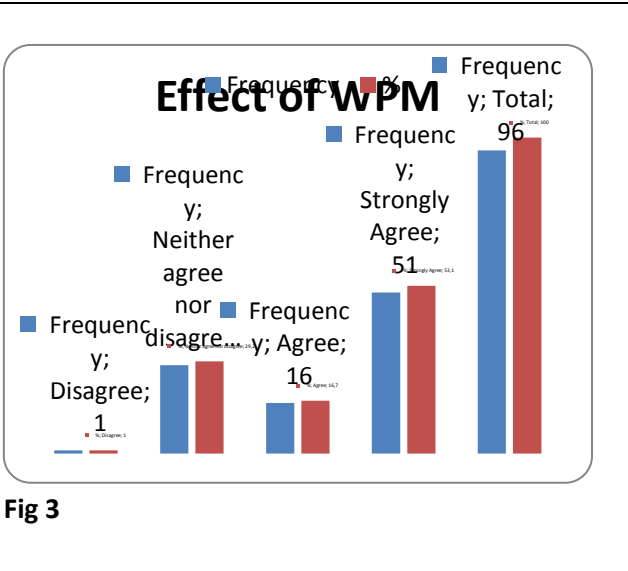
Conclusion Work Programme Management is always allowed in any organisation with the objective of facilitating an environment where both the parties ie. management and work force's interests are satisfied. It can be concluded that more than 50 percent feel it has

been achieved. But it is also interesting to notice that 29.2 percent were undecided of the issue.

4.Trade Union form an integral part in organisation.

Table 4

Valid	Frequency	%
Strongly disagree	1	1.0
Disagree	13	13.5
Neither agree nor disagree	32	33.3
Agree	16	16.7
Strongly Agree	34	35.4
Total	96	100.0

Fig 4
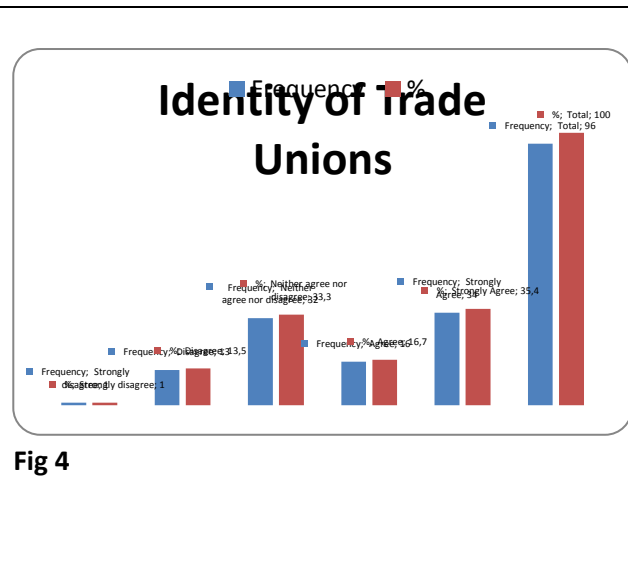
Analysis Of the 96 respondents, 34 have agreed, whereas 32 have neither agreed nor disagreed on the issue.

Conclusion It is evident that Trade Unions are present but the extent to which Trade Union are forming an integral part in the organizational

affairs and the extent to which workers feel it is in doubt].

Management always has a positive approach towards workers.

Table 5

Valid	Frequency	%
Strongly disagree	3	3.1
Disagree	7	7.3
Neither agree nor disagree	10	10.4
Agree	39	40.6
Strongly Agree	37	38.5
Total	96	100.0
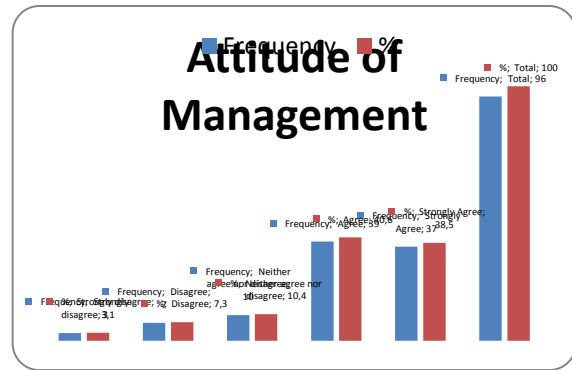
Fig 5

Analysis 35 and 39 employees are feeling that management always has a positive attitude towards workers and only a small number of 3 have disagreed to the question].

Conclusion It indicates that a major portion of 76 employees are happy the way they are treated by the management and only 3 are not satisfied.

6.   The Union at this place tries to cooperate with the management.

Table 6

Valid	Frequency	%
Strongly disagree	2	2.1
Disagree	21	21.9
Neither agree nor disagree	28	29.2
Agree	18	18.8
Strongly Agree	27	28.1
Total	96	100.0
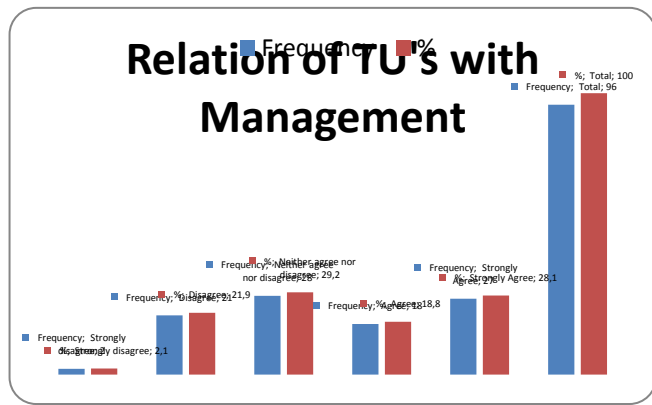
Analysis 28 respondents are unsure if the union is really cooperates with the management and 27 are strongly in favour of the cooperation.

Conclusion The workers are uncertain about the relationship between the Trade Union and the management, whereas equally important is the 27 respondents who agreed that the Trade Union tries to cooperate with the Management.

7.Union should cooperate more closely with the management.

Table 7			
Valid	Frequency	%	
Disagree	30	31.3	
Neither agree nor disagree	10	10.4	
Agree	48	50.0	
Strongly Agree	8	8.3	
Total	96	100.0	
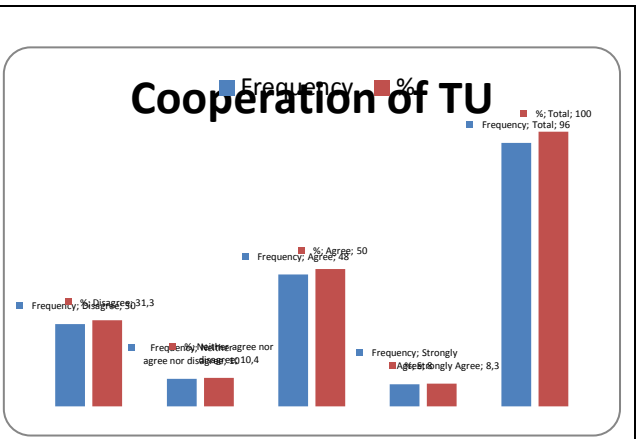
Fig 7

Analysis 50 percent of the respondents have agreed and expressed an opinion that union cooperation is essential whereas 36 percent are against the statement.]

Conclusion Workers have expressed a feeling that it is essential on the part of the union to cooperate with the management. But the disagree respondent of 30 employees also indicates that Trade Unions Coop., the workers interest may be given second priority.

Analysis Of the 96 respondents, 50 have agreed positively that unions should cooperate with the organisation to succeed. Only 27 have disagreed and at the same time 19 could neither support nor disagree with the statement.

Conclusion

For any organisation to succeed and achieve its goals and objectives unions should play a dominant role. 50 percent of the employees responding positively indicates that unions are cooperative to the organisation and union management relations are healthy in BHEL.

