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Editorial

The current issue of the International Journal of Sales, Retail and Marketing is once more dedicated to the best research papers from the area of retailing, sales and marketing. In this issue we are proud to present five original research papers from the U.S.A., Great Britain and Kenya. The contributing authors published an interesting researchs from the area of personal sales, retailing, wholesaling and medical marketing.

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.

"WHAT ARE THEY THINKING?" ESTABLISHING SELLER CREDIBILITY THROUGH SALES PRESENTATION STRATEGY

Judy A. Wagner & Enping (Shirley) Mai

Abstract:

Sales presentations afford a valuable opportunity to establish credibility with the buyer. This field experiment used organizational buyers to investigate the impact of sales presentation strategy on perceptions of seller credibility as measured by seller expertise and trustworthiness. Using computerized methodology, agenda sales presentations with industry-focused information and suggested sequential elimination of competitive alternatives are compared to presentations that primarily focus on benefits of a single recommended product. Overall, agenda sellers were perceived to possess greater levels of credibility. These favorable perceptions of the seller were partially contingent on the buyer's own expertise and the competitive strength of the product.

Keywords: *sales presentation strategy, seller credibility, seller expertise, seller trustworthiness*

Classification: *Research paper*

INTRODUCTION

Despite the dramatic changes occurring in today's selling landscape, some basic principles remain important. For example, desired sales outcomes can be significantly influenced if a good impression can be made on the buyer (Forrester and Locander 1989; Macintosh, Anglin, Szymanski and Gentry 1992). The ability of a salesperson to create favorable perceptions continues to be significant as it exerts positive effects on future interactions as well as current purchases (Doney and Cannon 1997). Early impressions may become an enduring base of seller influence (Weitz 1981); guiding a buyer's attributions concerning a seller's present and future motivations. One such base of seller influence particularly crucial in the face of today's often skeptical buyer is the perception that the salesperson is judged to be a credible resource. Despite its acknowledged importance, seller credibility and its effect on sales performance remains a critically underresearached topic in marketing (Evans, McFarland, Dietz, and Jaramillo 2012).

The sales presentation provides one important opportunity to explore how a salesperson may establish credibility with a buyer. This study examines the buyer perceptions of seller credibility resulting from two different types of sales presentations. The sales presentation is yet another important area which is not often empirically studied today. The

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current research extends the investigation to how perceptions of seller credibility may vary depending on the level of knowledge that the buyer brings to the interaction. Results of an experiment are presented and discussed along with the implications for both researchers and marketing practitioners.

Theoretical foundation and Research Hypotheses

Theoretical Model

Weitz's (1981) widely accepted contingency framework suggests that effectiveness in sales interactions be understood as the interactions between selling-related variables. This work investigates seller credibility by testing an empirical model corresponding to Weitz's constructs and perspective. Here, sales presentation strategy (*Weitz's selling behavior*) is examined for its effect on buyer perceptions of seller credibility (*selling effectiveness*). The level of buyer expertise (*type of buying task*) is examined as a potential moderator. Products with different relative competitive positions (*seller resources*) are included to further generalizability. B*uyer/seller relationship* is held constant as transactional.

Perceptions of Seller Credibility. The importance for salespeople to establish credibility in the sales interaction is widely appreciated. Seller credibility has been judged to be a requirement for closeness and harmony in a buyer/seller relationship (Castleberry and Tanner 2011) and has been spoken of as the first step toward trust (Evans et al. 2012). Weitz (1981) sees credibility as a crucial base of influence and one needing to be established early in sales interactions.

Research domains outside of personal selling have examined various aspects of credibility since the 1950s. Communication and psychology explored the credibility characteristics of sources, message structure, and media (Metzger, Flanagin, Eyal, Lemus and McCann 2003). More recently, management

information systems studied the credibility of the decision support systems' advice, and consumer behaviorists investigated how consumers determine claims as subjective or objective on commercial Web sites (Hilligoss and Rieh 2008).

As early as the 1970s, sales-related literature offered a conceptual view of credibility. Wilson (1976) stated the importance for the seller to become a "legitimized source" of information for the buyer and that unless legitimization is achieved, future communication is likely to be ineffective. Weitz (1981) described credibility as a requisite influence base that may be founded upon the buyer's impression of a seller's expertise. Despite interest, the topic of credibility in the sales literature has generally remained conceptual in nature. Two exceptions investigate contingencies that may influence seller credibility and its effects. Belonax, Newell and Plank (2007) examine how perceptions of seller credibility vary with purchase importance. Sharma (1990) shows how seller credibility affected perceptions of the brand and intentions to buy dependent upon the buyer's initial expectations. Two other studies involved aspects of credibility and consultative behaviors. Liu and Leach (2001) provide evidence that the credibility of consultative salespeople positively influences customer satisfaction. Finally, Newell, Belonax, McCardle, and Plank (2011) report that personal relationship and a seller's consultative task behaviors affect aspects of salesperson credibility. Despite these few exceptions, review of the sales performance literature finds a scarcity of empirical sales research on the topic and cites the importance for additional work (Evans et al. 2012).

Credibility has been defined as believability, accuracy, trust, reliability, competence, expertise, trustworthiness and various combinations of these attributes (Hilligoss and Rieh 2008). Many researchers agree that credibility is composed of two dimensions: expertise and trustworthiness

(Dholakia and Sternthal 1977; Hilligoss and Rieh 2008; Hovland, Janis and Kelley 1953). The current research adopts this conceptualization of seller credibility.

Seller Expertise. Credible salespeople are seen as experts in their field. A salesperson's expertise has been associated with successful attempts to influence buyers (Andaleeb and Anwar 1996; Busch and Wilson 1976; Taylor and Woodside 1981). Swan, Trawick, Rink and Roberts (1988) report that salesperson competence, described as providing accurate knowledge and information, is a precursor of customer trust. Weitz, Castleberry, and Tanner (2007) associate a seller's ability to establish an expert base of power with selling effectiveness. One common measure used by buyers when evaluating seller expertise is the amount of product and industry knowledge that the salesperson demonstrates in the form of information provided to the buyer (Crosby, Evans, and Cowles 1990). This measure of demonstrated product and industry knowledge defines seller expertise in this work.

Seller Trustworthiness. Sources deemed to be expert are more likely to be perceived as trustworthy (Hilligoss and Rieh 2008). Trustworthy information is judged to be well intentioned, fair, unbiased and reliable (Fogg 2003). A trustworthy source has been described as honest, careful in word choice and disinclined to deceive (Wilson 1983). The current research defines trustworthy sellers as those perceived by buyers to be honestly and openly presenting information to assist them in making a purchase decision. While conceptualizations of trust are often multi-dimensional and thought to deepen over time as evidence accrues that trust has been well placed, the definition of trustworthiness in the current work is intentionally not as encompassing as more-time dependent definitions of deeper trust and instead is based on the perception that the seller is presently acting in a trustworthy manner.

Sales Presentation Strategies

"A sales presentation is primarily a discussion of a series of product features connected with benefits that the buyer has indicated are important during the previous needs discovery stage … (Dalrymple et al. 2001, p. 97)." Implicit in the creation of an effective presentation is the sellers' objective of delivering presentation content and format that meet the buyers' requirements for information and that is relevant to their needs. Given these goals, the sellers' use of a particular sales presentation format may allow buyers to assess seller credibility. To explore this idea, we examine two kinds of sales presentation: summary-of-benefits and agenda.

Summary-of-Benefits Presentations. In a summary-of-benefits presentation the seller provides information about the positive benefits of the single recommended product (Wagner, Klein and Keith 2001). Note that the term summary-of-benefits refers here to the body of the sales presentation and is not be confused with the similarly-named closing strategy. In a summary-of benefits presentation, the central objective is for the buyer to form a favorable overall evaluation of the seller's product. There is no systematic discussion of the competition. Weaker attributes are not discussed or are suggested to be compensated for by other benefits.

Agenda Sales Presentations. In contrast, in an agenda sales presentation the seller suggests that the buyer follow a heuristic or non-compensatory process. Buyers often naturally employ some form of heuristic to simplify decisions (Crow, Olshavsky, and Summers 1980; Patton 1996). There is evidence that buying centers are likely to use "screening heuristics" when purchase decisions involve many alternatives with multiple attributes, quantifiable salient features, and information from many sources (Hauser, Ding, and Gaskin 2009, p. 215).

Adapting Hauser's (1986) agenda to the context of a sales presentation, when offering an agenda

presentation the salesperson encourages the buyer to apply a series of constraints to a set of products that includes the seller's product as well as those of competitors. Each suggested constraint shows the seller's product to advantage and may potentially eliminate some strong competitors. Critical elements include the particular buying criteria, the order of their suggestion, and the cutoff point for each. For example, the seller of a copier with a strong and verifiable reliability rating (e.g., 8 out of 10) might suggest that the buyer considers only products whose reliability meets or exceeds that rating. If in agreement, the buyer then considers a reduced number of alternatives that is favorable to the target product. A second suggested constraint might prompt the buyer to eliminate all copiers not meeting the desired copy speed of 45 copies per minute. If acceptable, the buyer considers an again further reduced set of alternatives that still includes the seller's own product. The buyer always may decline or adapt the suggested constraint to one that is more of his or her liking.

Due to the difference in format and content of the summary-of-benefit and agenda sales presentations, it is likely that buyers will ascribe differing degrees of credibility to sellers using a particular type. Compared to a summary-of-benefits presentation, the agenda presentation may result in more positive buyer perceptions of seller expertise. Both types of sales strategies allow the sellers to exhibit expertise regarding how the benefits of their own product offering satisfy customer needs. However, by design, the competitive comparisons in an agenda presentation afford the seller greater opportunity to share industry information with the buyer, thus being perceived as more informed and expert. The summary-of-benefits strategy lacks a systematic effort to provide industry information. Information is more often confined to the benefits of the seller's focal product. Conversely, in an agenda presentation, the seller first suggests a criterion for the buyer

to use in partitioning a set of industry alternatives. If accepted by the buyer, the seller then displays the alternatives in two categories – one group that meets the constraint and a second group that fails the cutoff. The constraint is designed to meet buyer needs and reveal that the seller's product is among the potential choices surviving the reduction. This process is repeated for additional suggested constraints on other product attributes, with corresponding displays of those products meeting and those failing to meet the standard. The result is a sequentially reduced set of alternatives for consideration. By exhibiting information on how competitive products are positioned with respect to each other and to the constraints, the agenda salesperson appears to be an industry expert in addition to being knowledgeable about his or her own product. Thus, we propose:

H1. Compared to a seller using a summary-of-benefits presentation, the seller using an agenda presentation will be perceived by the buyer to be more expert.

Weitz, Castleberry, and Tanner (2007) describe one objective of a strategic salesperson as "adding or deleting products from the customer's consideration set" and "modifying the customer's choice rule" (p. 504). It is possible to shape buyers priorities so as to both protect the customer's true interests while also improving the performance of the seller's product over the competition (Mort 1977, pp. 130-131). Regardless of whether the seller uses a summary-of-benefits or agenda presentation type, the seller strives to shape criteria or highlight the advantages of his or her particular product while meeting customer needs.

With these selling objectives in mind, there are a number of reasons why salespeople using agenda presentations (vs. summary-of-benefits) may be perceived to be the more trustworthy salespeople. First, the information shared in a summary-of-benefits presentation is narrower in focus: a single recommended product. In contrast, the competitive comparisons in an

agenda presentation provide buyers with verifiable information with an industry perspective. Thus, the agenda seller may be perceived to be more "upfront," and forthcoming regarding information.

Second, the aim of an agenda presentation isn't to display the target product as the "silver bullet," sole solution. The target survives the constraint but often isn't the "superior" product on a given important criterion. Sharing competitive information that may reflect somewhat negatively on the seller's own product may be perceived as more believable communication openness and trust-building behavior (Trifts and Häubl 2003).

Finally, the objective of a summary-of-benefits presentation is to have the buyer form a positive overall evaluation of the offering. The strategy does not then suggest a structure or rule to help buyers cope with conflicting overall evaluations of competitive products. On the other hand, the agenda strategy offers a decision structure. To the buyer who may be attempting to organize a deluge of information from competing sources, the agenda's structure may be interpreted as well-intentioned efforts to assist the buyer in his or her decision making.

Following the above rationale, we hypothesize that:

H2. Compared to summary-of-benefit presentations, with agenda presentations, the buyer will perceive the seller as more trustworthy.

Buyer Expertise. According to Weitz's Contingency Framework (1981) the influence of particular selling behaviors on selling effectiveness is modified by the nature of the buying task itself. The knowledge, or expertise, that the buyer brings to the purchase decision can be considered one important element of the buying situation as it determines the potential customer's informational needs. Buyer expertise has been defined as "the number of product-related experiences that have been accumulated" (Alba and Hutchinson 1987, p.

411). These have been described inclusively as "advertising exposures, information search, interactions with salespersons, choice and decision making, purchasing, and product usage in various situations." The current research focuses on the "cognitive structures (e.g., beliefs about product attributes) and cognitive processes (e.g., decision rules for acting on those beliefs) required to perform product related tasks successfully" (p. 411).

Customers are more likely to prefer selling strategies that better serve their informational needs (Sharma and Pillai 1996). Given the easy access to information on the Internet, buyers tend to be better informed when they meet with salespeople than they were in the past. Despite this trend, buyers still vary somewhat in their level of product expertise and experience. The less knowledgeable, or novices, generally require more information than experts before making a decision (Alba and Hutchinson 1987). Novice buyers also tend to be less confident and to exhibit a greater dependence on external sources such as the salesperson for information and guidance in the purchase process (Brucks 1985). While all buyers may appreciate the competitive information shared in the agenda, the relatively less-informed may perceive that the agenda better meets their own information requirements and that the agenda salesperson is more expert for his or her displayed capability of supplying a broader scope of information. Therefore,

H3. The favorable effect of agenda presentation strategies (vs. summary-of-benefits) on perceptions of seller expertise will be greater for novice buyers than for expert buyers.

In general, novices lack a plan for problem solution and are less able than experts to process larger quantities of information (Alba and Hutchinson 1987). In reaching a purchase decision following a summary-of-benefits presentation, the buyer must perform compensatory, mental calculations when trading off positive and negative information. When

buyers then receive input from competitive salespeople or from their own Internet searches, considerable cognitive effort may be needed for the buyer to calculate the trade-offs for several alternatives and reach a final decision. This cognitive effort may be taxing for novices' more limited information processing capabilities (Shugan 1980). Therefore, compared to experts, novice buyers may be more welcoming of the guidance offered in the agenda strategy whose sequential elimination of alternatives offers complexity reduction. To novices who may tend

to be overwhelmed with contradictory information, the agenda sellers and their more easily processed information may be more likely to be perceived as providing greater well-intentioned assistance and as exhibiting more "upfront" behavior. Hence,

H4. The favorable effect of agenda presentation strategies (vs. summary-of-benefits) on perceptions of seller trustworthiness will be greater for novice buyers than for expert buyers.

METHODOLOGY

Design

This field study consisted of a 2 sales presentation x 2 buyer expertise x 2 relative competitive product strength x 2 sales-call sequence between-subjects experimental design. Buyer expertise was measured. All other independent variables were manipulated. Dependent measures were seller expertise and seller trustworthiness. Varying relative competitive position helped explore the generalizability of agenda effects.

Sample and Choice Context

Participants were telephoned and screened for those individuals with the greatest responsibility for an organization's photocopier purchase. Prescreening on expertise facilitated the randomized block experimental design. The actual 128 organizational buyers in the final sample represented appropriately varying levels of expertise and purchasing experience with few lacking any experience at all.

The choice set consisted of twelve copiers that differed with respect to competitive advantages. All buyers experienced two mandatory sales presentations; one for the acknowledged Market Leader (H) and a second for one of the target products, Strong Contender (G) or Average Performer (K). Buyers were randomly assigned to presentation strategy and

relative competitive position conditions. The order of the two mandatory sales presentations was counterbalanced.

The selling strategy for the target products was either a summary-of-benefits or agenda strategy. The presentation for the Market Leader's presentation was always a summary-of-benefits strategy. The Market Leader was included for realism and a stronger test of the strategy manipulation.