8.   Unions should give more attention to help the organisation succeed.

Table 8		
Valid	Frequency	%
Strongly disagree	9	9.4
Disagree	18	18.8
Neither agree nor disagree	19	19.8
Agree	26	27.1
Strongly Agree	24	25.0
Total	96	100.0
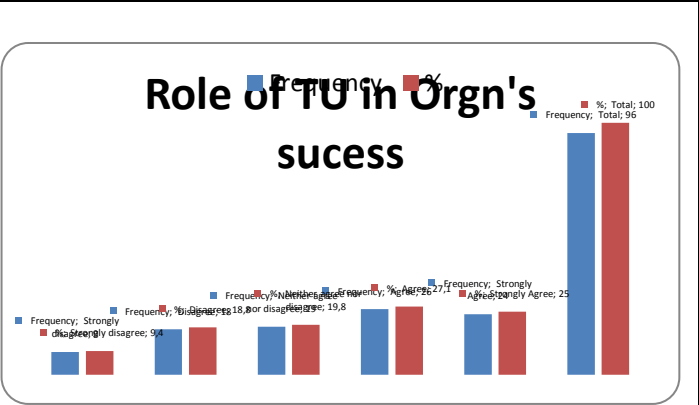
Fig 8

9. Management should cooperate more closely with the Union.

Table 9

Valid	Frequency	%
Strongly disagree	1	1.0
Disagree	11	11.5
Neither agree nor disagree	32	33.3
Agree	25	26.0
Strongly Agree	27	28.1
Total	96	100.0
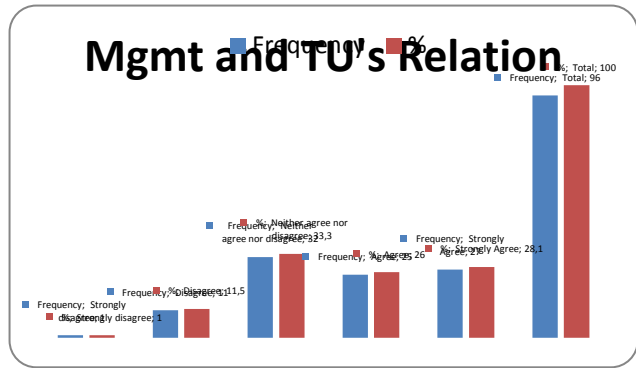
Fig 9

Analysis A major 32 respondents have neither agreed not disagreed. They are uncertain and not confident of this. 27 percent have strongly agreed to the statement.

Conclusion It is significant to note that 33 percent of the respondents are uncertain that management would really cooperate with the union. They are unsure even if it is conditional that management should cooperate with the union existent. But 28 percent are strongly in favour indicates that even unions expect the management to cooperate with them.

Q.10 Unions should fight really hard when employee interests are threatened

Table 10

Valid	Frequency	%
Disagree	14	14.6
Neither agree nor disagree	20	20.8
Agree	38	39.6
Strongly Agree	24	25.0
Total	96	100.0
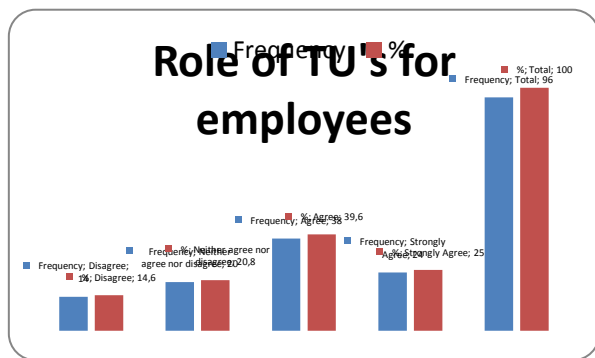
Fig 10

Analysis Of the 96 respondents, 38 have agreed and 24 have strongly agreed to the statement. A mere 14 have disagreed and 20 could neither agree not disagree to it.

Conclusion The presence and existence of Trade Union itself indicates that always under all circumstances, employees interests are to be protected and it's the duty of Trade Unions to

do it. The same view has been expressed by   majority of the employees in BHEL.

11. Presence of trade union makes a difference

Table 11

Valid	Frequency	%
Disagree	15	15.6
Neither agree nor disagree	21	21.9
Agree	28	29.2
Strongly Agree	32	33.3
Total	96	100.0
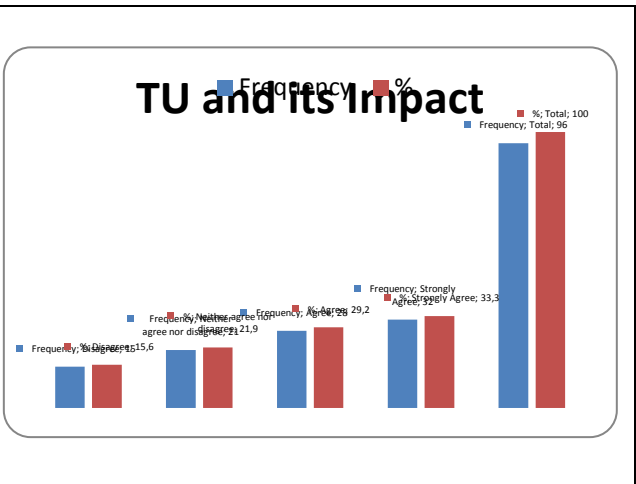
Fig 11

**Analysis** 60 respondents out of 96 have expressed the view that it would be worse if there was no union. 21 felt it would make no difference and 15 have disagreed to the statement.

Conclusion For all social security reasons of every worker, existence of trade union is very essential. So every worker feels to be associated with a trade union and things in an organisation would be worse in the absence of trade union. The support of employees indicate that all employees at BHEL felt that things are better because of presence of trade union.

12.   Workers participation is very essential in any organization.

Table 9

Valid	Frequency	%
Strongly disagree	1	1.0
Disagree	3	3.1
Neither agree nor disagree	25	26.0
Agree	33	34.4
Strongly Agree	34	35.4
Total	96	100.0
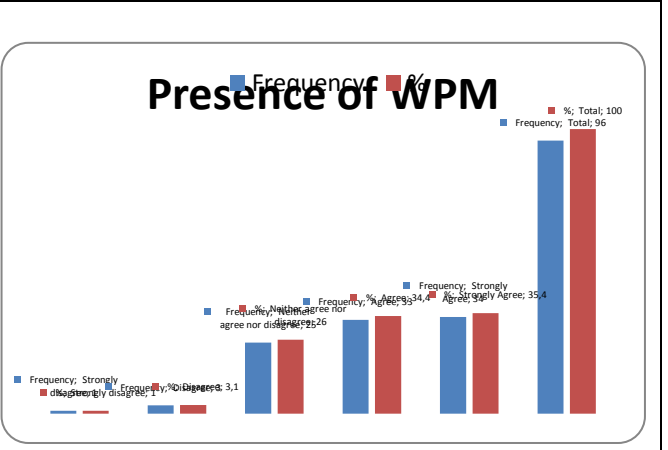
Fig 9

Analysis 34 have strongly agreed and 33 have agreed to the statement. It is also significant to note that 25 have neither agreed nor disagreed to it.

Conclusion In this organisation, Workers participation in management is very essential, so that mutual interests of both the parties ie., management and workers are satisfied. 67 positive responses indicate the essence of Workers participation in management . Disagreement may indicate that workers may

not be happy at the way participation is taking   place.

13. If Workers allowed are allowed in decision making process, productivity increases.

Table 13		
Valid	Frequency	%
Strongly disagree	2	2.1
Disagree	22	22.9
Neither agree nor disagree	26	27.1
Agree	24	25.0
Strongly Agree	22	22.9
Total	96	100.0

Fig 13
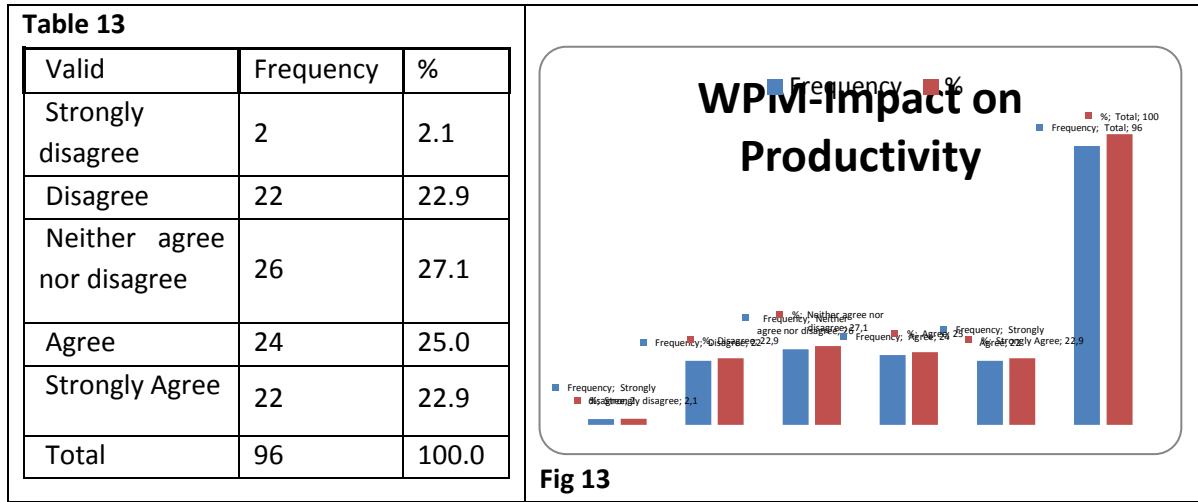
Analysis 26 have neither agreed nor disagreed to this statement. 24 have agreed. A mixed response indicates that workers do not relate productivity to involvement in decision making process.

Conclusion Productivity of workers may be dependent on various work-related factors like efficiency and skills and not necessarily influenced by workers involvement in decision making process.

14.Workers are satisfied when participation takes place at all levels of branch, zonal, regional and corporate level.

Analysis

Of the 96 respondents, 26 and 25 employees have agreed and strongly agreed to the statement. 20 have disagreed and only 6 have strongly disagreed that workers are satisfied when participation takes place at all the four levels.

Conclusion

53 percent respondents agree that when participation takes place at branch level, zonal level, regional and corporate level only, workers are happy. The organisation is very cooperative and accepted the workers to have their share at all the four levels in BHEL.

Table 14

Valid	Frequency	%
Strongly disagree	6	6.3
Disagree	20	20.8
Neither agree nor disagree	19	19.8
Agree	26	27.1
Strongly Agree	25	26.0
Total	96	100.0
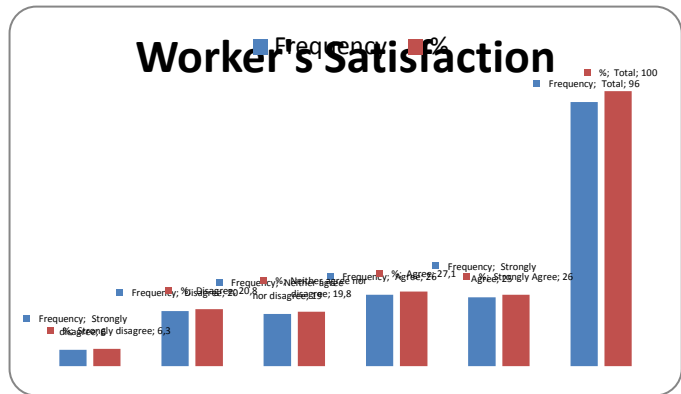
Fig 14

Q.15   The Works Committee takes up all these measures

1. Safety and accident preventive measures
2. Communication between management and workers
3. Achieving production targets

Table 15

Valid	Frequency	%
Disagree	4	4.2
Neither agree nor disagree	26	27.1
Agree	26	27.1
Strongly Agree	40	41.7
Total	96	100.0
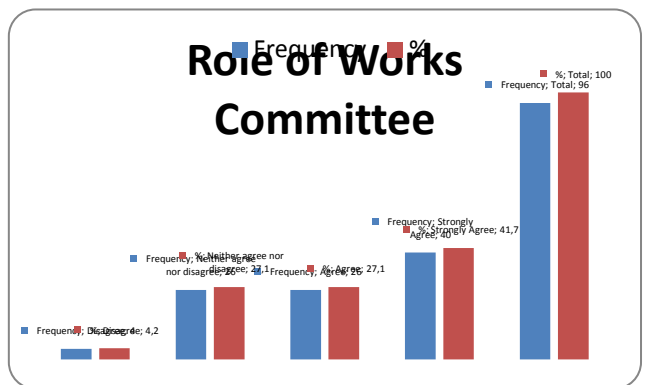
Fig 15

Analysis Of the 96 respondents, 40 have strongly agreed and 26 have agreed that works committee at BHEL is taking up all the measures specified.

Conclusion

66 positive responses indicate that workers are aware that the works committee is taking up all the safety and welfare measures including achievement of production targets.

Q.16   The Joint Council of your organization operates at the Branch Level

Table 16

Valid	Frequency	%
Strongly disagree	3	3.1
Disagree	30	31.3
Neither agree nor disagree	9	9.4
Agree	38	39.6
Strongly Agree	16	16.7
Total	96	100.0
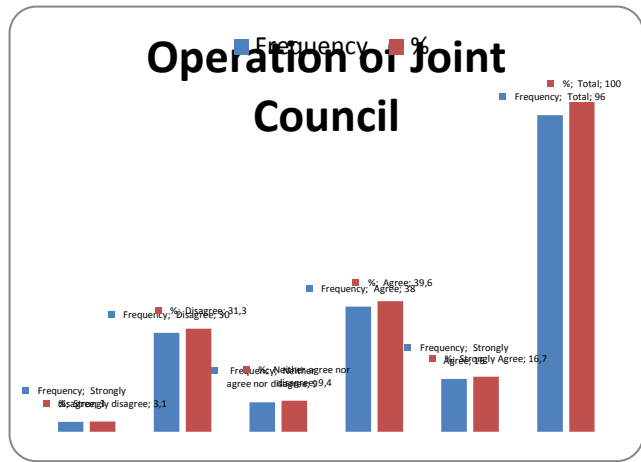
Fig 16

Analysis Of the 96 respondents, 38 have agreed and 30 have disagreed. 16 have strongly agreed, 9 have neither agreed nor disagreed.

Conclusion A total of 52 have agreed that the Joint Council operates at the Board level. The number who disagreed may be ignorant of the Joint Council or they may not know the existence of Joint Council itself.

Q.17 Workers are happy with the attitude of the management towards participation.

Table 17

Valid	Frequency	%
Strongly disagree	6	6.3
Disagree	25	26.0
Neither agree nor disagree	19	19.8
Agree	30	31.3
Strongly Agree	16	16.7
Total	96	100.0
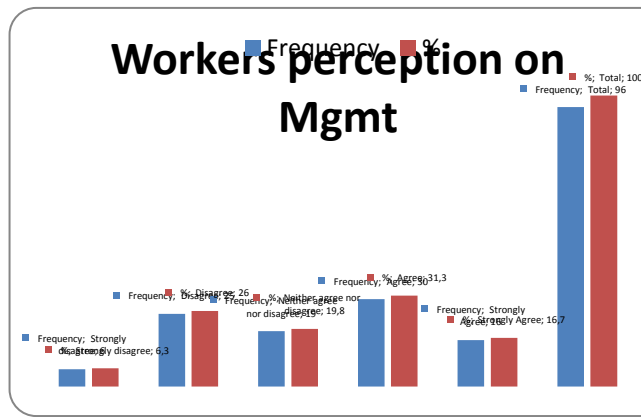
Fig 17

Analysis Of the 96 respondents 30 have agreed and 25 have disagreed, 16 have S.A., 19 have neither agreed nor disagreed.

Conclusion 46 respondents are happy and agreed that the attitude of management towards participation is positive. It indicates that participation is a welcome gesture at BHEL, management is also allowing it and workers are happy about it.

Q.18 Consultative committee is always effectively representing the employee point of view.

Table 18

Valid	Frequency	%
Strongly disagree	2	2.1
Disagree	20	20.8
Neither agree nor disagree	22	22.9
Agree	30	31.3
Strongly Agree	22	22.9
Total	96	100.0
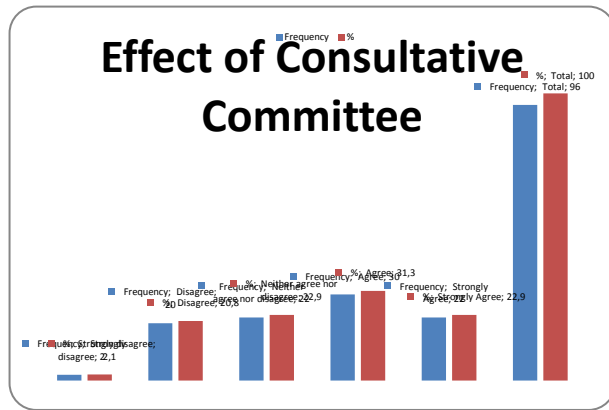
Fig 18

Analysis 30 and 22 respondents have agreed and strongly agreed respondent to the feeling that consultative committees always represent employee point of view. But equally significant are 22 employees who have neither agreed nor disagreed to the statement.

Conclusion 52 respondents have carried a feeling that consultative committee have always represented employee point of view, workers feel the effect of participation when only the consultative committee represents the employee view to the management and work out things profitably.

Q.19   The basic functions of Industrial health, safety and welfare measures are performed in your organization by Joint Management Councils

Analysis

Of the 96 respondents, 40 have agreed and 36 have strongly agreed that the Joint Management Councils perform the basic functions of I.health and safety, 16 have neither agreed nor disagreed.

Table 19

Valid	Frequency	%
Disagree	4	4.2
Neither agree nor disagree	16	16.7
Agree	40	41.7
Strongly Agree	36	37.5
Total	96	100.0
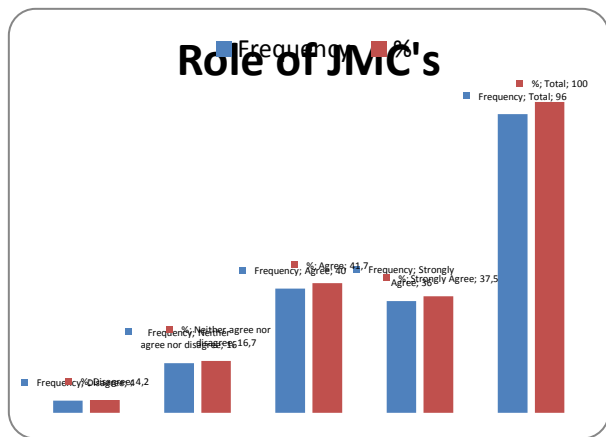
Fig 19

Conclusion The Joint Management councils are established basically to look into the activities of Industrial health and safety apart from all the welfare measures provided to the employees.

The 76 positive responses show that the Joint Management Council is committed to its task and the workers are satisfied with Joint Management Council.

20.Always given a chance to express your feelings with regards to organizational happenings.