Study Procedures

Sales presentations were text-based scripts included in a computer-interactive questionnaire. Presentations focused on four attributes (reliability, productivity, service call turnaround, and price), each confirmed to be important in pretests. Copiers were referred to by letter only. Materials included a product comparison matrix giving basic technical specifications of all twelve copiers (e.g. paper tray capacities) but excluding direct reference to the four sales presentation attributes. The simulation explained that the sellers were familiar with the buyer's needs and that the buyer had purchased from that salesperson in the past, although there was no ongoing relationship. Presentations were conversational in style with the wording varied slightly to avoid repetition. At the end of each sales call, buyers

were asked about their perceptions of the seller's expertise and trustworthiness. Following mandatory calls, buyers had the option to receive summary-of-benefits presentations for any of the other nine alternatives listed on the comparison matrix before being asked to indicate a final product choice.

Manipulations and Measures

Sales presentation strategy was manipulated as either agenda or summary-of-benefits. The information relating to product attributes and benefits was identical for both strategies. However, after a discussion of an attribute, the agenda seller suggested a constraint that, if accepted, would keep the target product in consideration but potentially eliminate some competitive products. The salesperson then displayed the alternatives in two groups; those that did and those that did not meet the constraint. For each suggested constraint, the buyer could choose to eliminate the second group, set his or her own constraint or decide against the use of the constraint to eliminate any products.

A product's agenda was designed to meet buyer needs and eliminate some strong competitors. Given differences in attribute strength, the agendas for the two target products (G & K) were necessarily different from each other. As is customary for sales presentations, price was discussed last. The Strong Contender (G), has one major strength and no major weaknesses, resulting in a better than average rating. The Average Performer (K) possesses a major strength but also one relatively poorer position on another attribute, resulting in a more average rating. The product manipulation was supported with choice probabilities for the Strong Contender of .46 and .15 for the Average Performer (χ^2_1 = 13.88, p < .001).

A five-item scale of buyer expertise (Cronbach's alpha = 0.93) was developed and pretested according to procedures from Churchill (1979). The same scale was administered during both recruitment and the actual study. Respondents indicated agreement/disagreement on a 7 point scale as to if they considered themselves an expert when evaluating copiers, if they knew what copier characteristics are needed, if they would be an excellent source to help a friend choose a copier, and if they were more expert than most copier buyers. A median split (Wood and Moreau 2006) of the pre-study recruitment data categorized respondents into novices and experts and ensured variability of buyer expertise across the entire design. The recruitment and actual study data are correlated at .71.

Dependent Variables: Perceptions of Seller Expertise and Trustworthiness

A four-item scale measured perceptions of seller expertise. Using a 7-pt. scale, subjects rated each seller's product knowledge, likely sales experience, selling skills, and knowledge of competitive products. A two-item scale measured perception of seller trustworthiness. Using a 7-pt. scale buyers indicated agreement/disagreement with whether the salesperson honestly represented product features and may have been bending the facts (latter reverse scored).

The dimensionality of seller credibility was assessed (Crosby, Evans and Cowles 1990. Factor analysis of all measures reflected the predetermined scales: buyer expertise, buyer perceptions of seller expertise and trustworthiness, and each individual multi-item scale had high reliability estimates of .93, .87 and .74 respectively. Each individual scale exhibited unidimensionality. Finally, confirmatory factor analysis using AMOS 20 for the two dimensions of credibility, seller expertise and trustworthiness, yielded good model fit indices (Chi-square = 17.55, d.f. = 8, p = .025; root mean square residual = .032; comparative fit index = .98) providing strong evidence that the measures are internally consistent. All items loaded significantly on their

corresponding latent variable, indicating convergent validity.

Results

Manipulation Checks
The four sales-call attributes were rated as important with mean ratings (on a 7-point scale) for reliability, guaranteed service time, productivity, and price of 6.9, 6.8, 5.2 and 5.8 respectively. Product relative competitive position was successfully manipulated. For the entire sample, choice probabilities for the Market Leader H were .53. The same probabilities for the relatively Strong Contender G and the Average Performer K were .46 and .15, respectively (x^2_1= 13.88, p < .001).

Analysis Overview
Data were analyzed according to a generalized randomized block design with buyer expertise as the blocking variable. The buyer expertise scale was standardized and averaged. Following the work of Wood and Moreaau (2006), median split (median = 4.6) revealed significantly different expert ($\bar{x}_{experts}$ = 5.3) and novice levels ($\bar{x}_{novices}$ = 3.5), t = 2.36, p < .001). Initial analysis did not reveal significant order effects, and sales call sequence was not part of the final model. A multivariate analysis was performed due to the high correlation (Corr. = .71, p = .000) between the two dimensions of seller credibility (buyer perceptions of seller expertise and trustworthiness).

Findings for Perceptions of Seller Expertise
H1 predicted that sellers using agenda presentations, compared to summary-of-benefit presentations, would be perceived as more expert. As expected, the main effect was significant ($F_{1,120}$ = 20.49, p =.000). Sellers using agenda presentations ($\bar{x}_{agenda}$ = 5.39) were perceived to be more expert that those using summary-of-benefits presentations ($\bar{x}_{sob}$ = 4.68).

H3 stated that the favorable effect of agenda presentation strategies (vs. summary-of-benefits) on perceptions of seller expertise will be greater for novice buyers than for experts. The 2-way strategy x expertise interaction was significant ($F_{1,120}$ = 2.61, p = .055). The agenda advantage on perceptions of seller expertise was stronger for novice ($\bar{x}_{agenda}$ = 5.41, $\bar{x}_{sob}$ = 4.45, F = 17.88, p = .000) than expert buyers ($\bar{x}_{agenda}$ = 5.37, $\bar{x}_{sob}$ = 4.91, F = 4.48, p = .018). Figure 1a graphs this interaction.

Findings for Perceptions of Seller Trustworthiness
No hypotheses were developed concerning strategy and product. However, the full model for trustworthiness showed a significant main effect for product ($F_{1,120}$ = 3.79, p = .027). Overall, sellers of the Strong Contender G ($\bar{x}_G$ = 5.21) were viewed as more trustworthy than sellers of the Average Performer K ($\bar{x}_K$ = 4.87) regardless of the presentation strategy. Note that the trustworthiness rating for the Average Performer K ($\bar{x}_K$ = 4.87) was still well above mid-point of the 7-pt scale. Thus, this finding should not be interpreted as though sellers representing Copier K were perceived as untrustworthy, just relatively less trustworthy.

H2 stated that compared to summary-of-benefit presentations, with agenda presentations, the buyer will perceive the seller as more trustworthy. This predicted main effect for strategy was supported ($F_{1,120}$ = 4.19, p = .022). While both strategies yielded perceptions of trustworthiness that were well above the 3.5 scale mid-point, agenda sellers were perceived as significantly more trustworthy ($\bar{x}_{agenda}$ = 5.22) than those using summary-of-benefits presentations ($\bar{x}_{sob}$ = 4.88).

H4 stated that the favorable effect of greater perceptions of trustworthiness for agenda presentations (vs. summary-of-benefits) will be greater for novice buyers than for expert buyers. The 2-way strategy x buyer expertise interaction was not significant (p = .12).

However, there was evidence of partial support of H4 in a significant 3-way interaction for strategy, buyer expertise, and product ($F_{1,120}$ = 3.627, p = .0295).

Separate univariate tests revealed different strategy effects. In the case of the Strong Contender G, neither novices ($\bar{x}_{agenda}$ = 5.15, $\bar{x}_{sob}$ = 4.93) nor experts ($\bar{x}_{agenda}$ = 5.61, $\bar{x}_{sob}$ = 5.15) generally rated the agenda sellers as the more trustworthy (F_{64}=.27, p=.60), although means were in the predicted direction. However, for the Average Performer K, the strategy x expertise interaction predicted by H4 was significant. Here, presentation strategy had a greater impact on perceptions of trustworthiness for novice buyers ($\bar{x}_{agenda}$ = 5.23, $\bar{x}_{sob}$ = 4.37, $F_{1,120}$ = 5.61, p = .01) than for experts ($\bar{x}_{agenda}$ = 4.9, $\bar{x}_{sob}$ = 5.07, $F_{1,120}$ = .296, p = .29). Post hoc contrasts suggest that this significant effect appears to have been caused by novices' ($\bar{x}$ = 4.37) much <u>lower</u> trustworthiness ratings compared to those of experts ($\bar{x}$ = 5.07, $F_{1,120}$ = 4.34, p=.04) when sellers used the summary-of-benefits approach. For agenda sellers of K, trustworthiness ratings did not differ significantly for novices ($\bar{x}$ = 5.23) and experts ($\bar{x}$ = 4.9, $F_{1,120}$ = .92, p=.34). Figures 1b and 1c show these results for Average Performer K and Strong Contender G, respectively.

Figure 1: Buyer Perceptions

a. Seller Expertise – Strategy x Buyer Expertise
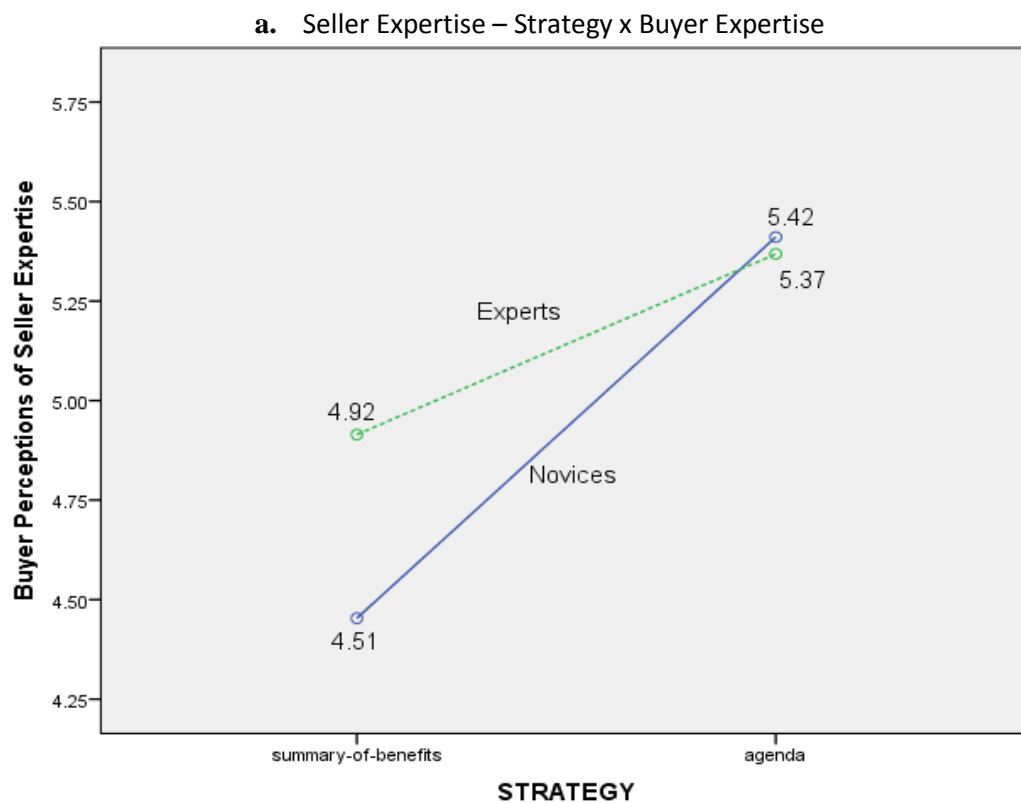
b. Seller Trustworthiness –
Strategy x Buyer Expertise x Product

Average Performer – K
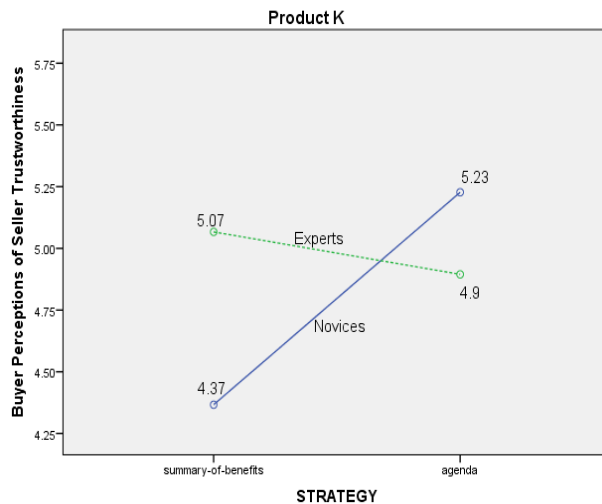
Product K

c. Seller Trustworthiness –
Strategy x Buyer Expertise x Product

Strong   Contender –   G

Product G
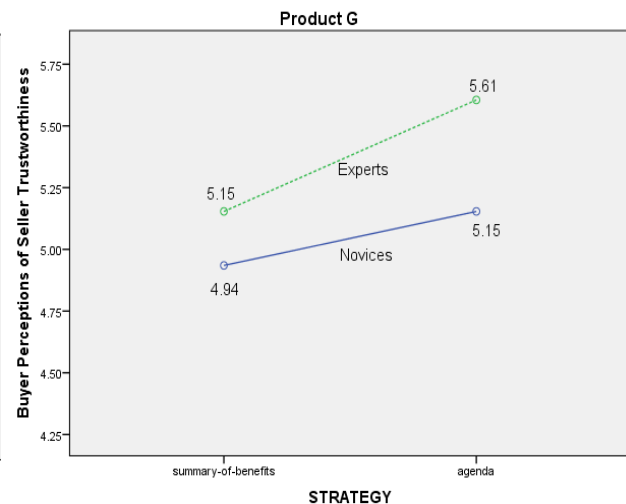
Discussion

Summary

This work investigated the potential of sales presentation strategy to assist sellers in establishing seller credibility, which is a crucial but relatively underresearached base of selling influence. It compared agenda and summary-of-benefits presentations from the perspective of the resulting buyer perceptions on two dimensions of credibility; seller expertise and seller trustworthiness. The buyer's own level of expertise was investigated as a moderator of the association between presentation strategy and credibility. Product manipulations included two products that varied in competitive positions. The context of the text-based computerized sales presentations was a transactional buyer/seller relationship.

Specifically, agenda presentations, with their systematic demonstration of industry knowledge, resulted in sellers who were perceived as possessing greater levels of expertise than sellers using the summary-of-benefits presentation with its more narrowly-focused product-specific information. Similarly, while salespeople using both presentation strategies were perceived as generally trustworthy, agenda strategies significantly heightened this perception. Perhaps the broader industry information in the agenda along with its more explicit plan for reaching a decision may have been interpreted as a seller's motivation to be open and upfront regarding the competition and generally more well-intentioned. Sharing broad market knowledge has been associated with trust (Liu and Leach 2001). Further, as operationalized here, the agenda suggestions for eliminating competitive products was deliberately not done so as to quickly limit customer options or to offer the seller's product as the only feasible solution. Both such actions would have countered notions of seller trustworthiness.

As hypothesized, the favorable agenda effects were especially heightened for some groups of buyers, but not always as expected. First, as predicted regarding perceptions of seller

expertise, buyers characterizing themselves as more novice-like perceived agenda salespeople as possessing significantly more expertise than did buyers who described themselves as experts. This was true for both products. However, regarding novices' attributions of seller trustworthiness, the result was not totally as predicted. The particular product presented (Copier G or K) made a difference. For the Strong Contender G, both experts and novices tended to see the agenda seller as more trustworthy. The expected greater perception of trustworthiness for novices was significant only for the Average Performer K. This effect appears to have been driven by the significantly <u>lower</u> trustworthiness rating that novices assigned to sellers presenting K using the summary-of-benefits approach. On the other hand, expert buyers' ratings of seller trustworthiness remained very similar for both agenda and summary-of-benefits strategies for the more average Copier K. This finding for novices suggests that summary-of-benefits strategies may place sellers of viable, but average, products at a disadvantage. Without the agenda's broader industry comparisons that could highlight the attractiveness of the one very strong attribute and relatively more affordable price for K, buyers may have questioned the motivations of the summary-of-benefits seller.

Theoretical and Methodological Contributions
This work used extant sales, decision, and expertise research along with Weitz's well-accepted Contingency Framework (1981) to tackle the important topic of seller credibility. This experiment and its examination of credibility dimensions of seller expertise and trustworthiness extended the exploration of agenda presentations' influence beyond their reported positive effect on product evaluation, consideration, and choice (Wagner, Klein and Keith 2001). The current findings that buyers generally see agenda sellers as more expert and trustworthy perhaps provide some explanation

of more recent evidence regarding sales presentations and buyer/seller relationships. Wagner and Klein (2010) reported that buyers receiving an agenda presentation (vs. summary-of-benefits) perceived themselves as having a stronger relationship with the seller. This was true even when the buyer's final choice was not that of the agenda salesperson's offering.
Further, this study explicitly addresses objectives outlined by Evans et al. (2012) in their review article of ways to advance sales performance research: 1) exploration of means to establish bases of influence with buyers; 2) empirical work on seller credibility in particular; and 3) greater examination of what occurs "within" the buyer-seller interaction; and 4) the investigation of the result of adaptively using influence tactics. The adaptive selling literature calls for the salesperson to be ready to alter methods to meet specific purchase situations, customer types and contexts (Weitz et al. 1986). Findings here suggest ways to adapt presentation strategy to effectively influence buyers based in part on a buyer's own expertise and for products occupying different competitive positions.