Table 20

Valid	Frequency	%
Disagree	2	2.1
Neither agree nor disagree	27	28.1
Agree	20	20.8
Strongly Agree	47	49.0
Total	96	100.0
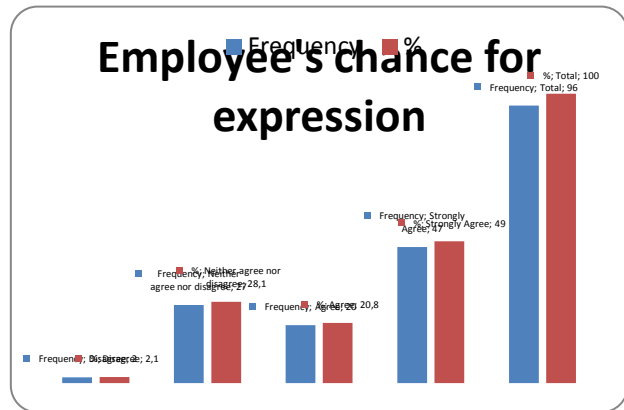
Fig 20

Analysis 47 respondents have strongly agreed, 27 have neither agreed nor disagreed, 20 have agreed and feel that organisation always provides a chance to workers to express their feelings openly.

Conclusion The positive response of 47 respondents indicate that organizational environment is conducive to the workers and the workers are free to express their feelings towards organizational happenings. It indicates that organizational climate is health for both workers and the Management.

Descriptive Statistics

The data was analyzed using SPSS. Necessary tables encompassing SPSS output is included.

The confidence level of 0.05 is assumed for the study.

To test the hypothesis (H1), one-way ANOVA is used for multi-level comparisons.

Variables that measure workers participation in management are

Promotes interest of both workers and management as expressed in 1, 3 and 6.

Participation takes place at all levels as expressed in 15, 16, 18 and 19.

Variables that measure workers satisfaction are

Presence of Trade Unions as expressed in 4, 8,10,11,13 and 20.

Positive approach of management as expressed in 5, 7,9,14 and 17.

Allowed in the decision-making process as expressed in 2 and 12.

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Presence of Trade Unions	96	14	28	22.27	3.342
Positive approach of MGMT	96	12	25	17.80	2.893
Allowed in decision process	96	6	10	8.20	1.202
Promotes interest of workers and management	96	7	15	11.57	1.781
Types of participation	96	12	20	15.06	1.999

Of the variables, the presence of Trade Unions has a significant value of 22.27 and a standard deviation value of 3.342. This indicates that the workers level of satisfaction is greater when there is existence of trade unions in an organization and BHEL is not an exception.

Correlations

		Presence of Trade Unions	Positive approach of MGMT	Allowed in decision process	Promoters interest of workers and management	Types of articipation
Presence of Trade Unions	Pearson Correlation	1	.534(**)	.178	.405(**)	.544(**)
	Sig. (2-tailed)		.000	.083	.000	.000
	N	96	96	96	96	96
Positive approach of MGMT	Pearson Correlation	.534(**)	1	.214(*)	.092	.383(**)
	Sig. (2-tailed)	.000		.036	.374	.000
	N	96	96	96	96	96
Allowed in decision process	Pearson Correlation	.178	.214(*)	1	-.167	.293(**)
	Sig. (2-tailed)	.083	.036		.105	.004
	N	96	96	96	96	96
Promotes interest of workers and management	Pearson Correlation	.405(**)	.092	-.167	1	.147
	Sig. (2-tailed)	.000	.374	.105		.154
	N	96	96	96	96	96
Types of participation	Pearson Correlation	.544(**)	.383(**)	.293(**)	.147	1
	Sig. (2-tailed)	.000	.000	.004	.154	
	N	96	96	96	96	96

** Correlation is significant at the 0.01 level (2-tailed).

*Correlation is significant at the 0.05 level (2-tailed).

The presence and existence of Trade unions at BHEL is correlated with the variables of Positive approach of management at 0.534(**) and when Workers participation in management is promoting the interests of both the parties of workers and management at .405(**) and there is existence of all the levels of participation.

Positive approach of MGMT is correlated with the variables of Presence of Trade Unions at .534(**), Allowed in decision process at .214(*) and to Types of participation at .383(**)

Workers being allowed in decision making process is correlated with Positive approach of MGMT at .214(*),.and with the types of participation at .293(**)

WPM in an organization would promote the interests of the workers and management and is correlated with Presence of Trade Unions at .405(**) only.

The various levels of participation allowed at BHEL are significantly correlated with The presence and existence of Trade unions, Positive approach of management and Allowed in decision process at .544(**), .383(**) and at .293(**) level.

Based on the above data collected and analyzed, the following hypothesis is tested, to find a fit between the variables of Promotes interest of both workers and management, Participation taking place at all levels, Presence of Trade Unions, Positive approach of management and workers being Allowed in the decision-making process.

HYPOTHESIS-TESTING:

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.405(a)	.164	.155	3.072

a Predictors: (Constant), Promotes interest of workers and management

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	174.098	1	174.098	18.453	.000(a)
	Residual	886.860	94	9.435		
	Total	1060.958	95			

a Predictors: (Constant), Promoters interest of workers and management

b Dependent Variable: Presence of Trade Unions

If workers participation in management is to be effective, a one-way ANOVA revealed that there is a significant difference between the two variables which have an R square value of .164 and a relatively high F-value of 18.453. Thus the hypothesis that there exists a significant relationship between workers participation and satisfaction of the workers.

Based on the above data collected and analyzed, the following hypothesis is tested, to find a fit between the variables of Promotes interest of both workers and management, Participation taking place at all levels, Presence of Trade Unions.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.544(a)	.296	.289	2.819
2	.636(b)	.404	.392	2.607

a Predictors: (Constant), Types of participation

b Predictors: (Constant), Types of participation, Promotes interest of workers and management

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.

1	Regression	314.215	1	314.215	39.553	.000(a)
	Residual	746.743	94	7.944		
	Total	1060.958	95			
2	Regression	428.990	2	214.495	31.565	.000(b)
	Residual	631.968	93	6.795		
	Total	1060.958	95			

a Predictors: (Constant), Types of participation

b Predictors: (Constant), Types of participation, Promotes interest of workers and management

c Dependent Variable: Presence of Trade Unions

If workers participation in management is to be effective, a one-way ANOVA revealed that there is a significant difference between the two variables which have an R square value of .296 and a relatively high F-value of 39.553. Thus the hypothesis that there exists a significant relationship between workers participation and satisfaction of the workers.

Based on the above data collected and analyzed, the following hypothesis is tested, to find a fit between the variables of Participation taking place at all levels, Presence of Trade Unions and the positive approach of the management.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.383(a)	.146	.137	2.687

a Predictors: (Constant), Types of participation

ANOVA(b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	116.375	1	116.375	16.114	.000(a)
	Residual	678.865	94	7.222		
	Total	795.240	95			

a Predictors: (Constant), Types of participation

b Dependent Variable: Positive approach of MGMT

If workers participation in management is to be effective, a one-way ANOVA revealed that there is a significant difference between the two variables which have an R square value of .146 and a relatively high F-value of 16.114. Thus the hypothesis that there exists a significant relationship between workers participation and satisfaction of the workers

Based on the above data collected and analyzed, the following hypothesis is tested, to find a fit between the variables of Participation taking place at all levels, Presence of Trade Unions and the positive approach of the management, allowed in decision-making process and promotes the interst of both the workers and the management.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.293(a)	.086	.076	1.155
2	.361(b)	.131	.112	1.133

a Predictors: (Constant), Types of participation

b Predictors: (Constant), Types of participation, Promotes interest of workers and management

ANOVA(c)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.759	1	11.759	8.809	.004(a)
	Residual	125.481	94	1.335		
	Total	137.240	95			
2	Regression	17.912	2	8.956	6.980	.001(b)
	Residual	119.327	93	1.283		
	Total	137.240	95			

a Predictors: (Constant), Types of participation

b Predictors: (Constant), Types of participation, Promotes interest of workers and management

c Dependent Variable: Allowed in decision process

If workers participation in management is to be effective, a one-way ANOVA revealed that there is a significant difference between the two variables which have an R square value of .086 and a relatively high F-value of 8.809. Thus the hypothesis that there exists a significant relationship between workers participation and satisfaction of the workers

Thus looking at the results obtained the results of the correlations between the five variables of workers satisfaction as represented in the study. Though the values are not very high, this provides the scope for further research into additional variables that leads to workers satisfaction with regards to workers participation in management at BHEL.

SUGGESTIONS

To make the scheme of WPM an effective tool in the decision-making process of the organization, the following measures are suggested

The objective of WPM should be clearly laid down.

There should be more concentration on the participation at the lower level and at the same time, need to have workers representatives in the top level to ensure success of participation at all the levels.

Theres should be proper communication between the management and the workers, both formal and informal.. An iformal communication channel would be a best optionto be drawn up in the consultative machinery.

Direct involvement of the workers should be facilitated in the participative machinery.

Strong and effective trade unions are desirable for the success of WPM.

Workers education and training are necessary ancillaries for the effective functioning of participative machinery.

All issues relating to wages, promotion policy, bonus etc are to be bought within the purview of the WPM forums.

Compulsory recognition of the Trade Union in an industry employing 100 or more than 100 workers as per the recommendations of the National Commision On Labor.

The decisions of these forums are to be implemented without delay.

The above suggestions, if implemented will go a long way in making the scheme of Workers Participation in Management a grand success.

CONCLUSIONS

The conclusions are based on the working ofd the participation forums of the organization.

When relationship between the management and the workers is studied, it is found that WPM is very effective and the relations between he management and the workers are very cordial and friendly.

The study showed that WPM is very effective at BHEL. The management played an active role so that the Trade Union played its role in the participation forum.

Employees are satisfied with the various levels of participation with the mutual understanding and cooperation among themselves.

Shop Councils, Joint Councils and Plant Councils look into the function relating to production and productivity processes. These have been very helpful in evaluation of the production performance schemes in BHEL. These have helped in planning, implementation and review of monthly targets and schedules.

The study of participative forums and committees in BHEL shows that though the concept of WPM is quite successful contributing to the production of the organization to a great deal.

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IS THE PLEASURE OF SCENT IN LUXURY STORE DIFFERENT THAN CONVENIENCE STORE?

Pranay Verma

Abstract

Ambient scent is a hidden stimulus for retailers. Not much has been researched on this. This paper attempts to study the differences in the effect of pleasure and skepticism aspect of scent on perception of buyers at luxury and convenience stores. A filed experiment was conducted to study the impact of scent in the two store formats. This study uses a paired t test to find the significance in difference of the means. Pleasure is significantly different in two type of stores, while skepticism is partly so.

Keywords: *Scent, Pleasure, Skepticism, Atmospherics*

Introduction

The notion that atmospherics influence consumer behavior is widely accepted in the marketing literature, yet theory development is clearly limited in this area (Turley & Milliman, 2000). Past studies have examined the effects of individual pleasant stimuli such as music, color or scent on consumer behavior, but have failed to examine how these stimuli might interact.

It is suggested that to maximize these holistic effects, consumers need to perceive the arousing qualities of the scent (stimulating or relaxing) present in a Servicescape. Matching ambient stimuli might lead to higher evaluations of the store environment, more positive behavioral responses and higher satisfaction levels and then mismatching. We propose that the arousing quality of stimuli in a Servicescape is one dimension that effects this holistic evaluation. We test this proposition using pleasant ambient cues of scent. A paradigm representative of current olfactory research effects relevant to a retail setting was developed and the evidence supporting the paradigm have

been examined.

Conceptual Background on Scent

Researchers have generally differentiated scents along three different, although not necessarily independent dimensions (Spangenberg et al., 1996). They include the affective quality of the scent (e.g., how pleasant it is), its arousing nature (e.g., how likely it is to evoke a physiological response), and its intensity (e.g., how strong it is). Although scents can affect arousal levels (e.g., Lorig and Schwartz, 1988), to our knowledge, no prior research has investigated the arousing nature of a scent independent of its affective quality. Furthermore, prior studies have failed to explicitly measure scent presence effects on approach and avoidance behaviors (for a recent review on olfaction research see Bone & Ellen, 1999).

Retailers must clearly avoid unpleasant smells that gives rise to high state of arousal, and in all likelihood, avoidance behaviour (Ward 2003). Smell can be used as an ambience to influence the buying behaviour. Ambient scent is one of the stimuli that lead consumers to develop a holistic view of the store. It is also among the

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atmospheric cues of an outlet, and their evocative power is particularly strong (Daucé, 2000). Their influence on the store has been the subject of research in North America (Spangenberg, Crowley and Henderson, 1996). In France, Daucé (2000) analyzed the impact of diffusing ambient scents in a women's ready to wear store. Two scents were examined and the findings show the influence that diffusing scents can have on affective (pleasure), cognitive (evaluation of time spent, general evaluation of store) and behavioral (presence time) responses. It is noticeable that purchases (amount, number of items) were not influenced. There are many moderators influencing scent, which can be classified into two as individual characteristics (eg gender) and context effects (eg stressful task).

While music and light can be identified by certain primary characteristics like sound pressure level, luminosity, odour can be measured by quality and intensity. Quality refers to the effective tone of an odour (Takagi 1989) while intensity refers to the concentration of the odour (Takagi 1989).

Ambient scent is to be distinguished from non ambient scent. Ambient scent refers to scent that does not originate from any particular object but is present in the environment. Research on ambient scent has been less common (Bone & Ellen, 1994; Gulas & Bloch, 1995), but may be of greater interest to retailers and other service providers than product-specific scents. Ambient scent could affect perceptions of the store and its products, including those products that are difficult to scent (e.g., office supplies and furniture, Gulas & Bloch, 1995). Scholarly research on the effects of ambient scent has been limited. A notable exception is Spangenberg et al.'s 1996 study,

which examined the impact of ambient scents in a simulated retail environment. The findings indicated that subjects had more positive evaluations and behaviors in the scented rather than the unscented environment. Unexpectedly, the type of scent did not matter, as even effectively neutral scents were able to generate enhanced perceptions. Furthermore, the intensity of the scent (within a reasonable range) failed to have an impact on the results. Two other empirical studies have examined the effects of ambient scent in a consumer behavior context. In the first study, subjects spent more time on a catalog-shopping task in scented than in unscented rooms (Bone and Ellen, 1994). The second study found that gamblers spent more money on slot machines when the casino was pleasantly scented than when it was not (Hirsch, 1995).

Research on cue congruency, or whether a scent is perceived as appropriate in a particular context, has produced mixed results. Scents that are inconsistent with the product tend to have a negative effect on product or ad evaluations (Mitchell, Kahn & Knasko, 1995; Ellen & Bone, 1999). However, only Bone and Jantrania's (1992) study provides direct support for a positive impact of cue congruency. In their investigation, adding a consistent scent enhanced consumers' evaluations of household cleansers and suntan lotions. Gulas and Bloch (1995) developed a conceptual model portraying ambient scent as an environmental cue that influences emotional responses and ultimately shopping behaviors. Similar to Mehrabian and Russell's framework, we posit in this model that scent influences consumer' perceptions of pleasure and arousal, which in turn affect behavioral responses to the environment.

Prior Scent Marketing Studies

Source	Dependent Variable	Process	Impact
Bone and Jantrania 1992	Overall Product evaluation	Alert Customers in case of incongruency	Disturbance of customer attention and choice
Mitchell et all 1995	Information Search, Product Choice	Gives access to stored information like memories or product class schemas	Cognitive Stimulation, greater depth of processing
Spangenberg et all 1996	Evaluation of store	Make customer forget time and enhance experience	Behaviural Reaction, increased length of stay
Chebat and Michon 2003	Pleasure, Mall Perception, Spending	When faced with incongruency, individuals will engage in more elaborate information searching.	No specific odour has no effect on shopper's specific positive and perception of mall
Lunardo 2012	Skepticism, Pleasure, Integrity	Make customers customers suspect that retailers want them to buy more	Increased customer skepticism, decrease in pleasure

The Present Study

First of all, we investigated whether the presence of an ambient scent induces skepticism in a convenience store differently from a luxury store. In line with previous studies (Knasko, 1989), we expected to find no effect of an ambient smell on sales in general. In addition, we investigated whether an odour could function as a signal for pleasure to a customer differently in a convenient store and a luxury store. It has been hypothesized that odour would have no difference in skepticism and pleasure for a luxury store and a convenience store.

Hypothesis Development

The study also checks if there is a difference in demographic profile for luxury and economy stores.

Optimal arousal theory suggests that minor changes in the environment, such as adding a low level of scent or playing background music, increases the environment's perceived novelty and pleasantness (Berlyne, 1971; McClelland et al., 1953). Consequently, we expect that adding either a pleasant scent or pleasant background music to the retail environment should enhance the perceived positive state of the store environment, including the amount of pleasure associated with it. Its impact would be the same for a luxury store and as well as a convenience store.

Studies on Pleasure and Skepticism

Performance Measures	Alpha	Variables	Source	Impact
Pleasure	0.96	Happy	Mehrabian & Russell 1974	Approach
		Pleased		
		Satisfied		
		Contended		

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Skepticism inducing	0.91	Product Attractiveness Purchase	Lunardo	Avoidance

Skepticism-inducing

Lunardo (2012) suggested in his research that ambient scent could be seen by consumers as a tactic used by retailers to persuade them to help retailers to achieve their corporate goals. He also suggested that such a tactic is likely to lead consumers to become skeptical about retailer's motives. Eventhough evidence about the effects of ambient scents in the store environment on pleasure (Donovan and Rossiter, 1982, Ehrlichman and Halpern, 1988, Gulas and Bloch, 1995 and Spangenberg et al., 1996), it would be theoretically possible that consumers react to them not by feeling more pleasure but rather by developing negative reactions. He suggested that an ambient odor, if leading to skepticism toward retailer's motives, could lead shoppers to react by behaving in the opposite way than the one wanted by the retailer. As a result, it was proposed that consumers in skepticism-inducing environment feel less pleasure than in a non skepticism-inducing environment. These questions have been re framed as in H_1 and H_2.