This study also contributes to the sales literature by using a methodology that is relatively uncommon for that domain. The historically dominant methodology of sales research has been the survey. In the 29 years between 1980 and 2008, only 4.9% of published sales articles involved lab experiments and only 3.94% involved experiments in the field (Asare, Yang, and Alejandro 2012). The use of experimental controls in this field study provide an additional valid means of peering "within" buyers' dynamic responses to sales presentation strategies in a manner, perhaps not possible through survey research.

Managerial Implications
Findings from the current study have important implications for marketing managers and sales strategy. The agenda presentation can assist the salesperson with what can be a delicate issue,

how to discuss competition. Sellers do not want to be seen as degrading the competition and thus to be perceived themselves as unprofessional or opportunistic. Today many buyers have secured information from various sources before meeting suppliers. Regardless of the knowledge level of the buyer, as buyers react to the display of industry information presented in an agenda presentation, a greater opportunity arises for both parties to engage in open dialogue. Buyers may utilize the industry's competitive information to confirm or question what they feel what they may or may not already know. Salespeople may gain useful insight regarding buyer beliefs about the competition, may resolve conflicting information for the buyer, and may unearth objections that may otherwise have gone undiscovered. While today's sales presentations may be less narrowly focused than the summary-of-benefits strategies used here for experimental control and while sales strategists may suggest *competitive depositioning* and open comparisons (Ingram et. al 2012), to date, empirical evidence had been lacking regarding the effect on perceptions of seller credibility of discussing competitive information in a sales presentation.

Recognizing the upside of agenda presentations, marketing managers should be encouraged to spearhead the development of agenda-related materials designed specifically for their products. Agendas may be constructed to assist in facing off against specific competitors. Value analysis results may suggest segment-specific agendas based on the importance placed on specific product or service benefits by those segment members. Agendas also may be adjusted as competitors gain momentum, lose strength, or launch new offerings.

Limitations and Future Research

This study used a computer-interactive questionnaire in the format of simulated sales calls. This methodology allowed for greater control of sales presentations than would have been possible in actual sales settings. Considerable effort was taken to incorporate a conversational style for sellers, as well as to add opportunities for buyer-seller interaction and many elements that are present in actual sales calls. Supporting this methodology for studying the sales encounter is mounting research reporting that human-computer interaction may prompt social responses that are generally associated with human-human interaction (Moon 2000). However, despite concentrated efforts to add realism, it must be acknowledged that real salespeople differ from the simulated salespeople in many respects, and the methodology used here could not attain the richness, subtlety and flexibility of face-to-face interaction. Nonetheless, it did allow a controlled look "within" the sales encounter perhaps difficult to achieve with real salespeople..

A second limitation to this research is the sample composition. A large proportion of the respondents were managers, officers or business owners rather than members of a purchasing department. While participants did have the greatest responsibility for copier purchases, members of a dedicated purchasing department may have reacted differently. Also, the sample did not contain many true novices. The result was a high level of minimum buyer expertise. The preference would have been for a sample with more "actual" novices, but the current sample does reflect the expertise expected in purchasing departments. Further, while the presence of more expert buyers in the sample must be acknowledged as a limitation, theoretically speaking, this does not seriously question the findings. Our results for novices would likely to have been even stronger for less expert buyers because of their inherent greater need for information and assistance in structuring a purchase decision. Ultimately, the generalization of our findings should be tested for a variety of consumer and business samples.

Finally, additional research is needed to more fully establish the boundaries determining which agendas work better and in which selling situations. The bases for both types of presentations were criteria known to be important needs of customers in the particular industry and information easily verifiable from numerous sources. However, the two target products differed in combined strengths and weaknesses, and thus their agendas called for a different number and sequencing of constraints as well as different suggested cut off points. The agenda objective is to highlight the strengths of the seller's product and eliminate the greatest number of competitive alternatives without provoking buyer reactance and potentially damaging credibility. Empirical questions exist concerning the value of greater or fewer numbers of constraints, rapid versus more

gradual elimination of alternatives, leading or closing with the most important customer criterion, and the upper and lower limits of overall product competitive position for which an agenda will be effective. Finally, the context of the current work was that of a transactional exchange. It is unknown if findings would hold or how they may be altered in the face of a strong existing relationship between buyer and seller. Additional research is needed to explore these described boundary conditions.

In summary, while the above issues remain to be addressed in future research, our current findings suggest that an agenda presentation may be beneficial to salespeople concerned with leaving the buyer with positive perceptions of themselves regarding their credibility, namely their expertise and trustworthiness.

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A COMPARISON OF U.S. GENERATIONAL COHORTS' SHOPPING MALL BEHAVIORS AND DESIRED FEATURES

Katherine Annette Burnsed & Marianne C. Bickle

Abstract

As U.S. shopping malls face increasing competition from Big Box and online retailers, it is important for researchers and executives of shopping mall centers to have an accurate understanding of patron's behaviors and preferences. Therefore, this study compared U.S. generational cohorts' shopping mall behaviors and desired features. The three key U.S. generational cohorts examined were: Baby Boomer (745 participants; 22.28%), Generation X (1,296 participants; 38.76%), and Generation Y (1,303 participants; 38.97%). By utilizing Generational Cohort Theory as the foundation for the study, results revealed differences in shopping mall behaviors and desired features among the three key U.S. generational cohorts.

Keywords: *Shopping malls, consumer behavior, generational cohorts, desired features.*

Category: *Research Paper*

INTRODUCTION

U.S. shopping malls are "a group of retail businesses planned, developed, owned, and managed as a unit" and make up one of the two types of shopping centers (i.e., malls and open-air centers) in the U.S (Kotler et al., 1998; The Nielson Company, 2013). Shopping malls are commonly classified as (1) regional centers, which offer general merchandise and fashion products and are between 400,000-800,000 square feet in size; and (2) super regional centers, which offer the same merchandise as regional centers with more variety and assortment and are over 800,000 square feet (The Nielson Company, 2013). Altogether, large shopping centers (200K$^+$ gross leasable area [GLA]), which all U.S. shopping malls are classified as, have experienced an increase in sales ($2.4 trillion—an increase of 2.8% from 2011 to 2013), account for over half of total retail sales in the U.S., and have grown in number (an increase of 65% from 2008 to 2013) and in GLA (an increase of 41% from 2008 to 2013); however, they only account for roughly 7% of total shopping centers (The Nielson Company, 2013). Despite their small percentage, they account for much of the retail space (46%) in the U.S. (The Nielson Company, 2013).

Due to shopping malls being a collection of stores with a wide variety of products, where a vast number of and diverse shoppers gravitate towards an extensive assortment of goods and

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services, they constitute relevant sites for studying shoppers' behavior (Bloch et al., 1994). Consumers visit shopping malls for several reasons—to shop, dine, relax, spend time with friends, and have entertainment (Ali, 2013). Past research has found that certain mall attributes (e.g., convenience, parking, and hours of operation) and shopping experience preferences (e.g., price sensitivity and reliance on sales people) are favored by individual generations (Barnes and Peters, 1982; Gentry and Burns, 1977; Lumpkin and Greenberg, 1982; Phillips and Sternthal, 1977). Additionally, it has been found that the more satisfied a shopper is with a mall (with either the general environment or the services), the more likely he or she will buy (Curren and Harich, 1994; Knowles et al., 1993). Although various studies have been conducted regarding U.S. mall attributes and shopping preferences by generational cohort, a gap in the literature still remains since no study has investigated shopping mall behaviors and desired features. Therefore, this study's purpose is to fill that void by comparing Baby Boomers, Generation Xers, and Generation Yers in order to find out how they differ in the following areas: (1) mall shopping frequency, (2) amount of time spent shopping at the mall, (3) primary destination within the mall, and (4) desired features that would encourage them to visit the mall more often.

LITERATURE REVIEW

Baby Boomer Cohort

Baby Boomers, born between 1946 and 1964, represent approximately 24.3% (just over 76 million) of the total U.S. population and 31.8% of the U.S. adult population (New Strategist Press, 2013). They have been described as competitive free agents (individualistic) with strong interests in self-fulfillment and are known to demonstrate a high job involvement and strong work ethic, which has led many to career success and economic security (Jackson et al., 2011; Parker and Chusmir, 1990). Boomers have lived through and actively participated in political and social transformations (e.g., Sexual Revolution, Civil Rights Movement, and Vietnam War) and experienced incredible periods of prosperity whereby consumption became a way of life (Johnson, 2008; Lehto et al., 2008).

Baby Boomers have an approximate median household income of $62,519 and their average annual expenditures are roughly $58,870 (Mintel Group Ltd., 2014a). This cohort's spending has been estimated to be responsible for half of all consumer expenditures in the U.S. (approximately $2.3 trillion annually) and they outspend other generations by an estimated $400 billion each year on consumer goods and services (Mintel Group Ltd, 2014a). Additionally, Baby Boomers have been the biggest catalyst in the evolution of shopping centers (i.e., malls) over the past half century (Johnson, 2008). Due to this, many mall developers have realized that they should not focus solely on the younger generations (i.e., Generation X and Generation Y), since it was Baby Boomers who were their largest demographic that was still buying in their malls and had the potential of increased buying power in the future (Johnson, 2008).

The majority of Boomers are exiting the peak-spending age group (45-54 year olds) and are experiencing changes in their priorities (i.e., less interest in clothes and more interest in stress-relieving, family-oriented leisure activities) (Giroux, 1997; New Strategist Press, 2013). Although most Boomers are empty-nesters (i.e., no children living at home), when free time and discretionary income tends to increase, many have been forced to postpone retirement, have diminished their retirement savings, reduced their standard of living, and are aiding their children financially, due to the lingering effects

of the Great Recession (New Strategist Press, 2013). As such, the average spending of Baby Boomer households will grow along with labor force participation rates, and fuel the interest of mall developers in finding out what offerings this cohort is attracted to and what they want (Johnson, 2008; New Strategist Press, 2013).

Generation X Cohort

Generation Xers, born between 1965 and 1976, represent approximately 16% of the total U.S. population and 20% of the U.S. adult population (New Strategist Press, 2013). They are known for their acceptance of diversity, pragmatism, rejection of rules, and the fact that many were latch-key kids (i.e., came home from school and had to care/fend for themselves until their parents got home from work) (Sokol, 2003). This cohort is well-educated, media-savvy, and their behavior is driven by their ongoing preoccupation with the Internet and ability to streamline, simplify, and enhance the relationships and activities of their daily lives (New Strategist Press, 2013). Unfortunately, Generation X has notoriously been overlooked by business and the media due to their small size and the fact that they are "sandwiched" between two much larger generations (Mintel Group Ltd., 2011; New Strategist Press, 2013). In fact, when Gen Xers were teenagers, attention was focused on Baby Boomers—businesses retailored youth-oriented offerings to suit the tastes and desires of Boomers (New Strategist Press, 2013). Now that Generation X has entered middle age, businesses have shifted their focus onto Generation Y, the largest U.S. generational cohort, in order to capture their spending (New Strategist Press, 2013).

The median household income of Generation X is approximately $63,629 and their average annual expenditures are roughly $58,069 (Mintel Group Ltd., 2012, 2014a). Generation X reached adulthood in the midst of economic crises, which they often blame on the Boomer generation (Hawkins and Mothersbaugh, 2013). Due to this, Gen X is the first American generation to confront issues of "reduced expectations", which were based on the reality of limited job opportunities and a failing economy prior to the economic boom of the 1990s (Hawkins and Mothersbaugh, 2013). Generation Xers have also had to face restricted career advancement, due to more Baby Boomers being forced to remain in the work force longer as a result of the Great Recession (New Strategist Press, 2013). Altogether, many Generation Xers are entering their peak spending years and facing key life stage events (e.g., having children and purchasing homes). Although many Generation Xers bought homes during the housing bubble, have large mortgages, are financially strapped, and historically overlooked, they dominate family life—heading the largest share (44%) of households with children under the age of 18 (New Strategist Press, 2013). Therefore, mall developers and retailers should take note of this generational cohort, since they are the biggest spenders of products and services needed by crowded-nest families (New Strategist Press, 2013).

Generation Y Cohort

Generation Yers (Millennials), born between 1977 and 1994, are the children of the Baby Boomer generation and Generation X, the most consumption-oriented of all generations, are accustomed to an abundance of goods and services, and influence 81% of family apparel purchases (Herbig et al., 1993; O'Donnell, 2006; Sullivan and Heitmeyer, 2008; Wolburg and Pokrywczyniski, 2001). They have been described as rewriting the rules, individualistic, optimistic, high-tech, and a generation that celebrates diversity (Sokol, 2003). This generation is highly consumption-oriented, sophisticated in terms of tastes and shopping preferences, and have been found to have a major impact on retail businesses due to their love of shopping (Holtshausen and Styrdom,

2006; Taylor and Cosenza, 2002; Wolburg and Pokrywczynski, 2001). In fact, Generation Y will shop despite economic recessions and they have been found to have the most influence on brand marketing and purchasing habits ("Gen Y Shifting Retail," 2013). It has also been found that 52% of Millennials are more likely to make impulse purchases than non-Millennials, as they have a "buy now, deal with it later" mentality ("Gen Y Shifting Retail," 2013).

Generation Y represents the largest U.S. population segment (24.7%) and adult segment (32.3%) (New Strategist Press, 2013). In 2012, younger Millennials' median household income ($30,604) was significantly lower than that of older Millennials ($51,381), which could be due to younger Millennials completing their education and older Millennials working in a more established career (Mintel Group Ltd., 2014b; Pew Research Center, 2014). It is expected that by 2015, Millennials will have $2.45 trillion in spending power, making them an important consumer group of the present and future (Oracle Financial Services, 2010). Due to Generation Y spanning 18 years, this generational cohort is experiencing various major life stage benchmarks and they continue to be in a period of firsts and significant changes—starting to live independent of their parents, graduating from college, getting their first jobs, beginning serious relationships, making their first significant purchases (e.g., homes), getting married, and starting a family (Mintel Group Ltd., 2014b).

Generation Yers have been brought up in an era where shopping is not regarded as a simple act of purchasing (i.e., they have been socialized into shopping as a form of leisure), and where social motivation predicts perceptions of atmospheric qualities of a shopping environment, perceptions of excitement at a mall, and intention to return to a mall in the future (Bakewell and Mitchell, 2003; Martin and Turley, 2004). According to Lehtonen and Maenpaa (1997) and Wolburg and

Pokrywcziniski (2001), the proliferation of retail and product choice has resulted in a retail culture where acts of shopping have taken on new entertainment and/or experiential dimensions for Millennials. Due to this, many U.S. shopping malls have become giant entertainment centers (i.e., a combination of leisure activities, shopping, and social encounters).

Generational Cohorts and Shopping

Research has found that people from different generations experience differences in environmental stimuli (Phillips and Sternthal, 1977). According to Anselmsson (2006), these differences may be relevant to their overall evaluation of the shopping center's/mall's atmosphere. Past research has found that certain mall attributes are favored by individual generations (Barnes and Peters, 1982; Gentry and Burns, 1977; Jarboe and McDaniel, 1987; Lumpkin and Greenberg, 1982; Phillips and Sternthal, 1977; Shopping Center Age, 1994).

Barnes and Peters (1982) reported that convenience was more important to older generations, while Gentry and Burns (1977) found that parking, traffic, and hours of operation were more important to older consumers as evaluative criteria in shopping center patronage. Additionally, research conducted by Lumpkin and Greenberg (1982) reported that older generations rely more on sales people than younger generations. It has also been found that older generations tend to be more price sensitive (Phillips and Sternthal, 1977). As for younger consumer shoppers, Jarboe and McDaniel (1987) found that they tend to be window browsers/shoppers. Finally, Shopping Center Age (1994) reported that teenagers use the mall as a place to hang out, meet friends, or to make new ones.

Research has also found that generational cohorts differ in their utilitarian approach to shopping and all generational cohorts place some importance on retail venue

variables, such as service and selection (Littrell et al., 1995). Jackson et al. (2011) investigated generational differences in shopping value; however, no generational differences were found to be present. Finally, Kwon and Ha (2013) investigated the impact of non-interactive social presence of other consumers on shopping mall satisfaction and found that a positive affect mediated the relationship between perceived similarity with other shoppers and shopping mall satisfaction.

Theoretical Framework and Research Questions

A generational cohort is a consumer segment that consists of individuals who come of age in a particular time period (Hung et al., 2007). Based on an extant review of the *Generational Cohort Theory* literature, consumers' common experiences with macro-level economic, political, and social events that occur during the pre-adult years can translate into segments of consumers with a distinctive set of values, beliefs, expectations, and behaviors (Egri and Ralsston, 2004; Ingelhart, 1997; Strauss and Howe, 1991). The distinctive set of values, beliefs, expectations, and behaviors will remain constant throughout a generation's lifetime and therefore create generational identity (Egri and Ralsston, 2004; Hung et al., 2007; Ingelhart, 1997; Strauss and Howe, 1991). Steenkamp and

Hofstede (2002) found that cohort segmentation provides the stability that age segmentation offers, while other researchers feel that it also allows for the understanding of consumer motivations that value segmentation offers (Mitchell, 2003; Morgan and Levy, 2002). Since values and priorities of a particular generational cohort are unique relative to other cohorts, differences in mall shopping behavior and satisfaction should be expected. Therefore, the following research questions were posed to guide this study:

RQ₁: Do Baby Boomers, Generation Xers, and Generation Yers differ in their mall shopping frequency?

RQ₂: Do Baby Boomers, Generation Xers, and Generation Yers differ in the amount of time they spend shopping when at the mall?

RQ₃: Do Baby Boomers, Generation Xers, and Generation Yers differ in terms of their primary destination within the mall?

RQ₄: Do Baby Boomers, Generation Xers, and Generation Yers differ in terms of desired features that would encourage them to visit the mall more often?

METHODOLOGY

Data Source

Panel data for the study were collected in April 2013 through the use of a hired survey service (C&T Marketing Group) and funded by Glimcher Realty Trust, which is a recognized leader in the ownership, management, acquisition, and development of retail properties (e.g., enclosed regional malls). Participants were randomly selected from a nation-wide panel. The study yielded a total of 3,344 respondents—745 (22.28%) Baby Boomers, 1,296 (38.76%) Generation Xers, and 1,303 (38.97%) Generation

Yers. As a check for sample representativeness, the sample was compared to actual 2013 U.S. population data. Although not reflecting the general U.S. population precisely (Generation X and Generation Y were slightly over-represented in the study sample), the sample was deemed a satisfactory representation since the majority of Generation Xers and Yers are more tech savvy and prone to accessing and completing digital surveys versus that of their Baby Boomer counterparts.

Measures and Analysis Procedures

Mall shopping frequency (RQ1) was captured by asking respondents to indicate on a six-point scale (1 = never, 2 = once a year, 3 = a few times per year, 4 = once a month, 5 = every week, 6 = several times per week) how often they shop at a mall. Similarly, participants were asked to indicate on average how much time they spend at the mall during each shopping trip (RQ2) (1 = less than 1 hour, 2 = 1-3 hours, 3 = greater than 3 hours, but ≤ 5 hours, 4 = greater than 5 hours). For RQ1 and RQ2, one-way analyses of variance (ANOVA's) were conducted to find out if significant mean differences were present between the cohorts. Following ANOVA testing, post hoc Tamhame tests were utilized to detect mean differences among the cohorts. The post hoc Tamhame test was selected because of its ability to capture pairwise comparisons on groups with unequal variances and membership (size).

In order to test RQ3, respondents were asked to indicate their primary destination when they go to the mall (check one option), with the choices being (1) an individual store, (2) a department store, (3) restaurant/food court, (4) play area, (5) a service provider (e.g., spa, nail salon, hair salon), and (6) an entertainment venue (e.g., movie theater, bowling alley, arcade, ice skating rink). For RQ4, participants were asked to indicate which desired features would encourage them to visit the mall more often (check all that apply): (1) more sit-down restaurants; (2) more entertainment options; (3) greater variety of stores; (4) services like salons and spas; (5) department stores; (6) common space outside to read a book or meet a friend; (7) child play areas; and/or (8) community events hosted at the mall. Frequencies (percentages) were used to compare the generational cohorts' for both RQ3 and RQ4. Finally, demographic questions including gender, age, income, and marital status were included. All data were analyzed via SPSS.

RESULTS AND DISCUSSION

Sample Characteristics

The sample consisted of 3,344 respondents (22.28% Baby Boomers, 38.76% Generation Xers, and 38.97% Generation Yers), which included approximately 57% females and 43% males (see Table 1). Overall, the majority of participants were married or in a domestic partnership (59%); however, the bulk of Generation Yers were single/never married (52.95%). Approximately 45% of respondents reported household incomes less than $50,000 per year, while roughly 41% reported incomes

between $50,000 and $99,999. The remaining 14% of participants reported incomes of $100,000 or more per year. Altogether, the reported household incomes for the individual generational cohorts were either on target with or near to the median household income averages as published by New Strategist Press (2013). Finally, although the overall majority of respondents did not have children living at home (57.36%), the bulk of Generation Xers did (54.55%).

Table 1. Descriptive Statistics of Study Participants

Variable	Baby Boomers n	%	Generation X n	%	Generation Y n	%	Totals n	%
Gender:								
Male	393	52.75%	600	46.30%	458	35.15%	1,451	43.39%
Female	352	47.25%	696	53.70%	845	64.85%	1,893	56.61%
Marital Status:								
Single; Never Married	71	9.53%	234	18.06%	690	52.95%	995	29.75%
Married or Domestic Partnership	535	71.81%	879	67.82%	568	43.59%	1,982	59.27%
Divorced	103	13.83%	167	12.89%	34	2.61%	304	9.09%
Widowed	36	4.83%	16	1.23%	11	0.84%	63	1.88%
Annual Household Income:								
≤ $24,999	109	14.63%	182	14.06%	270	20.72%	561	16.79%
$25,000-$49,999	223	29.93%	345	26.66%	378	29.01%	946	28.31%
$50,000-$74,999	212	28.46%	312	24.11%	301	23.10%	825	24.69%
$75,000-$99,999	111	14.90%	235	18.16%	207	15.89%	553	16.55%
$100,000-$124,999	47	6.31%	106	8.19%	84	6.45%	237	7.09%
$125,000-$149,999	23	3.09%	58	4.48%	29	2.23%	110	3.29%
≥ $150,000	20	2.68%	56	4.33%	34	2.61%	110	3.29%
Children Living at Home:								
Yes	145	19.46%	707	54.55%	574	44.05%	1,426	42.64%
No	600	80.54%	589	45.45%	729	55.95%	1,918	57.36%

RQ1: Mall Shopping Frequency & RQ2: Time Spent Shopping at the Mall

The ANOVA models for RQ1 (F = 60.38, p < .001) and RQ2 (F = 72.47, p < .001) suggested significant differences between the generational cohorts (see Table 2). Additionally, the post hoc Tamhane tests revealed significant mean differences among all three generational cohorts for mall shopping frequency and time spent shopping during a visit to the mall. Specifically, Generation Y was found to shop more frequently at the mall and spend more time per visit as compared to Generation X (RQ1 mean difference = .324, p < .001; RQ2 mean difference = .212, p < .001) and Baby Boomers (RQ1 mean difference = .502, p < .001; RQ2 mean difference = .356, p < .001) (see Table 3). Similarly, Generation X was shown to shop more frequently at the mall and spend more time per visit as compared to Baby Boomers (RQ1 mean difference = .160, p < .01; RQ2 mean difference = .144, p < .001). Overall, the results suggest that Generation Y shops significantly more often at the mall and spends more time shopping per visit than any other generational cohort examined, and that Baby Boomers shop significantly less often and spend less time shopping per visit than the other generational cohorts studied.

Table 2. Analysis of Variance: Models across Generational Cohorts (RQ$_1$ and RQ$_2$)

Source	df	Sum of Squares	Mean Square	F	Significance
Mall Shopping Frequency:					
Between Groups	2	139.36	69.68	60.38	0.000*
Within Groups	3,341	3855.33	1.15		
Total	3,343	3994.69			
Time Spent at Mall:					
Between Groups	2	65.36	32.68	72.48	0.000*
Within Groups	3,341	1506.58	0.45		
Total	3,343	1571.94			

Note. *Significant: p < .05.

Table 3. Mean Differences among Generational Cohorts (RQ_1 and RQ_2)

Dependent Variable and Generational Cohort	n	Mean	Standard Error	Standard Deviation
Mall Shopping Frequency:				
Baby Boomers	745	3.55[a]	0.037	1.011
Generation X	1,296	3.71[a,b]	0.029	1.052
Generation Y	1,303	4.06[a,b]	0.031	1.130
Overall/Total	3,344	3.81	0.019	1.093
Time Spent at Mall:				
Baby Boomers	745	2.01[c]	0.021	0.570
Generation X	1,296	2.15[c,d]	0.018	0.659
Generation Y	1,303	2.36[c,d]	0.020	0.734
Overall/Total	3,344	2.20	0.012	0.686

Note. Means having the same superscript letter in the mean column are significantly different at alpha ≤ .05 (post hoc Tamhane Test).

Due to Generation Yers being the most consumption-oriented of all U.S. generations and their love of shopping (Holtshausen and Styrdom, 2006; Taylor and Cosenza, 2002; Wolburg and Pokrywczynski, 2001), these findings were expected. Furthermore, since Generation Yers have been brought up in an era where shopping is not merely a simple act of purchasing, but instead one that is a form of leisure/hedonistic (Bakewell and Mitchell, 2003; Martin and Turley, 2004), their higher shopping frequency rate and time spent shopping at the mall per visit should be anticipated. The fact that Generation Yers have a "buy now, deal with it later" mentality and shop regardless of economic conditions ("Gen Y Shifting Retail," 2013) provides further evidence of the findings and Gen Y's shopping behaviors. Finally, since the majority of U.S. shopping malls have become centers for entertainment, it is not surprising that the more youthful generation (i.e., not as time poor due to fewer family- and career-oriented responsibilities) studied frequents the mall more often and spends more time per visit.

RQ3: Primary Destination at Mall

In terms of their primary destination when visiting the mall, Generation Y indicated an affinity for individual stores (49%) as compared to department stores (34%), while Baby Boomers indicated the opposite (55% for department stores, 36% for individual stores) (see Table 4). This could be attributed to the fact that Baby Boomers were brought up shopping in department stores and not many retail options were available to them during their childhood and early adult years; therefore, they may still shop in department stores or prefer stores with which they are accustomed to (i.e., knows the quality and value that they are getting, store layout). The fact that Generation Y has an affinity for individualism, enjoys diversity, and is accustomed to an abundance of goods, services, and retail options (O'Donnell, 2006; Sokol, 2003), could explain their attraction to individual stores. Generation X, on the other hand, showed a nearly equally mixed preference for individual stores versus department stores (42% for individual stores versus 46% for department stores). This could be due in part to the following: (1) they are the children of Baby Boomers; therefore, experienced/shopped in department stores as children, and (2) have experienced/lived through the "retail boom" of the 1980's and 90's, which introduced many individual stores (gave way to retail diversity) and marketplace abundance (i.e., more product and service offerings).

Table 4. Primary Destination when Visiting the Mall (RQ) [3]

	Baby Boomers		Generation X		Generation Y	
Destination	n	%	n	%	n	%
Individual Store	271	36.4%	543	41.9%	638	49.0%
Department Store	410	55.0%	598	46.1%	438	33.6%
Restaurant / Food Court	35	4.7%	67	5.2%	75	5.8%
Child Play Areas	5	0.7%	5	0.4%	31	2.4%
Services (e.g., Spas, Salons)	7	0.9%	16	1.2%	41	3.1%
Entertainment (e.g., Movie Theater)	17	2.3%	67	5.2%	80	6.1%

All three of the cohorts showed much weaker preferences for non-store features as their primary destination, with only 6% of Generation Y respondents selecting a restaurant/food court and roughly 5% of Generation X and Baby Boomer respondents selecting the same. Child play areas were slightly more popular with Generation Y (2%) as primary destinations when compared with Generation X and Baby Boomers (both 1%). Similarly, services (e.g., spas, salons) were slightly more popular with Generation Y (3%) as compared to the other two cohort groups (1% each). Entertainment venues (e.g., theaters, bowling, arcades) were more popular as primary destinations for Generation Y (6%) and Generation X (5%) as compared to Baby Boomers (2%).

Altogether, it was found that "actual shopping" (i.e., stores were the primary destination) was the main reason for visiting the mall for all three generations. Although the mall is ultimately a place of commerce, these findings were rather surprising given that U.S. shopping mall developers have placed great emphasis on evolving the traditional shopping mall into entertainment destinations (Lehtonen and Maenpaa, 1997; Wolburg and Pokrywczyniski, 2001).

RQ4: Desired Features of Mall
When asked to select features which would encourage participants to visit the mall more frequently (RQ4), all three generational cohorts overwhelmingly supported providing a greater variety of stores (69% Generation Y, 63% Generation X, and 60% Baby Boomers) (see Table 5). This could suggest that some respondents have become insensitive/bored with either the flagship stores and/or existing retail offerings within their local mall. Although RQ3 found that shopping was the primary reason for visiting the mall (i.e., primary destination was stores), RQ4 provides important information for shopping mall developers since all three cohorts desired more sit down restaurants (40% Generation Y, 38% Generation X, 39% Baby Boomers) and entertainment options (45% Generation Y, 31% Generation X, 18% Baby Boomers). Similarly, providing additional services (e.g., spas, salons) is also more popular with the younger generations (19% Generation Y, 12% Generation X, 7% Baby Boomers). Although a slightly higher percentage of Baby Boomers (43%) indicated they would like to see more department stores, Generation Y (38%) and Generation X (38%) also appear to be interested. Providing common space outside to read or meet a friend was more important to Generation Y (32%) as compared to Generation X (22%) and Baby Boomers (20%). In terms of malls providing child play areas, more Generation Y (22%) and Generation X (14%) respondents indicated this feature to be important (Baby Boomers 8%). All three cohorts indicated similar importance of community events being held at the mall, with Generation Y

at 29%, Generation X 26%, and Baby Boomers 27%. Altogether, it appears that all three generations studied are not completely satisfied with their existing mall offerings and desire either more store and service diversity or mall upgrades.

Table 5. Desired Features that Would Encourage More Visits to the Mall (RQ$_4$)

Destination	Baby Boomers		Generation X		Generation Y	
	n	%	n	%	n	%
More Sit-Down Restaurants	291	39.1%	496	38.3%	517	39.7%
More Entertainment Options	136	18.3%	405	31.3%	589	45.2%
Greater Variety of Stores	450	60.4%	814	62.8%	897	68.8%
Services (e.g., Spas, Salons)	54	7.2%	158	12.2%	248	19.0%
Department Stores	323	43.4%	490	37.8%	477	36.6%
Outside Common Space	148	19.9%	290	22.4%	415	31.8%
Child Play Areas	56	7.5%	182	14.0%	283	21.7%
Community Events Hosted at the Mall	200	26.8%	340	26.2%	372	28.5%

CONCLUSIONS

Summary

This study investigated the generational cohort differences for the following: (1) mall shopping frequency, (2) amount of time spent shopping at the mall, (3) primary destination within the mall, and (4) desired features that would encourage them to visit the mall more often. Based on data analysis, significant generational cohort differences were found for each research question. Additional testing (post hoc Tamhame tests), revealed significant generational mean differences for shopping frequency and time spent shopping during a mall visit. Altogether, results showed that Generation Yers shop more frequently and spend more time per visit than Generation Xers and Baby Boomers. Additionally, shopping related activities tended to be the primary reason for visiting the mall, since the primary destination for all three generations studied was either an individual or department store. Finally, a desire for increased store and service diversity would encourage more visits to the mall by all three cohorts.

Implications

Although the findings are shopping center specific, they have important implications for shopping mall developers. Overall, this study provides mall developers and marketers with a greater understanding of the three key U.S. generational cohorts' differences in shopping mall behaviors and desired features. Moreover, the study's findings provide U.S. mall developers and marketers with the desired features of all three generational cohorts; thereby, providing them with the information needed to: (1) tailor store and service offerings; (2) increase traffic rates, time spent at the mall per visit, and ultimately profits; and (3) better compete with Big Box and online retailers for market share.