H_1: There is no difference between a luxury store and a convenience store in a customer buying things which he does not want because of the scent.

H_2 There is no difference in perception between a luxury store and a convenience store that a customer finds the product more attractive because of the scent.

Pleasure

It is assumed that ambient scent influences consumers' mood through the arousal and pleasure dimensions. Russell and Pratt (1980) found that pleasure and arousal were independent dimensions. Berlyne (1971, 1974) hypothesized that arousal influences pleasure.

The path from arousal to pleasure is verified in a number of marketing studies (Wakefield and Baker, 1998; Babin and Attaway, 2000; Eroglu et al., 1998). Pleasant feelings are not necessarily correlated with strong arousal (Dube´ et al., 1995; Spangenberg et al., 1998; Richardson and Zucco, 1989).

H_3 There is no difference of perception between a luxury store and a convenience store in a Scent making a customer happy.

H_4 There is no difference in perception between a luxury store and a convenience store that a customer is satisfied with the scent.

H_5 There is no difference in perception between a luxury store and a convenience store that a customer is contended with scent.

H_6 The customer is Pleasure with scent in a luxury store differently from that in a convenient store.

The measurement was done using a one item five point semantic scale. This scale was developed by Chebat. These measures were also used by Baker, Levy and Grewal (1992) experiment to determine the effects of social and ambient cues.

Research Methodology

The study was located at the popular department stores in Delhi NCR, with the customers as the subjects. Six Hundred and Fifty Four (n=654) valid responses were collected from participants in the Delhi NCR region. Participants were instructed to complete an extensive questionnaire, in which they recorded their perceptions of store atmospherics of a store. The mode of contact was store intercept. The questionnaire which was adopted in this study required the respondents to rank perception attributes pertaining to odour for a luxury stores and convenience store on a Likert

scale ranging from 1 to 5 (strongly disagree to strongly agree).

Pretesting of questionnaire and measures
A pilot survey was conducted on a sample of 30 respondents in the actual store environment. The results from the pilot test were used to adjust the scent intensity, and the music volume. In addition, feedback from the pretest sample was incorporated into the wording of the questions and the survey layout.

The intent of the questionnaires was to generate a store atmospherics for ambient scent perception profile for economy and luxury stores based on its users' responses to questions about their experiences in these environments.

Data Analysis

A total of 654 customers were asked to participate in the survey. 6 were invalid responses. Of those valid, 324 were of the luxury stores and 324 of convenience stores. Nearly 75% of the respondents were female, and close to 65% were young people less than 20 years old. Taken together, these sample characteristics closely match the retail store's primary target markets. A paired t test for two independent samples was conducted to test the hypothesis. The variable is normally distributed and the mean is known. The two samples are independent of each other. Paired sample t-tests were conducted to shed light on the differences in the perception ratings of respondents. This specifically aims to compare the mean scores of each dimension of luxury stores and convenience stores.

The null hypothesis (Ho) is that there is no significant difference between the mean scores. On the other hand, the alternative hypothesis denotes that a significant difference exists between the mean scores.

As indicated in Table 1, a paired t test for two independent samples was conducted. Since the data collected on an interval scale, a parametric test was conducted to test if there was any significant difference in the liking for luxury vis a vis convenience stores for scent as an ambient factor. Individual differences between store types were investigated using t-tests. Throughout this paper, $P < 0.05$ was used as the criterion for statistical significance.

H_1 There is no difference between a luxury store and a convenience store in a customer buying things which he does not want because of the scent.

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Li1	1.77	324	.813	.045
	Ci1	1.81	324	1.026	.057

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Li1 & Ci1	324	-.027	.625

Paired Samples Test

		Paired Differences				t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference			

				Lower	Upper			
Pair 1 Li1 - Ci1	-.040	1.327	.074	-.185	.105	-.544	323	.587

The result shows that impact of scent as a stimuli in purchasing behaviour in a luxury store is statistically not different from a convenience store.

H₂ There is no difference in perception between a luxury store and a convenience store that a customer finds the product more attractive because of the scent.

Paired Samples Statistics Scent

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Ci6	1.84	324	.964	.054
Li6	2.36	324	1.122	.062

Paired Samples Test

	t	df	Sig. (2-tailed)
Pair 1 Ci6 - Li6	-6.245	323	.000

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Li6 - Ci6	.525	1.512	.084	.359	.690	6.245	323	.000

The paired t test shows that that the result is not significantly different.

The impact of scent making a product more attractive is statistically different in luxury and convenience stores.

H₃ There is no difference of perception between a luxury store and a convenience store in a Scent making a customer happy

Paired Samples Statistics

	Mean	N	Std. Deviation	Std. Error Mean
Pair 1 Li3	4.36	324	.669	.037
Ci3	3.27	324	1.053	.058

Paired Samples Correlations

	N	Correlation	Sig.
Pair 1 Li3 & Ci3	324	-.003	.951

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Li3 - Ci3	1.090	1.250	.069	.953	1.226	15.693	323	.000

The impact of scent making a customer happy is statistically different in a luxury store as compared to a convenience store.

H₄ There is no difference in perception between a luxury store and a convenience store that a customer is satisfied with the scent.

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Li14	3.09	324	.969	.054
	Ci14	2.64	324	1.139	.063

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Li14 & Ci14	324	.019	.728

Paired Samples Test

	Paired Differences					t	df	Sig. (2-tailed)
	Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
				Lower	Upper			
Pair 1 Li14 - Ci14	.457	1.481	.082	.295	.619	5.552	323	.000

The level of satisfaction with scent is statistically different in convenience and luxury stores.

H₅ There is no difference in perception between a luxury store and a convenience store that a customer is contended with scent.

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Li20	3.27	324	1.132	.063

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Ci20	2.55	324	1.108	.062

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Li20 & Ci20	324	-.011	.847

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Li20 - Ci20	.722	1.592	.088	.548	.896	8.164	323	.000

The level of contentment with scent is statistically different in luxury and convenience stores

H₆ There is no difference in perception between a luxury store and a convenience store that a customer is pleased with scent.

Paired Samples Statistics

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Li34	3.14	324	1.068	.059
	Ci34	2.60	324	.976	.054

Paired Samples Correlations

		N	Correlation	Sig.
Pair 1	Li34 & Ci34	324	.012	.829

Paired Samples Test

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	Li34 - Ci34	.540	1.439	.080	.383	.697	6.758	323	.000

The level of Pleasure with scent is statistically different in luxury and convenience stores.

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Summary of Hypothesis tests

Construct	Measures	Total number of tested paired relationships	Mean		Significance	Statistical significance in difference of perception of odour
			Luxury Store	Convenience		
Skepticism	Purchase	324	1.77	1.81	0.587	No
	Product Attractiveness	324	2.36	1.84	0.00	Yes
Pleasure	Happiness	34	4.36	3.27	0.00	Yes
	Satisfaction	324	3.09	2.64	0.00	Yes
	Contended	324	3.27	2.55	0.00	Yes
	Being Pleased	324	3.14	2.60	0.00	Yes

Conclusions

In the present study, it has been found that there is no difference in purchase by a customer, due to the effect of scent in a luxury store as compared to a convenience store. Scent motivates a customer to purchase equally in a convenience and a luxury store. However the impact of scent on happiness, satisfaction, product attractiveness, contentment, pleased is different in luxury and convenience stores. A pleasant scent can help sell a product but its impact on customer's satisfaction, happiness, product attractiveness, contentment and Pleased towards scent is different in different stores. The research concludes that atmospherics has a great impact on the buyer's perception. Theoretically, this study has contributed to the existing theory by showing the atmospherics impact on the store composition for luxury retail and economy retail stores. More specifically, the retailers of this sector have to take consideration about some factors, for example scent in a luxury store to lower skepticism and create pleasure in a store environment.

Limitations

The first limitation involves the use of a few retail stores in the field experiment. The context of this study were retail stores in Delhi NCR and hence, it can be argued that this type of a retail environment might be unique to metro town setup. Consequently, the extent to which our findings can be generalized across different types of service providers or retail stores need to be established. The second limitation concerns the use of single type of ambient cue. Combining other atmospherics, such as music, color schemes and layout, with scent might provide additional insight into how consumers perceive atmospherics. This study does not show if satisfaction, happiness, product attractiveness, contentment and Pleased towards scent is better or worse for a luxury store as compared to a convenience store. Olfactory information can be quite ambiguous unlike words, picture or sound. Scents are difficult to recognize and label (Schab 1991) and can produce false alarms (Engen 1972). The lack of clarity when interpreting odours is exacerbated by the fact that surrounding cues also affect customer's ability to detect and recognize odours (Davis 1981).