Limitations and Future Research

Although this study yielded a large sample of mall shoppers, the generational cohort differences found in behavior and desired features cannot be generalized for the total U.S. population or other countries. A study that compares and contrasts U.S. regional differences in generational cohort shopping mall behaviors and desired features would better address this issue and be of interest. Additionally, a U.S. region/area that is highly populated with predominately one generational cohort would require shopping mall developers to tailor their offerings for their primary customers (e.g., Boca Raton, FL and Hilton Head Island, SC are largely

populated with Baby Boomers, since those areas are known for their retirement communities). Furthermore, since generational cohorts' economic, political, and social influences differ internationally, a country comparison may yield different results. Finally, since U.S. shopping malls are facing stiff competition from Big Box and online retailers, it would be of interest to compare and contrast the current study's findings to that of the shopping behaviors of Big Box and online consumers.

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AN ANALYSIS OF IN STORE ENVIRONMENT AMBIENCE FACTOR INFLUENCE ON CONSUMER BEHAVIOUR

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Abstract

Despite studies that exist on in store environment affecting consumer behaviour, there are still contradictory findings on propositions presented. In view of the contradictory findings, this study depicts the consumer behaviour in East Africa, Kenya and prevailing aspects in supermarkets. This study proposes an integrative conceptual model on how ambience characteristics could ensure positive consumer behaviour among retail customers. The study recommends that supermarket in Kenya should endeavour to initiate programs that will emphasize on scent as opposed to music and lighting as the latter do not affect consumer behaviour while scent does.

Keywords: *Ambience, Scent, back ground music, consumer behaviour*

Introduction

Several of previous studies have indicated varying consumers' reactions to in-store environments, for instance, Donovan and Rossiter (1982) while investigating the relationship between consumer behaviour and store environment established that environmental stimuli influenced consumers' emotional states that in turn determined whether they purchase or avoid certain products. Specifically, they established that environmental stimuli affected consumers' patronage of retail stores, the associations they made with store-staff, the stores they searched for and their conduct while in the stores. Xu (2007) on the other hand established that most modern-day US citizens engage in impulse buying because of the influence of store-environment on consumers.

Teller and Dennis (2012) conducted a critical review of researches that had established the

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effect ambient scent had on consumer's perceptions, emotions, and behaviour on a local mall in UK. They established contradictory results to previous studies-that ambient scent did not affect consumer behaviour. This indicated how same environmental cues could influence varying consumer behaviours. As such, Teller and Dennis proposed that rigorous research be conducted to elaborate the effectiveness of atmospheric stimuli to consumers' behaviour, as they felt that the results of their study could be replicated in other environmental/atmospheric variables.

Others like Donovan, Rossiter, Marcoolyn, and Nesdale (1994) established that though the store environment could generally affect consumers' emotional responses while in store, it was difficult to tell whether consumers experienced huge arousal when the store environment was highly pleasant. Their skepticism also led the proposition that other types of stores could be studied to establish whether merchandise perception and emotional responses independently contributed to extra time and unplanned shopping.

Yalcin and Kocamaz (2003) investigated the effects store atmosphere had on loyalty of hypermarket and supermarket customers in Turkey with a focus on grocery sector. Their study established that customers preferred to shop in stores whose environment was decent and conducive. They argued that marketers who do not offer these services end up losing customers, hence, threatening their profits. Vida (2008) while investigating how music in store environment affected shoppers' behaviour in Slovenia established that atmospheric music and store image played a significant role in influencing shoppers' behaviour while in the store environment-'fit' music in the store encouraged shoppers to spend more time and money. However, their findings were not conclusive in establishing whether spending more time in stores led to increased shopping.

Mohan, Sivakumaran, and Sharma (2013) investigated the impact store environment had on impulse buying of retail customers in India. With a focus on music played within the store, the store's lighting, its layout, and the employees, their study established that the store environment motivated Indian consumers' impulse buying tendencies. Positive factors in the store-environment significantly influenced whether these consumers bought on impulse or not. Tinne (2011) while investigating the factors that drive impulse buying in Bangladesh concluded that the display of products on the shelves of a store and the conduct exhibited by the sales people influence shoppers' buying behaviour like impulse buying.

In Africa, a study by Dhurup, Mafini, and Mathaba (2013) investigated the store image factors influencing store choice among sportswear consumers in South Africa and found store atmospherics, sales assistance, in-store induced appeals, store accessibility and promotion/brand availability as the environmental factors that influenced consumer behaviour. Thus, Dhurup *et al.* recommended marketers of sports apparel stores to enhance these factors as a way of increasing sales.

Tlapana (2009) investigated how store layout impacted consumer purchasing behaviour at convenience stores In Kwa Mashu, South Africa and found significant relationship between store layout and purchasing behaviour. Mariri and Chipunza (2009) also studied how in-store environment affected impulse purchasing among South Africans and established a strong relationship. In Ghana, Anning-Dorson (2013) also did a study on how store-atmosphere factors influenced Ghanaian shoppers to choose the mall to shop at and established that store display and store-personnel were the main factors that drew shoppers to choice malls.

Literature Review

Ambience relates to nonvisual elements of a store's environment like lighting, smell/scent, temperature, noise, and music (Tlapana, 2009). These factors have also been found to influence people's behaviour. Generally, studies like Xu (2007) have found ambience to have significant positive impact on pleasure of shoppers though the study is limited by the fact that it targeted a specific age group hence its findings cannot be generalised to the entire population with varying age groups.

Xu (2007) while investigating store environment effects on impulse purchasing of adult generation Y consumers in the US found that ambience enhanced consumers' pleasure while in the store which then enhanced (impulse) purchase activity. This study targeted shoppers attending four large malls in Midwestern states in USA and used a questionnaire to collect data. Mariri and Chipunza's (2009) study in King Williams' town that investigated the relationship of in-store environment and impulse buying found that scent, ventilation, and background music within the store did not relate with impulse buying whatsoever. The study surveyed 320 shoppers who were sampled conveniently

and interviewed using a questionnaire. Similar to Xu (2007), this study only focused on impulse buying and cannot be generalised on non-impulse buying behaviour that consumers exhibit.

Vida (2008) studied the effect in-store background music has on consumer behaviour in retail stores in Ljubljana, Slovenia by intercepting shoppers at the checkout areas as they exited two major hypermarkets and 3 specialty retail stores that deal in sports equipment and apparels. The researcher used experimentation method to conduct the study. Both planned and unplanned background music were used and the study went on for two weeks, which resulted in 259 respondents being interviewed. A questionnaire was used to collect data and the maximum likelihood estimation technique used to analyse the data. Findings showed that when shoppers perceived the background music as fit, they developed positive experiences that led them browse store merchandize favourably, hence, spent more finances and time within the store. Additionally, the study established that stores whose background music was planned received high music-fit scores from customers than stores with unplanned music. Based on the limited scope to background music and specialty retail stores/hypermarkets, the study proposed further investigation on foreground music and using a wide scope of retail stores.

Yalcin and Kocamaz (2003) studied the effects store atmosphere attributes have on loyalty intentions of hyper/supermarkets in Istanbul, Turkey dealing in food retailing. Using descriptive survey, the study targeted 500 shoppers but only received 317 dully-filled questionnaires. Snowballing was used to identify shoppers of the target retail stores while correlation was used to analyze the data. The findings indicate that loyalty of consumers had a significant positive correlation with in-store atmospherics. The study measured atmospherics based on colour, scent, temperature, hygiene, and lighting.

Olahut, El-Murad, and Plaias (2012) conducted an empirical review of studies published on the relationship of atmospherics and consumer behaviour across the world with an aim of establishing the gaps to be filled. The study identified the articles to be reviewed based on key words: dimensions of atmospherics, atmospherics, shopping behaviour, S-O-R model. The findings showed that music was an effective tool in influencing consumers' moods with louder music was characterized by longer shopping times when compared to softer music. Loud music triggered more memory traces that enhanced the retrospective approximations of time. Additionally, the study established that people's cognitive processes influence how music shapes the attitude towards stores and salespeople. When other cognitive stimulations were low, soothing music was found to enhance the cognitive processes. Modern-day retailers have also discovered the relevance of using music to differentiate their stores from competitors, hence, give their stores a certain image.

Olahut *et al.* (2012) further found that music can dictate the pace at which shoppers move in a store, define a store image and attract or direct the attention of shoppers. However, managers should not overdo their music when aspiring to meet these objectives. For instance, since faster music can enhance shoppers' movement in a store, it is not wise to put music that has an overly faster tempo as it may influence behaviour that was not intended. Generally, the music ought to be slow, soothing, or classical. Such music encourages shoppers to slow down their movements in the store, relax, and take a good survey of the goods on sale.

The researchers also found that scented products attract enhanced valuations when compared to those that are not scented with congruent scents increasing evaluations significantly than incongruent ones. As such, scent in the store environment affects shoppers'

attitudes towards the merchandize on sell as well as the store (Olahut *et al.*, 2012).

According to Morrison, Gan, Dubelaar, and Oppewal's (2011) study "*In-store music and aroma influences on shopper behaviour and satisfaction retailers,*" that experimentally examined the effect loud/soft music and presence or absence of vanilla scent had on consumer behaviour, the volume of music and aroma of in-store environment were found to have significant effect to shoppers' emotions and extents of satisfaction.

Hui, Dube, and Chebat (1997) using experimentation where respondents' psychological and behavioural responses to waiting time were measured, studied the effects music had on shoppers' reactions while waiting for services and found that music directly and indirectly affected the perceived wait duration by triggering an emotional reaction to the wait. Music affected perceived waiting time through shoppers' affect and cognition. Although positively valanced music also increases perceived wait period, the latter has no significant effect on consumers' behavioural response to the service organization. The study used the case of a bank branch, and only sampled 116 undergraduate students who were pursuing business at Canadian University.

Yalch and Spangenberg (2000) conducted a study in the US where consumers were exposed to music according to familiarity in a simulated shopping experiment. Shoppers' perception of shopping period, commodity evaluations, and emotions were then measured. Findings showed that subjects thought they took long time to shop when familiar music was played but in reality, they spent more time shopping when the music played was not familiar to them.

Elsewhere in the Northeastern part of USA, Michon, Chebat, and Turley (2005) investigated the intervening effect of in-store scent on consumer emotions, perceptions of in-store environment and perception on quality of merchandize on offer in different in-store retail densities. Respondents were intercepted while shopping in urban malls and interviewed through a questionnaire. A total of 279 subjects were interviewed and the data collected from them analyzed using structural equation modelling (SEM). Findings showed that ambient scent only had a positive relationship with shoppers' perception of the retail atmosphere in average retail densities. In low or high densities, scent had a negative effect on shoppers' perception of retail atmosphere. Moreover, ambient scent had a small positive effect on shoppers' emotions when the density was medium. Michon *et al.* (2005) appreciate that their study findings are limited in terms of generalizability as they only focused on community malls, which may largely attract convenience shoppers. As such, they recommend studies that enlarge the scope of study beyond community malls.

Another study done in a major city in the US investigated the influence in-store lighting had on the aspects of consumer behaviour. The study used a two-month experimentation design to establish the effects bright and soft/less bright light had on shoppers' behaviour. The lighting system was varied during this time of experimentation and its effects recorded. The set up was a major wine store in the target city and consumers were sampled conveniently. Observation was used to collect findings, which were analyzed using ANOVA. The study established that shoppers browsed more merchandize when exposed to bright in-store lighting. However, the lighting and its increased effects on merchandize browsing did not reflect in increased sales. The study recommended managers to alter their in-store lighting to enhance a functional environment hence contribute to their brand perception. Since it focused on wine stores, the study recommended studies on other merchandize retail stores (Areni & Kim, 1994).

Kumar, Garg, and Rahman (2010) in their study on the "*Influence of Retail Atmospherics on*

Customer Value in an Emerging Market Condition" found that olfactory factors like scent and temperature were significant determinants of customer value while lighting, music, and colour affected customer value to a smaller extent. Both relationships were, however, positive; that is, enhanced olfactory factors increased customer value. This study was done in Delhi, India and used exploratory design. The study targeted single and multi-brand stores and discount stores and measured not less than 1000square feet. Respondents were intercepted while shopping or after completing their shopping experience while exiting the store. A questionnaire was used to collect data and 450 respondents whose age ranged from 20 to 40 years were interviewed. Factor analysis was used to analyse the data. The study recommended a similar replication in other geographical areas.

Conceptual Framework

Based on the various arguments the framework proposed here takes account of the multiple effects that store ambience environment could have on shopping behaviours. This research examined individual ambience ambient factors such as background characteristics, lighting, music and ambient scent;

Figure 1. An integrative Framework In store environment ambience influence on consumer behaviour
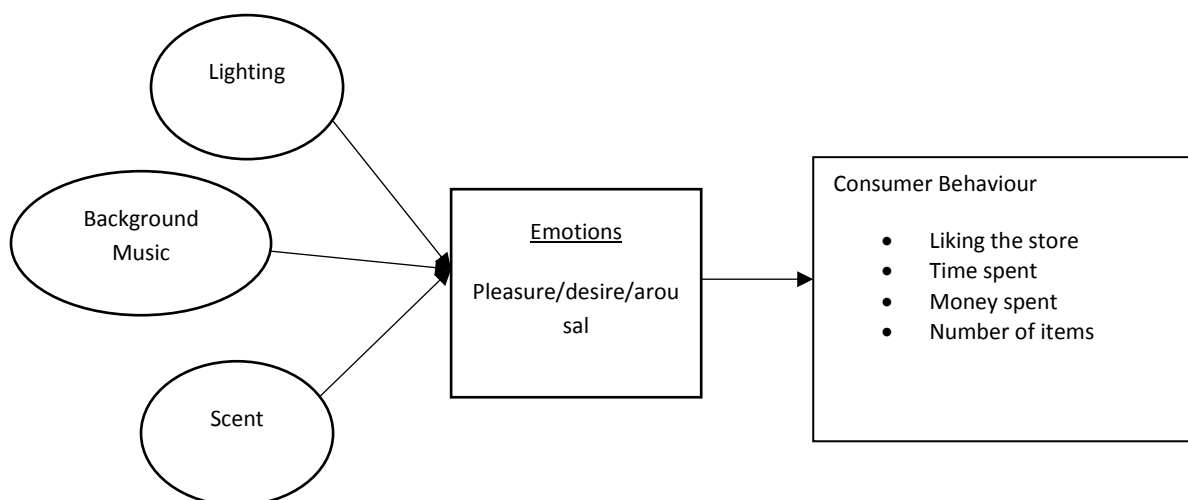
Research Methodology

The research design used in this study was explanatory research using cross-sectional survey design. The explanatory research was ideal to describe the characteristics of the variables and at the same time investigate the cause effect relationship between variables (Malhotra & Birks 2003). The choice of cross-sectional allowed collection of quantitative data from a population in an economical way (Mugenda & Mugenda 2003; Saunders *et al.,* 2009). This design was archetypal because of its suitability in elaborating the characteristics of a particular individual or group of individuals (Kothari, 2006). The target population for this study comprised all shoppers from the five major supermarkets in Nairobi Central Business District namely Tuskys, Naivas, Nakumatt, and Uchumi. The study used two sampling strategies: stratified and convenience sampling. Stratified sampling was used to enable the researcher target a specific number of shoppers from each supermarket so as to enhance inclusivity. To get respondents who meet this criterion required the researcher to sample them according to

convenience as they exited the target supermarkets. Using convenience sampling, the researcher intercepted any shopper exiting the target stores for interviewing. Thus, the sample size for this study was 100. The sample was distributed per supermarket as indicated in Table 1.

The unit of analysis of this study will include all shoppers of the above named supermarkets. Utilizing them as the unit of analysis would no doubt improve the findings of the study (Stock & Black, 2002)

Table 1. Sample Size

Stratum	Sample
Tuskys Imara	25
New Naivas Ronald Ngala	25
Nakumatt Moi Avenue	25
Uchumi Agha Khan Walk	25
Total	100

Source: Author (2015)

Research findings

Background Music

Figure 4.1 shows the results of the tone of the music customers found being plaid in supermarkets.

Majority (97%) of the customers found background music in the store to have a soft tone and only 3% found the tones to be rough. Soft tones are characteristic of welcoming mood, as the nature of music is not irritative nor hash.

This result shows that supermarkets appreciated the importance of soft music to customers hence preferred to play such, as opposed to rough music, which symbolizes excitement/chaos/or tense moments similar to Olahut *et al.*'s (2012) submission on effect of soothing (low toned) music on shoppers' behaviours.
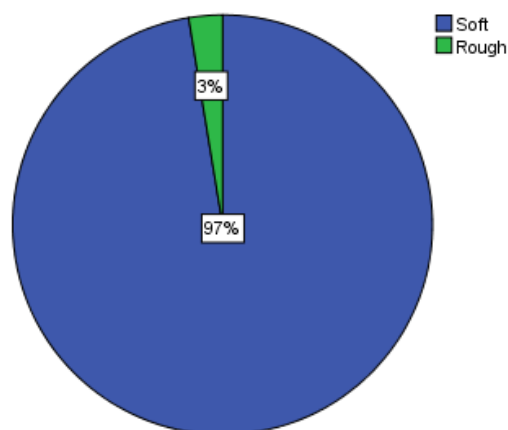
Pitch of Background Music

As to whether the music was very loud or average, the results in figure 4.2 were collected.

Majority of 95% of the customers who shopped in the target supermarkets perceived the music being played in the store to have an average

pitch. This means that the music was not very loud to annoy or very low not to be heard. As such, this indicates that supermarket managers also paid attention to the amount of noise the music made to customers. Low-pitched music is characterized with peaceful atmosphere that is conducive for shopping.
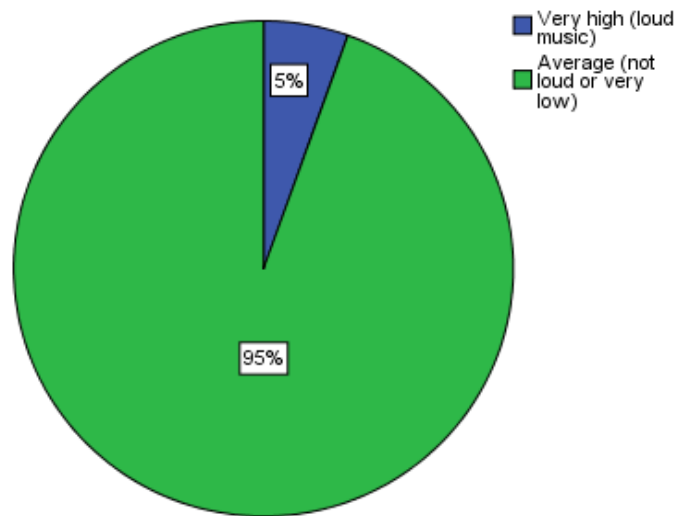
This result disagrees with Olahut *et al.*'s (2012) findings that louder music was more preferred to shoppers than soft music and that the louder music was more effective in influencing shopping times.

Tempo of Background Music

Majority (56%) of customers perceived the music being played as slow while 30% said some of the songs were slow while others were faster. Only 5% said the music was faster while 8% said the music was neither slow nor fast. Slow music has been characterized by slowing down customer's movement in the store so that they can browse more merchandize. Thus, by implementing the slow music, the managers were showing their need towards enhancing customer stay in the store so that they may be influenced to buy more. This discussion concurs with Olahut *et al.*'s (2012) that the speed of music can dictate the pace at which shoppers move in a store, define a store image and attract or direct the attention of shoppers.

Figure 4.3: Tempo of Background Music
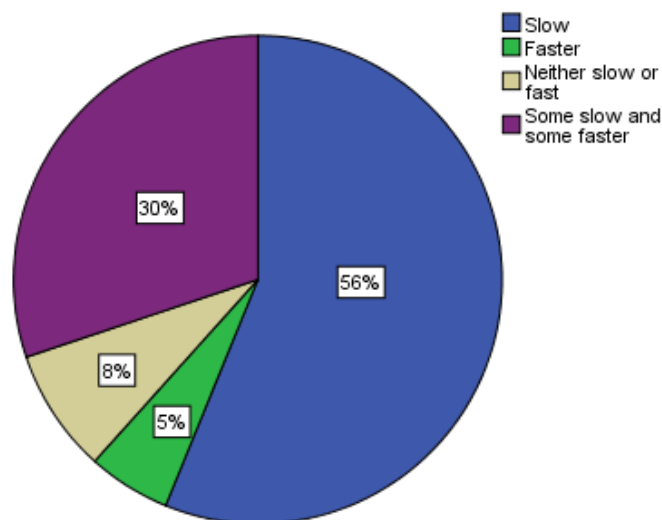
General Perception of the Music and its effect on Shoppers

The study then investigated the general perception customers had towards the music that played in the supermarkets. The customers were required to indicate the extent to which they agreed with the music and the results in figure 4.4 collected.

Majority (77%) of the customers said the music was appealing (good) to them to a high extent, 13% said the music was appealing to an average extent while only 9% said the music was appealing to a small extent. Generally, the results show that the music played in the supermarkets was acceptable to customers. This could be attributed to the soft tone, slow tempo and average pitch, which are basically neutral and acceptable to many people.

The study then investigated how the general perception of the music influenced customer behaviour. The collected results were as shown in the regression coefficients' outputs in table 4.1

Figure 4.4: General Perception of Music
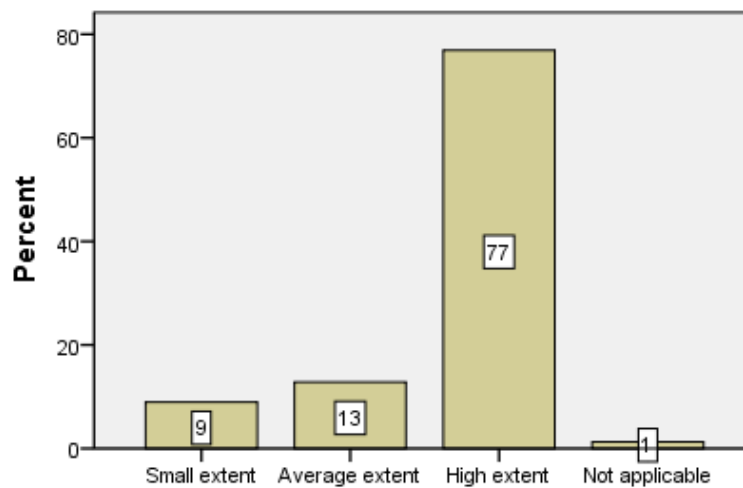
Table 4.1: Relationship between Music and Consumer Behaviour

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Music made waiting time at the counter look shorter	.024	.049	.057	.480	.633
Music made me explore the supermarket's merchandize	.048	.097	.059	.496	.622
Music influenced the number of goods bought in the supermarket	-.067	.097	-.086	-.693	.491
I am likely to return to the supermarket because of the music	-.120	.072	-.224	-1.658	.102
a. Dependent Variable: Extent to which the music was appealing (good)					

As indicated in table 4.1 at 95% confidence level, music had no significant relationship with waiting time at the counter, spending more time browsing the store merchandize, purchasing an

increased number of goods, or likelihood of being a return customer since p>0.05. This indicates that the behaviour of shoppers of Nairobi's supermarkets cannot be explained based on the background music played in the supermarkets. As such, the findings disagree with those by researchers like Vida (2008); Mariri and Chipunza's (2009); Xu (2007); Olahut

et al. (2012); Morrison *et al.* (2011) that music had an effect on the shopping behaviour of consumers.

In store lighting

The researcher enquired on the kind of lighting found in store supermarkets during the study. The results were as presented in figure 4.5.

Figure 4.5: In Store lighting

Majority (41%) of customers said the supermarkets had artificial and bright light, 31% said the lighting was artificial but soft (less bri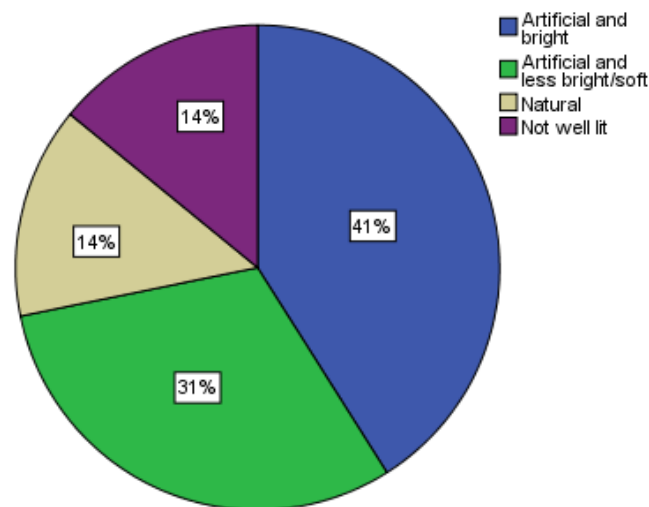ght) and 14% said the lighting was natural and the other 14% was not well lit. It should be indicated that the tall buildings in the CBD block natural light from accessing all buildings adequately hence creating darkness that requires additional artificial lighting for customers to clearly observe merchandize. This could be the main reason why artificial lighting was observed in most supermarkets. Supermarkets preferred bright light to soft light, perhaps, due to the fact that bright light enhanced chances of clear merchandize view hence had a higher chance of increasing shopper browsing of merchandize. The effect the lighting had on the behaviour of consumers was then presented in table 4.11.

The results in table 4.11 shows that at 95% significance level, lighting in supermarkets in

Kenya has no statistical significance with the behaviour consumers exhibit while shopping since p>0.05. Specifically, these results indicate that lighting is not a critical determinant of the behaviours shoppers in Nairobi supermarket exhibit as it neither influences longer stay in the supermarket, or spending more money in the store, or buying of more goods, or future return to the store. These results could be attributed to the fact that the lighting, though artificial, was adjusted to offer the effect similar to natural lighting, which is just ideally good for seeing merchandize. As such, the lighting did not influence consumer behaviour because the consumers considered it normal. The findings of this study disagree with those by Yalcin and Kocamaz (2003) who found that lighting correlated positively with consumer loyalty; but was consistent with Areni and Kim (1994) who found that shoppers browsed more merchandize when exposed to bright in-store lighting.

Table 4.11: Effect of Lighting on Consumer Behaviour

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Lighting influenced longer stay in the store	.288	.158	.394	1.816	.074
Lighting influenced the spending of more money	-.111	.298	-.083	-.372	.711
Lighting influenced the buying of more goods	-.052	.234	-.047	-.224	.823
Lighting encouraged future return to shop from the store	-.045	.168	-.042	-.270	.788
a. Dependent Variable: Describe the lighting of the store					

In store scent

Respondents were asked to describe the scent they encountered in the supermarket. The responses in figure 4.6 were collected. Majority (68%) of the customers surveyed found the supermarket stores to have a pleasant scent while 28% found the stores naturally scented and only 4% perceived the scent in the store as unpleasant. Pleasant scent creates an environment that is tolerable for people to stay in, as such the implementation of a pleasant environment by supermarkets was so as to create a conducive environment within which shoppers would be encouraged to conduct their shopping needs.

Table 4.12 and 4.13 presents the effect of store scent on the shoppers' shopping behaviour.

The results of R=0.754 indicate that the relationship between scent and consumer behaviour was linear and strong and the R-square value of 0.568 shows that in-store scent caused 56.8% of the behaviour shoppers exhibited while in the store/supermarket. Table 4.13 shows the specific shopper behaviours influenced by store scent.

Figure 4.6: Nature of

Store Scent
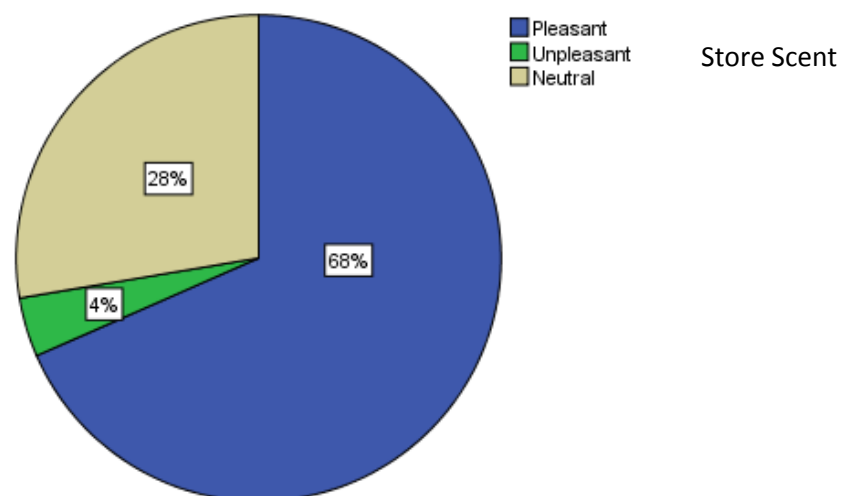
Table 4.12: Model Summary for Relationship between Scent and Consumer Behaviour

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.754[a]	.568	.536	.615
a. Predictors: (Constant), Scent made me want to come shop here in future, Scent made me leave the supermarket, Scent encouraged me spend more money in supermarket, Scent encouraged me to spend more time in supermarket, Scent made the supermarket environment conducive for shopping				

Table 4.13: Relationship between Consumer Behaviour and Scent

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Scent made the environment conducive for shopping	.308	.068	.387	4.516	.000
Scent encouraged the spending of more time in store	.261	.072	.312	3.638	.001
Scent made me leave the supermarket	-.268	.077	-.294	-3.476	.001
Scent encouraged me spend more money in store	-.140	.074	-.156	-1.882	.064
Scent made me want to come shop here in future	-.028	.102	-.023	-.277	.782
a. Dependent Variable: Description of the store scent					

The results show that the pleasant scent in the store supermarket had positive significant relationship with making the store environment conducive for shopping based on the coefficient value of 0.308 and a p-value of 0.000 which is significant at 99% confidence level (p<0.01). This indicates that a unit increase in the pleasantness of the scent in the store enhanced the conduciveness of the shopping environment by 0.308 units. This means that shoppers were attracted to stores with scents that were pleasant. The results in the table also shows that the pleasantness of the scent in the store had a direct and significant relationship with the time consumers spend in the supermarket (coefficient = 0.261 and p<0.01). This shows that when the pleasantness of the scent in supermarket stores increased by a unit, customers were encouraged to spend 0.261 more of their time in the store. This finding could be attributed to the fact that pleasant scent attracts customers, as it is good to their sense of smell.

The relationship between scent and desire of customers to leave the supermarket store was negative but significant at 99% level (coefficient = -0.268 and p<0.01). This means that when

scent's pleasantness increased by a unit, the desire of shoppers leaving the supermarket reduced by 0.268. As such, consumers were attracted to the pleasant scent to stay in the supermarket. This could also be attributed to the fact that pleasant scent attracted shoppers owing to its good smell. These findings are in agreement with the findings that pleasant scent created conducive and appealing atmosphere environment that resulted into positive customer value to the stores (Michon *et al.,* 2005; Kumar *et al.,* 2010; Morrison *et al.*, 2011).

The standardized Beta values show that the scent available in supermarket stores has greater effect on the store environment. Scent has the least effect on shoppers' return to the supermarkets in future.

However, there was no significance between scent and the desire to spend more money in the supermarkets at 95% confidence level since the calculated p-value (p=0.064) was greater than 0.05. This means that the scent in supermarket stores did not influence customers to spend more money in the store. Perhaps this could be attributed to the fact that when customers went to the stores, they had a list of

commodities they were to buy and their respective costs and, as such, secondary things like scent would not make them change their intention. Additionally, at 95% confidence level, there was no significant relationship between the pleasantness of store scent and its effect on consumers desire to return to shop from the store in future since the calculated p-value (0.782) was greater than 0.05. This means that

scent was not a contributor to the loyalty of customers, hence, disagreeing with the findings by Yalcin and Kocamaz (2003) who found positive correlation between scent and customer loyalty. Perhaps this means that supermarket customers did not consider secondary factors like scent when determining the supermarket to be loyal to. As such, non-scent factors could be playing a role in loyalty.

Conclusion

The findings show that the background music played in supermarkets in Kenya is characterised by a soft tone, an average pitch, and a slow tempo. Generally, customers perceived the background music played in supermarkets in Kenya as appealing (good) to listen to. However, the study found that the background music played had no relationship with customers' shopping behaviour. The background music did not have any effect on the waiting time at the counter, the time spent browsing merchandize in the store, the number of goods purchased, and the likelihood of returning to shop from the supermarket in future.

On lighting, the study found that the common form of lighting in supermarkets was artificial and bright light. The lighting in supermarkets in Kenya has no statistical significance with the behaviour consumer's exhibit while shopping. Specifically, lighting does influence longer stay in the supermarket, but does not influence the amount of money spent in the store and the purchasing of an increased number of goods.