Managerial Implications

This study provides evidence that improving a store's ambient conditions enhances consumers' evaluations and behaviors in the shopping experience. Strategically manipulating the environment's arousing qualities via scents can help luxury retailers to differentiate their stores from otherwise similar competitors. Moreover, appropriate aromas might positively encourage shoppers to engage in impulse buying. However, great care is needed to ensure that the effects of different environmental stimuli *match.* As this study has shown, consumers respond more positively towards the environment, when the stimuli match to provide a coherent ambience.

Because the novelty and stimulation of a particular scent might wear off relatively fast, retail stores that rely on heavy frequent visit patterns might not be prime candidates for this type of environmental manipulation.

Further Scope

A study can be done to find which type of store is impacted more by skepticism and pleasure. Constructs like Attitude, Integrity for odour can be measured. Combining other atmospherics, such as music, color schemes and layout, with scent might provide additional insight into how consumers perceive atmospherics.

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ADAPTING RETAIL BUSINESS MODELS TO COMPETE: THE 'ORGANISED AVATAR' OF THE KIRANA STORE IN INDIA

Ray Titus, Debashish Sengupta & Shruti Santhakumar

Abstract

This case-based research focuses on an organized format retail house in India to enter and compete in the Indian kirana scene with an model that focuses on operating 'organized' kiranas in a chained manner under the banner KB's Fair price. The research study centers on KB Fair Price's chained retail business model, focusing on the process of value creation for its target set of buyers, and the impediments coming in the way of such value creation. KB's Fair Price can be seen as the first attempt by any major retailer in India in entering the unorganized kirana space with an organized and chained format.

Keywords: Retail, Business Model, Kirana, Strategy, Competition

The business of Retail in India has always held immense potential for those aspiring to enter the market with 'organised formats'. What has traditionally been ubiquitous in the convenient format of retailing in India is the 'kirana' store. The kirana stre in India is the equivalebnt of the mom-and-pop store as seen in the West. Currently it is estimated that India has around 12-13 million retail stores, out of which FMCG kiranas make up nine million. For the organised form of retail to make any mark in India, it would be required they be able to penetrate and compete with local kiranas. This in turn would mean that organised retail players develop an innovative business model far different from those they currently operate with in the Retail sector, to effectively take on the kiranas in India.

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Business models have been defined in numerous ways with emphasis on the design of transactions in creating value (Amit & Zott, 2001), the integration of value stream for buyers and partners, the revenue stream, and the supply chain (Mahadevan, 2000), and the business firm's central logic in creating value (Linder & Cantrell, 2000).

This particular case-based research focuses on the attempt of Future Group, an organised format retail house in India to enter and compete in the Indian kirana scene with a distinct and innovative model that focuses on operating 'organised' kiranas in a chained manner under the banner KB's Fair price. The research study centres on KB Fair Price's chained retail business model, focussing on the process of value creation for its target set of buyers, and the impediments coming in the way of such value creation. KB's Fair Price can be seen as the first attempt by any major retailer in India in entering the unorganised kirana space with an organised and chained format.

Literature Review

Business Model Adaptation

Adaptive innovative business models focus on creating value in a pioneering manner. Business models are the creations of entrepreneurs or scholars of business schools. How to quickly design a new business model and commercialize it is of utmost importance.(Tsai, Lin and Su). Business model has received a lot of attention from managers, entrepreneurs, investors, consultants and academics. Every company has a business model whether that model is explicitly articulated or not. Business models make it possible for organizations to enact commercial opportunities and give opportunity to managers to create, deliver and capture values in varied and efficient ways and are even used for future development of a business (Sabir, Hameed and Kashif-ur-Rehman).

Trying to operate with more than one business model at a time is extremely difficult—and frequently cited as a leading cause of strategic failure. Yet situations abound where a company may wish or need to address several customer segments, using a particular business model for each segment (Casadesus-Masanell and Tarziján). There is a need for a distinction between what a firm's business, its core Business and its busienss models to prevent fuzziness and to even make the business model framework useful in creating superior value (Lindgren).

Over time global competition has intensified with the rapid introduction of new technologies and new products. In this hyper-competitive era, the competitiveness of the company is dictated by its ability to move from labor and capital intensive activities to making knowledge and innovation its core competencies. In this dynamic and fast-changing environment, business model innovation and adaptation plays a critical role for a company in terms of translating it into top financial performance (Na). Innovative business models may help to crowd out competitors or forestall potential disruptors in a firm's current markets, help it expand into new markets, make more efficient in the usage of fixed assets and other resources. Business model innovation and adaptation also enables a firm to develop new income streams.(Casadesus-Masanell and Tarziján) . For the Future Group, KB's Fair Prices is an added revenue stream as it operates as an independent strategic business unit.

Business model innovation and adaptation represent a significant opportunity as well as a challenge for established firms (Koen, Bertels and Elsum). Where BMI is engineered, businesses have the opportunity to join, influence and even strategically lead BMI and the BMl process. The opposite - being left outside the core of BMI process - often leaves businesses with no or reduced opportunities and no or reduced influence to join and change the BMI process. This position is of course not a strategically preferable position for any business (Lindgren).

Business development model innovation and adapatation is perceived as no just an iniative to grow profits but also as a way to avert threats from competitors. Business model innovation is a natural evolutionary process I certain firms that recognize that change is inevitable and is needed once an existing business model has run its planned course (Nirali and Vijaylaxmi).

Retail & Retail Formats

Retailing is the set of activities that markets products or services to final consumers for their own personal or household use. Retailing does activities by organizing availability of products and services on a relatively large scale and supplying them to customers on a relatively small scale (Kotni). The significant relationships of retail trade establishments and workers engaged in them with macroeconomic variables show that the retail trade is deeply integrated with regional economies because of two reasons; first it traditionally caters to the demands with low capital investment and without much requirement of skill, and secondly the informal activity absorbs seasonally

unemployed (Yadav and Jauhari). The environment in which retail organizations operate is highly competitive as the constituents of environmental factors from the customer's perspectives are highly unpredictable. These environmental factors are customer's tastes, buying habits, their purchasing power, available product varieties and product line etc. To alleviate the environmental pressure, retailers chose their distinct retail format, strategy, structure, work culture and management control systems in response (Iqbal and R.R.K.Sharma).

The 'one size fits all' concept has been seen as not applicable for retail in India due to the diversity in the consumer population. This deters Indian retailer from adopting a single retail format or strategy to attract customers. Indian retailers traditionally have customized their stores from location to location depending on the taste and preference of the consumers, focusing on promotional schemes, good shopping experience, good merchandise mix etc. (Malhotra). Retail category management is an important but problematic area for retailers and their suppliers in India, and it is challenging from both a theoretical and public policy perspectives (Gooner, Morgan and Jr.). Getting product assortment right isn't easy, yet it's absolutely critical to retail success (Fisher and Vaidyanathan). Research points to strong correlations between the marketing mix sensitivities, store format preference, and unobserved brand attributes. These correlations translate into significant differences in market structure across retail formats and in the direction and size of preference vectors for unobservable brand attributes (Hansen and Singh).

OBJECTIVE AND METHODOLOGY

This research study focuses on understanding the KB Fair Price's innovative business model (chained organized format of the kirana store) and the various strategic and tactical choices made in crafting a value proposition for its target set of consumers. The study followed pre

and post launches across new KB Fair Price stores in the Bangalore market and tried to map the requirements of the customers across various outlets to the presented retail value proposition.

The research objectives framed were as follows:

1)   Understand the business model and strategies adopted by K.B's Fair Price in the pre-launch, during, and post launch of new store openings.

2)   Understand the requirements of the customers in terms of value and focus on SKU mixes across various KB's Fair price outlets across Bangalore.

RESEARCH METHODOLOGY

A descriptive research design was used for the purpose of this research. Convenient sampling was used in identifying the stores to conduct the research. This research was conducted over three months in two separate phases starting April and ending July 2012. The first study was conducted among 1000 customers and the second one was conducted among 267 customers across successful stores in Bangalore region (for respondent profile refer to table 1 in annexure).

DATA SOURCES

PRIMARY DATA

Questionnaire-based survey forms were used as the primary source of data for the research. This questionnaire was administered in two phases. This was done in order to probe and assess what it is that the customers were looking for from the stores and what they expected from the store, and to uncover what it is that they are not getting from the store.

SECONDARY DATA

The company corporate site was accessed to understand the mission, vision, strengths and weakness. It also gives us a good insight about the corporate message the company delivers to the people. Various business media articles and published research papers were studied to mine

relevant data that would further research on business model innovation.

DATA ANALYSIS

PRE-LAUNCH ACTIVITIES

The retail industry is one of the fastest growing industries in India. It is the second largest behind agriculture. The retail industry is facing immense competition and an increasing demand for innovative thinking and strategizing. Amidst the rising standards of consumerism, Future group has always strived to to keep itself apart from the rest of the retail players in the market by closely following the pulse of the Indian customer.

People's attitude and expectations towards retail outlets have changed throughout the years. Their demand and requirements have increased along with the growth of the industry. Customers no longer see the general store as a place from where they can get the essentials they are looking for something more.