Majority (68%) of the customers surveyed found the supermarket stores to have a pleasant scent, which correlated strongly with consumer behaviour. Pleasant scent in the supermarket made the shopping environment conducive to shoppers. The study also found that the pleasantness of the scent in the store directly and significantly related with the time consumers spend in the supermarket. Pleasant scent also negatively affected the desire to leave the supermarket. Additionally, the study found

that scent has no significance with the desire to spend more money in the supermarkets or the desire to return to shop from the store in future. Supermarkets in Kenya play background music that is characterized by soft tones, average pitch, and slow tempo. Generally, the background music played in these supermarkets appeal or impress shoppers. However, music is not an influencer of consumer behaviour among shoppers of supermarkets in Kenya. Kenyan supermarkets use artificial bright lighting for their stores. However, the lighting has no influence on consumer behaviour among shoppers to those supermarkets. Additionally, supermarkets in Kenya spray their internal atmospheres with pleasant fragrances (scents). Pleasant scents in the supermarkets make the atmospheres conducive for shopping. Pleasant scents increase the time consumers spend in supermarkets in Kenya. The study also concludes that pleasant scent reduces the chances of customers leaving the supermarket hence encouraging customers to browse more merchandize.

Recommendations

Supermarkets in Kenya should endeavour to initiate programs that will educate or equip their employees with skills for being friendlier, having courtesy, and being helpful to customers so as to enhance the effect employees have on customer behaviours.

Though offering good background music and lighting are good ambience factors for

supermarkets, they should concentrated upon to offer complimentary aspects to shoppers experience to ambience to provide a holistic appeal to a consumer. Although ambience had the highest factor of influence, it should not be the only factor under consideration in improving consumer behaviour in a retail store. Though Supermarkets should, adopt appealing/pleasing fragrances/scents in their atmospheres to attract and increase shopper activities in the stores.

Areas for Further Study

The findings in this study clearly depict the case of city supermarkets. As such, generalising these findings to other non-supermarket retail stores or even supermarkets in small towns may be challenging. Therefore, a study that will enlarge the scope of study in investigating how store-environment affects consumer behaviour is needed. In view of the contradictory findings, more studies need to test the congruence proposition.

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THE EFFECTS OF PROMOTIONAL MIX TOOLS ON BRAND EQUITY AMONG HOSPITALS IN NAIROBI COUNTY

Johnson Charanah & Reuben Kinyuru Njuguna

Abstract

Brand equity is a marketing strategy and can be created and maintained for the benefit of an organisation. Building brand equity entails promotional activities that create value for the brand and increasing the ability to recall or recognise it. Advertising has the ability of changing the favourability and strength of a brand. This study sought to establish the effect of advertising on brand equity. The study adopted a descriptive survey research design with the target population being the staff of NHIF accredited hospitals in Nairobi County. Using a combination of stratified and simple random sampling, a sample size of 100 was selected. The data instrument used was structured questionnaires which were filled and collected back for analysis. Using SPSS, descriptive statistics of frequency distribution and central tendency were applied to analyse the data. Regression tests were used to determine the relationship between the variables. The study established that advertisement affects brand equity among the hospitals with a significant correlation R= 0.517, such that it determines 32.6% variance of brand equity. The study recommends that the hospitals should consider adopting advertisement as strategy for enhancing their brand equity among people. The study also recommends a further study on ways to maintain brand equity and determine the effectiveness of brand equity creation to hospitals.

Keywords: Brand equity, Advertising, Promotional activities

Introduction

The brand equity of an established brand is normally determined by the perception of the brand consumers (Rahmani, Mojaveri & Allahbakhsh, 2012). Brand equity is an important tool for associating a brand and influencing customers in making purchase decisions for particular brand products. In developing the concept of brand equity, a number of factors come into play, effective factors in creating and establishing it in the market concerns promotional tools. Brand equity in itself is a marketing strategy and can be created and maintained for the benefit of an organisation (Rahmani, *et al.*, 2012). Building brand equity entails promotional activities that create value for the brand and increasing the ability to recall or recognise it. Some of the dimensions of brand equity include brand awareness, brand association, brand loyalty and percieved quality. The promotional activities have the ability of changing the favourability and strength of a

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brand according to the different dimensions of brand equity. According to Rajh (2005), in complex and dynamic market, it gets difficult to create and implement effective combination of promotional activities. Consumer perception of a brand can make it difficult to strategize and come up with marketing strategies that are meant to persuade them otherwise.

Organisations, including hospitals strive to increase their market share by engaging in activities that increase their visibility. Promotion has grown in importance among hospitals. A number of hospitals in Nairobi County, among them the Nairobi hospital have been keen to develop their brands and services through a variety of promotions (Nairobi Hospital, 2014). This is because branding provides additional value for company products/ services and have been proven to influence consumer behaviour. Therefore, establishing and achieving a strong brand is one of the top priorities for any organisation given the benefits that come with it. As listed by Rahmani, Mojaveri and Allahbakhsh, (2012), a strong brand enables an organisation to establish itself in the market and earn a competitive advantage. In a global market where there are many products from a wide range of producers or suppliers with similar functionalities, establishing a distinguished brand has become a main differentiating tool with promise of value and quality to consumers. Building strong brand enables firms to lower their marketing cost and develop ability to charge premium price for their products (Nigam & Kaushik, 2011).

One of the main factors that affect brand equity is advertisement. It has the capability of adding value to consumer perception of a product (Chattopadhyay, Shivani & Krishnan, 2010). Advertising builds image for the producer as it has the capability of creating consistent flow of sales as compared to price promotions (Chattopadhyay, *et al.*, 2010). Higher advertising increases level of awareness and the attitude towards the brand being among consumers

choice set. According to Chattopadhyay, *et al.*, (pg71), studies have shown that "heavy advertising improves perceived quality and higher levels of advertising signal higher brand quality."

Problem Statement

Promotional mix is used to entice and attract consumers to make decisions of purchasing a particular product. Based on their understanding and knowledge of the product that can be influenced by the brand, consumers then decide from which brand to make their purchase. Conducted studies; for example "An Empirical Study on the Promotional Mix and Brand Equity: Mobile Service Providers," (Karunanithy & Sivesan, 2013), "The Effect of Advertising and Sales Promotions on Brand Equity," (Buil, et al, 2010) and "Effects of promotional-based advertising on brand associations," (Clayton & Heo, 2011) have been able to show positive relation between promotional strategies and brand equity.

For a long time hospitals have operated with little or no promotion for their services and brands. Hospitals have been confined with the tradition of no commercials for hospitals relying on client relations only. Despite the knowledge of the importance of brand equity, specific effects of particular promotions on brand equity dimension like brand loyalty are yet to be developed in Kenya and especially for the health care sector. Studies in Kenya are yet to develop in the health sector. The sector has become very competitive and brand building is as important as developing competitive advantage. Rahmani, *et al.*, (2012) observed that brand equity is mainly emphasized, but how it is developed is largely ignored. It is proper to pay attention to the development of intangible assets that results in establishing brand equity and have effect on buyer decision making.

Studies on the effect of promotional mix on brand equity target other industries such as telecommunications (Karunanithy & Sivesan,

2013) and consumer goods (Syed & Madhavaiah, 2013), with few studies in the healthcare sector given the tradition of no promotion for hospital services. For hospitals, it is important to understand the dynamics of creating strong brand equity among the public. Based on this argument, this paper sought to study the effects of promotional mix tools especially advertising on brand equity among hospitals in Nairobi County

Objective of the study

The main objective of the study was to establish the significance of promotional mix tools on brand equity among hospitals in Nairobi County
To determine the effect of advertising on brand equity among hospitals in Nairobi County

Review of Literature

The frequency of advertisement activities increases brand awareness leading to greater brand equity. Advertising is just one of the elements of the promotion mix that has high impact on brand equity. The effectiveness of advertisement depends on its content, the execution or how the advert conveys the message creating brand awareness. In his book, Keller (2007) noted that awareness links strong, favourable, and unique associations to the brand in consumers' memory, and elicits positive brand judgments and feelings. The content of advertising influences the choice by enabling consumers to know the type of products and services that are provided. Advertising in hospitals creates awareness of hospital products to consumers and their association with the hospitals. A study done by Muathe and Kerre (2014) on the moderating effect of industrial context on the relationship between brand equity and consumer choice in branded bottled water nairobi, kenya using cross-sectional survey design found out that brand awareness and perceived quality are important factors influencing consumer behaviour in particular industry. Implying that brand awareness and

perceived quality which can be created through advertisement is paramount to brand equity.
In creating brand awareness through advertising, hospitals should consider consumer interest and services they offer. A study done by Sreenivas, Srinivasarao and Srinivasa (2013) in Turkey hospitals adopted central tendencies and ANOVA to find out the perception of respondents on 7Ps in marketing hospitals. Using two super-specialty hospitals as case study, the study revealed that consumers consider the accessibility of the hospital, services offered, the physical appearance and technological advancement of hospitals before making a choice. To create brand equity, hospital administrations can use such information in the advertisements. Through advertisements, consumers get to be informed on hospital brands. The results of the study show that advertisements build brand equity by informing clients about hospital products and services.
According to Keller (2007), hospitals should be keen on design, content and execution of advertisements so as give complete and accurate information through which the consumers can associate with hospital brands. This can help in getting consumers' attention to the advertisement and contribute to brand equity. Innovative adverts can be used to create a positive perception in consumers mind. Patients visit hospitals depending on the image they have of it. Through original and innovative advertising strategy, it is more likely to capture consumers' attention leading to higher brand awareness, a higher perceived quality and contributes to forming strong, favourable and unique associations. Buil, de Chernatony, & Martínez (2010) conducted a survey on 411 UK consumers to explore the relationships between marketing mix elements. The findings of the study showed that advertising influences brand equity dimensions and improves brand awareness. In addition to that, advertising minimize barriers between costumers and organization and is considered a successful factor in situations

where sales promotion has failed. It has been found to have a positive effect on brand equity.

In today's world, hospitals have changed to become more service oriented. The need to upgrade the image of hospitals among consumers as well as provide services that satisfy their needs have also grown. To know about consumer needs and maintain competitiveness, communication is essential. A study by Solayappan & Jayakrishnan (2010) on "Key Determinants of Brand-Customer Relationship in Hospital Industry" found out that patient's satisfaction correlates positively with the brand dimensions. Through distribution of questionnaires, the study established that patient's satisfaction in a hospital is dependent on the patient's state of mind and image of the hospital. There is a positive relationship between advertising and perceived quality of which advertising positively affects on perceived quality and subsequently brand equity. An empirical study conducted by Bravo, Fraj & Martínez (2007) on the role of family on consumer based brand equity using structural equations model analysed different brands of products. The study established that family has influence on the formation of brand awareness and perceived quality. Family influence increases the chance of paying attention to brand, simplify costumers' selection and habituate the selection of brand. Successful advertising positions a brand in the minds of consumers with such an impact that nurtures salience, and builds positive brand attitude that leads to strong brand equity.

Consumers have attested that the experiences they have with products are influenced by believing advertising comments and assume that the probable function is according with their claim. For firms that want to reinforce consumer views and beliefs concerning a brand should consider advertising as it is a powerful tool that can help in restoring brand loyalty. In their study to assess the impact of brand personality and sales promotions on brand equity, Valette-Florence, et al., (2011) sampled volunteers respondednts and tested questionnaires that required the participants to rate different brands according to promotion intensity. The study recorded a positive impact of brand personality on brand equity. The concept of brand image is quite complicated due to one reason or another and the most appropriate way to go about explaining it to the public is through advertising. Similarly, advertising also increases the scope and frequency of brand awareness (Keller, 2007). It also develops favourable, strong and unique brand associations. According to Keller, brand associations arise from consumer brand contact like in the case of brand awareness. This association is developed through adverts ability to create, modify or reinforce associations with new product customers. Hence, the higher the advertising spend on a brand, the stronger and more numerous will be the associations in the consumer's mind.

This is supported by Bravo, e al., (2007) who found out in their study that there is positive relationships between advertising spend as perceived by the consumer and the perceived quality, brand awareness and brand associations. Like other researchers, they recognise that the content, nature and quality of advertising play important role in brand equity dimensions.

Methodology

The study adopted a descriptive survey research design with the target population being the staff of NHIF accredited hospitals in Nairobi County. Using stratified sampling, the hospitals were categorised into two groups depending on their bed capacities; big hospitals for more than 20 bed capacity and small hospital 20 and below bed capacity. A sampling frame of 20 hospitals; 10 big and 10 small hospitals were selected from where the sample was drawn. The respondents were also drwn from two departments, marketing and administration. Using simple random sampling, 5 respondents were drawn

from each of the 20 hospitals; 2 from the administration department and 3 from the marketing department totalling to a sample size of 100. The data instrument used was structured questionnaires which were filled and collected back for analysis. Using SPSS, descriptive statistics of frequency distribution and central tendency were applied to analyse the data. Regression test was used to determine the relationship between the variables.

Results

The study targeted a sample of 100 respondents out of which 74 responded. Based on this return, the study achieved a return rate of 74%. Since this return rate comprised majority of respondents that were sampled, the researcher went on with analyzing the responses as they represented majority of the views.

Reliability test: Cronbach's Alpha

The reliability of the questionnaires was tested using Chronbach's Alpha in order to determine the internal consistency of the scale used. The minimum level criteria used for the evaluation was 0.6 as it is the recommended minimum. Chronbach's Alpha was applied to test for the reliability of the questionnaires and the initial value was found to be 0.502 implying that there were parameters that did not correlate with others and needed to be checked. The item that was negatively correlated with the rest was deleted; the Chronbach's Alpha score for the parameter became 0.752 which met the average criteria for analysis.

In addition to Chronbach's Alpha, variable items were summated to come up with a composite variable that could be used for regression analysis.

Regression Analysis

The study sought to determine the effect of advertising on brand equity among hospitals in Nairobi County. Regression analysis between brand equity and advertisement parameters yielded results as shown in the model summary table provided below.

Table 1: Model summary for Advertisement

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.571[a]	.326	.252	1.10098

Table 2: Advertisement ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	37.545	7	5.364	4.425	.000[b]
1	Residual	77.578	64	1.212		
	Total	115.123	71			

The results indicate a simple correlation of 0.517 in the R column. This implies that there is a significant correlation between brand equity and advertisement. R-square of 0.326, indicates that 32.6% of the variation in brand equity can be explained by advertisement parameters. This means that advertisement can explain 32% of the variability of brand equity though there correlation is quite significant at p<0.05. This shows that advertising is one of the elements of

the promotion mix that has impact on brand equity. Advertisement creates awareness and according to Keller (2007), awareness links strong, favourable, and unique associations to the brand in consumers' memory, and elicits positive brand judgments and feelings. A study by Solayappan & Jayakrishnan (2010) established that patient's satisfaction in a hospital is dependent on the patient's state of mind and image of the hospital. There is a positive relationship between advertising and perceived quality of which advertising positively affects on perceived quality and subsequently brand equity. Hence advertisement is an important element in creating brand equity as it increases the scope and frequency of brand awareness (Keller, 2007).

Conclusions

The study concludes that advertisement affect brand equity among hospitals within Nairobi County and in general at large. The effect of advertisement on brand equity is notable as it influences considerable part of brand equity. Hospitals should note the importance of advertising their services and products in regard to increasing their market share among the public. As noted earlier, frequency of advertisement activities increases brand awareness leading to greater brand equity and so hospitals should come up with advertisement strategies that are effective in order to increase their presence among the people. It is through adverts that majority of the public come to know about hospital services and activities.

The hospital management should device ways of advertising their services to the public in order to inform the public of the services that they offer. The advertisements should be realistic enough to portray the services as they are lest they create false impression on people.

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WHOLESALING AND SUSTAINABILTY: AN EXPLORATORY CASE STUDY OF THE UK'S LEADING FOOD AND DRINK WHOLESALERS

Peter Jones, David Hillier & Daphne Comfort

Introduction

A strategic concern for sustainable development has become an increasingly important corporate imperative throughout the business world. That said large retailers are, in theory, in a particularly powerful position to promote sustainability through their partnerships with their suppliers and through their daily interactions with millions of consumers. The majority of large retailers have been developing sustainability strategies, in pursuing sustainability programmes and in reporting publicly on how they are managing their impacts on the environment, on society and on the economy and their activities have attracted increasing attention in the business and retail literature (e.g. Durieu 2003; Richardson 2008; Kotzab et.al.2011; Jones, et. al 2013). While wholesaling is in some ways a less obvious element in the distribution system there is growing awareness of the importance of sustainability within the wholesale distribution industry. In 2011, for example, Neetin Datar, Senior Director for Industry Marketing at SAP, argued that wholesale distributors *'should make sustainability a priority'* for *'three main reasons.'* Namely that *'resources that were once taken for granted-water, land, minerals and fossil fuels-will be limited and costly'*; that *'a heightened awareness of sustainability issues amongst customers and trading partners is beginning to*

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affect buying behaviour' and *'global regulations for social and environmental compliance will become more numerous and stringent'*(SAP 2011). However the role of wholesalers in addressing and promoting sustainability has received scant attention in the academic literature. With this in mind this paper aims to provide an exploratory review of the sustainability commitments and achievements publicly reported by the UK's leading food and drink wholesalers and to offer some critical reflections on how these wholesalers are currently addressing and pursuing sustainability.