The company has now reached a tipping point where they need a qualitative approach; bring bigger ideas and relevant solutions to their customers. Having this in the background, Future group has started various types of outlets for the customers with different needs and requirement. Driven by their new ideas and the urge to understand the Indian consumer better, The Future Group has focussed on becoming a company that will keep challenging itself in opening up newer revenue streams via innovative business models that create pioneering value for consumers.

K.B's fair price has the layout structure like that of a convenience store. The store are sized larger than a mom and pop store and gives the flexibility to the customers to choose their own products and provides them with a bill but they are not as big as a supermarket and have fewer SKU's to offer.

A convenience store is a small store that stocks a range of everyday items such as groceries, toiletries, FMCG products, soft drinks etc. Although larger, newer convenience stores may have quite a broad range of items, the selection is still limited compared to supermarkets, and in many stores only 1 or 2 choices are available.

Data Analysis & Findings

DURING THE LAUNCH PROMOTIONAL ACTIVITIES

Future group has various segments of retails outlets and KB's Fair Price are like neighbourhood stores spread across an average area of 1,000 to 1,500 sq. ft. These are simple but modern, self-service ration shops. These stores retail only 1000 essential products at simply the lowest prices in town.

A cluster approach is used to open these stores as it helps build awareness in the locality. Costs for logistics, transportation of products to the stores etc., also get spread out in a similar fashion.

KB's Fair Price stores are tagged as 'no frills' stores. They are not air-conditioned, products are displayed in cartons and not even the ubiquitous shopping bag is provided free-of-cost to shoppers. This format with a tagline 'Bachat Hi Bachat' (Savings and More Savings) is structured in a fashion that allows it pass on maximum savings to customers.

The launch activity started with a formal launch function which was opening of the store to the customers. A decorative platform was designed which contained a rangoli of the future groups 'sone ki chidiya' to attract people towards the store.

Leaflets containing the various offers running in the store as well as the introductory offers were distributed to the customers. Customers who were walking into the stores were welcomed with a traditional diya and kunkum in the Ashoknagar store as majority of the customers in the area was dominated by Hindus. Whereas in the Shyampur store customers where treated with sharbat taking into account of the Muslim community which was in majority.

Banner/Arch was designed and out up which contained in detail the introductory offer as well as the free home delivery which is offered in the store. In the Ashok Nagar store the arch was made in a red backdrop and had the welcome

signage in Kannada as per the demo exhibit of the customers that the store would be catering to.

In contrast in the Shyampur store the arch contained the same details as the Ashok Nagar store but the back drop was green and the details were also mentioned in urdu as majority of the people staying in Shyampur belonged to the muslim community.

Both the stores also had a display of local drummers performing which caught the attention of the people walking past the store and gave an air of festivities which is what was intended by the company. The main intention of these activities was to attract as many public as possible to the display area and have a look at the store which was the main centre of attraction and the reason for all these activities.

The company wanted to ensure that the launch activity reached a maximum number of people. Giving the public more importance and make them feel welcomed into the store and wanted to ensure that they store not only caught attention of the customers with the festivities happening but also wanted to ensure that the felt at ease in the store by taking into consideration of the type of customers they were catering to. This will surely have an impact on the customers purchasing decision. With all the response that the company got from the public from its pre-launch activities, K.B's Fair Price suitably planned the launch activity to influence these buyers to make purchase decisions. The launch gave emphasis on the type of saving they would get as the average Indian customer is looking to pinch pennies.

During the public launch, frequent highlighting of the offers was done so as to register these features in their minds and leave a strong impression in their heart. These people can actually help in the word-of-mouth promotion of the store and can also create a strong impact in the people's buying decision.

The salespersons were made to stand on the display area to provide information about the various offers. The contact details of the interested people were noted down in case they wanted some services like free home delivery and also for the store to keep products according to the customer's portfolio.

Thus with all these public attraction activities a grand public launch of the store was done. The launch was a success as it led to a sale of 80,000 within the first four hours from the opening of the store. This launch indirectly resulted in a larger customer walk in due to the pre-launch and the during launch promotions and also due to the word of mouth publicity this created.

TARGET CUSTOMER DATA ANALYSIS

A detailed study was done across 4 stores which were highest in terms of customer walk in as well as sales across different parts of Bangalore in order to understand the type of customers being catered to as well as to gain a better understanding of the requirements of the customers. The study helped to understand what can be done in order to retain the customers and to improve the offering according to the profile of the customers across various stores. The aim of this research was to come up with strategies by which we could understand the new SKU to be introduced and to comprehend if the SKU offered in the store actually met the requirement of the customers.

Customers were asked to tell about the products which they didn't find in the store which led them to go to the competitors. These products included the ones that were mentioned in the stores SKU list but were not available due to shortage in stock and related problems. The customers were then asked about products they would like to be introduced in the store these products which were currently unavailable in the store's SKU list.

FINDINGS

The SKU mix management was analyzed and the findings left much to be desired. In addition consumers were clearly opining of the lack of value via SKU mix management. The fruits and vegetables which were provided to the customers were not tend to properly thus they lose its freshness which is a major concern with

the customers. Iteration is a major concern which leads to the shop keepers being unaware of the offers running in the store. Customers prefer buying groceries from K.B's fair price due to the pricing that is being offered. Customers are not well aware of the offers running in the store as they are not conveyed properly. The major complains that affected the store was the unavailability of the products due to the fluctuation in stock (refer table 2 & 3 in annexure).

Constant power supply is not available in the entire store do not have back up which causes a lot of difficulty in terms of billing. The stock arrives at the peak hours which cause difficulty for the customers as the products are arranged accordingly.

Consumers recommended a radical restructuring of the SKU Mix management being practiced. Their recommendations included that dairy products such as butter, cheese, ice cream should be introduced in the store as there is a huge demand for these products. Signage should be made more evident so as to let the customers know the amount of money they are saving while shopping. The offers running in the store should be promoted in a much more effective manner such as by having offers put up in banners outside the stores and have daily offers displayed outside on the board.

More combinational offers should be given depending on the type of customers that walk in. Phone delivery should be offered to the customers to weed out competition. Other SKU items such as chips, batteries etc. should be kept near the counter in order to encourage impulse purchases

Thus it was established through analysis that KB's Fair Price may have an innovative business model on paper, but on the ground its creation of value is still limited in comparison to Kirana stores that cater to the very same target consumer segment. Over time, KB's Fair Price will not just have to reach a default level of value delivery, but will have to offer superior value if it intends to achieve its objective of sustained competitive advantage.

Annexure

Store	Number of Respondents	Gender Profile			Customer Regional Affiliation Profile				
		Males	Females		South Indians				North Indians
					Kannadiga	Andhraite	Tamilian	Malayali	
1[a]	327	62%	38%		84%	9%	5%		2%
2[b]	280	60%	40%		86%		7%	4%	3%
3[c]	297	65%	35%		79%	6%	11%		4%
4[d]	363	69%	31%		60%	10%	15%	10%	5%
Total	1267	64%	36%		76%	6.6%	9.7%	3.7%	4%

a: Thippasandra Store, b: Sanjaynagar Store, c: Ganganagar Store, d: Ashok Nagar Store

Table 1: Sample Size and Respondent Profile

a: Thippasandra store is of 1000 sq ft in size and has 1000 SKU. The store is located near Indranagar 80 ft road and caters to a cosmopolitan crowd which consists of upper middle class and upper class.

b: The sanajaynagar store is located in the north Bangalore region and is about 1500sq.ft. The store has about 1000 SKU.

c: Ganganagar store is located in the north part of Bangalore and is about 1500 sq.ft. with 1200 SKU. The customers who come there are mainly of middle class customers.

d: Ashok nagar store is located in the south part of Bangalore and is about 800 sq.ft. with 1000 SKU. The customers who come there are mainly of middle class customers.

Unavailable products	Store 1a	Store 2b	Store 3c	Store 4d
Pulses in small quantity	×		×	
Energy Drinks/Health Drinks Variety	×	×	×	×
Black Til	×			
Bread	×			
Fruits Variety		×		
Chocolates		×		
Flour		×		
Baby Products		×		
Cologne variants			×	
Vegetable variety			×	×
Variety in staples				×
Deodorant varieties				
Packaged Milk	×		×	×

a: Thippasandra Store, b: Sanjaynagar Store, c: Ganganagar Store, d: Ashok Nagar Store

Table 2: Unavailable Products

Products to be introduced	Store 1a	Store 2b	Store 3c	Store 4d
Dairy Products	•		•	•
Curd	•			
Cheese	•			
Butter	•			
Chocolates	•		•	

Soapnut		•		
Bread		•		•
Kallepuri		•		
Ice cream		•	•	
Soya chunks		•		
Dry Coconut			•	
Plasticware			•	
Cosmetics				•
Variety in Fruits				•
Eggs				•

a: Thippasandra Store, b: Sanjaynagar Store, c: Ganganagar Store, d: Ashok Nagar Store

Table 3: Products to be introduced

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