Corporate Sustainability

The ideas underpinning sustainability are not new (Gruber 2012) but the concept began to attract increasing attention from the 1980's onwards following the publication of the *'World Conservation Strategy'* (International Union for Conservation of Nature and Natural Resources 1980) and *'Our Common Future'* (World Commission on Environment and Development 1987). In the following decades the term sustainability has become increasingly seen as offering a potential solution for a wide range of challenges and problems from the global to the local scale across seemingly all walks of life. Diesendorf (2000, p.21) argued that sustainability can be seen as *'the goal or endpoint of a process called sustainable development.'* Arguably the most widely used definition of sustainable development is that provided in *'Our Common Future'* namely

'development that meets the needs of the present without compromising the ability of future generations to meet their own needs' (World Commission on Environment and Development 1987, p.43).

However defining sustainability is not straightforward and there are a number of contrasting and contested meanings and no obvuos consensus in providing an operational definition. There is a family of definitions' essentially based in and around ecological principles and there are definitions which include social and economic development as well as environmental goals and which look to embrace equity in meeting human needs. At the same time a distinction is often made between 'weak' and 'strong' sustainability with the former being used to describe sustainability initiatives and programmes developed within the existing prevailing economic and social system while the latter is associated with much more radical changes for both economy and society. Roper (2012, p.72, for example, suggested that *'weak sustainability prioritizes economic development, while strong sustainability subordinates economies to the natural environment and society, acknowledging ecological limits to growth.'*

Within the world of business the concept of sustainability has recently moved higher up boardroom agendas as growing numbers of companies increasingly acknowledge sustainability as one of the emerging drivers of competition and as a significant source of both opportunity for, and risk to, long term competitive advantage. Carroll and Buchholtz (2012, p.4), for example, suggested that *'sustainability has become one of business' most recent and urgent mandates.'* Elkington (2004, p.1) has argued that future business success depends on the ability of companies to add environmental and social value to economic value. as part of the *'triple bottom line'* (TBL) which focuses on *'people, planet and profit.'*–A

survey of business managers and executives undertaken by MIT Sloan Management Review and the Boston Consulting Group (2012, p.4) suggested that *'70% of companies have placed sustainability permanently on management agendas'* and that *'despite a lacklustre economy, many companies are increasing their commitment to sustainability initiatives, the opposite of what one would expect if sustainability were simply a luxury afforded by good times.'* A number of factors can be identified in helping to explain this trend. These include the need to comply with a growing volume of environmental and social legislation and regulation; concerns about the cost and scarcity of natural resources; greater public and shareholder awareness of the importance of socially conscious financial investments; the growing media coverage of the activities of a wide range of anti-corporate pressure groups; and changes in social attitudes and values within modern capitalist societies.

At the same time a number of critics view corporate commitments to sustainability as a cynical ploy, often popularly described as 'greenwash', designed to appeal to consumers who are seen to be concerned about the environmental and social impact of business operations throughout the supply chain, while effectively ignoring fundamental environmental and social concerns. As such moves towards sustainability might be characterised by what Hamilton (2009, p. 573-574) described as *'shifting consciousness's'* towards *'what is best described as green consumerism.'* This he saw as *'an approach that threatens to entrench the very attitudes and behaviours that are antithetical to sustainability.'* and argued that *'green consumerism has failed to induce significant inroads into the unsustainable nature of consumption and production'* (Hamilton 2009, p.574). Perhaps more radically Kahn (2010, p.48) argued that *'green consumerism'* is *'an opportunity for corporations to turn the very*

crisis that they generate through their accumulation of capital via the exploitation of nature into myriad streams of emergent profit and investment revenue.' This, in turn, reflects the earlier argument proposed by Willers (1994, p.1146) that *'sustainable development is code for perpetual growth'* in which *'continued growth and development are presented as compatible with respecting environmental constraints.'*

As interest in sustainability has gathered momentum so a number of attempts have been made to develop theoretical frameworks of sustainability which recognize that social and economic development cannot be viewed in isolation from the natural environment. Todorov and Marinova (2009, p.1217) reviewed a wide range of models being developed to conceptualise and concluded that a simple three dimensional representation of sustainability capturing environmental, social and economic elements, in a Venn diagram as three overlapping circles, is *'powerful in reaching a broad audience.'* A number of authors have employed stakeholder theory to conceptualise sustainability and to explore relationships between companies and stakeholder's environmental, social and economic agendas. Steurer et. al. (2005, p.264), for example, explored the relationship between sustainability and stakeholder theory and examined how *'corporations are confronted with economic, social and environmental stakeholder claims.'* There have also been attempts to develop a more critical theory. Amsler (2009, p.127), for example, has argued that *'the contested politics and ambiguities of sustainability discourses'* can be embraced to develop a *'critical theory of sustainability.'* Castro (2004) has sought to lay the foundations for a more radical theory of sustainability by questioning the very possibility of sustainable development under capitalism and arguing that economic growth relies upon

the continuing and inevitable exploitation of both natural and social capital.

Frame of Reference and Method of Enquiry

Wholesaling is the sale of goods to retailers and to industrial, commercial, institutional and professional business users. Within the food and drinks sector In effect wholesalers buy products in bulk from producers, manufacturers or processors and supply a wide range of businesses particularly small independent retail outlets, convenience stores and hotels, public houses, restaurant, cafes schools and canteens. In aggregate terms food and drink wholesalers supply over 400, 000 businesses and support over one million jobs within the UK (Federation of Wholesale Distributors 2014). In 2014 the Federation of Wholesale Distributors reported that its members had a combined turnover of £30 billion per annum, greater than any UK supermarket group other than the market leader Tesco, and that its members generated £2.8 billion of gross added value to the UK economy (Federation of Wholesale Distributors 2014). Two principal methods of wholesale distribution can be identified namely cash and carry businesses and delivered good businesses. In the former businesses visit large depots to buy and collect goods while in the latter the wholesalers offer a delivery service to their retail and catering customers. While the food and drink wholesaling market is smaller than its retail counterpart it provides a link between manufacturers and retailers and caterers and arguably has an important role to play in promoting sustainability.

In an attempt to review the extent to which the UK's leading food and drinks wholesalers are reporting on sustainability commitments and achievements within the public realm the ten leading food and drink wholesalers (See Table 1), as identified by the Institute for Grocery Distribution (2015) were selected for study.

Booker are the UK's largest cash and carry wholesaler with a nationwide network of over 170 depots offering over 18,000 branded and own label grocery, fresh and frozen food products, beers, wines, spirits and tobacco. Blakemore, originally founded as a retail business in 1917, operates from 14 cash and carry depots, largely in the north and midlands of England, and its product range includes fresh, ambient, chilled and frozen foods. Brakes, which was initially established as a family firm in 1958, is a major supplier to the catering industry within the UK and employs over 10, 000 people. As the leading players within the UK's wholesale marketplace the selected wholesalers might be seen to reflect contemporary approaches to sustainability within the sector and be keen to publicise their sustainability initiatives to a wide audience.

Businesses employ a variety of methods to report on sustainability including '*product labels, packaging, press/media relations, newsletters, issue related events, reports, posters, flyers, leaflets, brochures, websites, advertisements , information packs and word-of mouth'* (European Commission Directorate-General for Enterprise undated, webpage). Over a decade ago Bowen (2003) reported that a growing number of large organisations were employing the Internet to report on their sustainability commitments and achievements and since then this has increasingly become the norm within the business community. This led the authors to conduct a digital Internet search for information, using the key phrase 'sustainability report' and the name of each of the selected wholesalers, in September 2015 employing Google as the search engine.

In discussing the reliability and validity of information obtained from the Internet Saunders et.al. (2009) emphasised the importance of the authority and reputation of the source and the citation of a specific contact individual who can be approached for additional information. In surveying the selected food and drink wholesalers the authors were satisfied that these two conditions were met. At the same time the authors recognise that the approach chosen has its limitations in that there are issues in the extent to which a company's public statements fulsomely, and in detail, reflect strategic corporate thinking and whether or not such pronouncements are little more than carefully constructed public relation exercises. However the authors believe that their approach offers an accessible window and an appropriate portal for the present exploratory study.

Findings

The Internet search revealed considerable variation in the volume and detail of the information the UK's leading food and drink wholesalers provided on their sustainability agendas and achievements on their corporate websites. Four of the selected wholesalers, namely Bestway/Batley, Costco, Blakemore and 3663, published dedicated, but often brief, sustainability reports, Booker published a sustainability report within their annual report, whilst three companies, namely Dhamecha, Musgrave and Brakes, posted some limited information on sustainability. Two companies, namely Parfetts and P&H McLane, posted no information on sustainability on their corporate websites. Although the selected wholesalers which posted reports or information on sustainability demonstrated some recognition of the impact of their business activities on the environment and on the communities and economies in which they operate there was limited explicit evidence of how they were integrating sustainability into their core business strategies. Booker, for example, reported that it *'has social and environmental responsibilities arising from its operations and is committed to responsible business practices. These improve the welfare of colleagues and the communities in which we*

operate and reduce our impact on the environment.' 3663 reported that *'sustainability remains a fundamental aspect of our business strategy'* while Blakemore claimed that *'to regard the promotion of safety, health and environmental protection measures as an absolute requirement for management and employees at all levels.'*

More specifically the selected wholesalers reported on a range of environmental, social and economic agendas**.** A number of environmental issues are routinely addressed throughout namely climate change and greenhouse gas emissions; energy consumption and efficiency; waste management and recycling; logistics; sustainable sourcing; and site development and building design. Bestway/Batley, for example, reported *'a significant absolute reduction in its carbon footprint of around 22% since 2011'* and the company notes that this reduction has been achieved while it has opened two new depots, extended a third and built a new chilled distribution centre during this period. On the other hand while Costco recognised that *'climate change is significant for a number of its customers and its investors'* while total carbon dioxide emissions per unit of sales fell by 21% during that time period, total carbon dioxide emissions across the company rose by some 9%. Brakes reported reducing its carbon dioxide emissions by 32% relative to turnover and targeted a further reduction of 2% by 2020 relative to 2010. The company also stressed its support for *'the government's plan of action for a low carbon economy and facilitate this by a range of best practice initiatives and investment programmes that have been rolled out across the group aimed at minimising energy, fuel, food miles and waste to landfill.'*

Booker reported on its approach to waste management and recycling and stressed that *'we continue to work to prevent waste, to redistribute fit for purpose, increase recycling and divert waste away from landfill.'* The

company also reported working with *'both customers and suppliers across the supply chain'* and on *'packaging improvements'* designed to *'use fewer materials'* and to *'protect stock from damage, thereby reducing food waste.'* 3663 emphasised that *'effective waste management will remain high on our agenda'* and reported on its *'Convert2Green'* programme which involves the collection of waste cooking oil from customers and its conversion to biodiesel for use in the company's delivery vehicles. Musgrave suggested that it aimed to maximise waste recovery and though it reported a small increase in total waste generated during 2014 the company also reported that it recycled some 98% of its waste.

Bestway/Batley reported on its investment in its low carbon vehicle policy in order *'to ensure that our fleet is as efficient as possible.'* More specifically the company reported that its entire fleet had been fitted with fuel monitoring devices and vehicle tracking systems. The aim here is to provide accurate data on fuel consumption and route analysis and to *'plan optimum efficiencies and planning deliveries and reduce fuel usage.'* In addition the company reports fitting vortex deflectors on all its trailers to increase aerodynamics and further reduce fuel consumption. The company also reported future plans to work with suppliers to backhaul goods in order to improve environmental efficiencies and to reduce the number of vehicles on the road and on plans to trial a double –decker multi-temperature trailer. In a similar vein 3663 reported on reductions in emissions from its delivery vehicles and on improvements in the efficiency of its vehicle refrigeration units.

Brakes claimed that *'sustainability is a key consideration wherever or whenever we are sourcing products for our customers'* and that the company is committed *'to animal and farm welfare assurance schemes, protecting the fishing industry and fish stocks and ensuring that our people and suppliers consider the*

environment at every part of the procurement and supply chain process.' The company also reported on its Marine Stewardship Council certification, and on its commitment to ensure suppliers only use certified palm oil and palm oil derivatives and meeting the Global Good Agricultural Practices standards. Costco reported on a number of innovations in its approach to sustainable practices in site development and building design. These included computerised building management systems to maximise efficiency, the insulation of all building materials, the use of energy efficient lighting systems and the construction of bio-retention rain gardens.

In addressing the social and economic dimensions of sustainability a number of themes can be identified including diversity and equality of opportunity; employee engagement; staff training and development; health and safety; healthy eating; trading relationships; inks with local communities; and charitable donations. Bestway/Batley emphasised that *'the promotion of health and safety is a prime objective'* and that *'we are committed to maintaining and improving the health, safety and welfare of our employees, customers and visitors.'* The company also reported circulating regular safety briefings throughout the organisation and that all employees are trained to ensure that they are aware of their safety responsibilities. Brakes reported having developed *'a number of policies and procedures to ensure all our people can enjoy a safe environment in which to work and to promote their personal well-being.'*

3663 emphasised their commitment to *'healthy eating'* and argued *'we believe it's important that we continue improving our customer offer by clearly highlighting healthier options.'* The company also reports that its website and dedicated advice centres allows customers to access *'a wealth of information to promote healthier lifestyles.'* Bestway/Batley reported on its initiatives to improve public health including working with suppliers to improve its offers on healthy products, reducing salt and artificial additives in its own label ranges and adopting a clear format for providing nutritional information on own label packaging. Musgrave claimed to be *'championing healthy living'* and reported on its commitment *'supporting the wider community by taking part in health and wellbeing initiatives at local and national level'* and its belief that *'fresh health food should be available to every local community.'* Booker stressed its commitment to the 'Fairtrade' principles of achieving better selling prices, decent working conditions, local sustainability and fair trading terms for both farmers and workers in countries in the developing world. Booker also reported expanding its range of catering products certified as Fairtrade and its financial contribution through Fairtrade premiums to coffee growers in its supply chain.

The majority of the selected wholesalers reported on their commitments to the local communities in which they operate and on their charitable donations. Under the banner *'Building Vibrant Communities'* Musgrave, for example, reported renewing its *'commitment to local retailers, local suppliers and local communities'* in the light of the global downturn and suggested that it wanted *'stores associated with our brand to be the centre of community life.'* Booker claimed that it *'believes that good community relations are important to the long term development and sustainability of operating business'* and that the company *'aims to build sustainable relationships with its customers, who are mainly independent businesses at the heart of the community, by improving their choice, price and service of products and services supplied.'* Each of Booker's business and distribution centres has a nominated local charity and the company also donates surplus food to local homeless charities. In a similar vein Dhamecha emphasised its role in enhancing the economic development of the

communities in which it operates and its support for a range of local, national and global charities.

The methods the UK's leading food and drink wholesalers use to report and provide information on their sustainability agendas and achievements also merits attention. The majority of the selected wholesalers provided a brief narrative of their sustainability agendas and achievements often illustrated with descriptive statistics, simple graphs and diagrams and cameo case studies are occasionally used to illustrate general themes. None of the selected wholesalers reported employing any of the generic guidelines, such as the increasingly widely used Global Reporting Initiative (GRI) framework. None of the wholesalers reported addressing the issue of materiality, which is concerned with identifying those environmental, social and economic issues which matter most to a company and its shareholders and which is assuming increasing importance in the sustainability reporting process. Only 3663 had commissioned any independent external assurance of the information included in their sustainability report.

Discussion

While all of the UK's leading food and drink wholesalers recognised and publicly reported on a wide range of the impacts their businesses have on the environment, society and the economy, there is some variation in the extent, character and detail of the reporting process. More specifically while some of the selected wholesalers publish relatively brief sustainability reports, some simply posted limited information on their approach to sustainability on their corporate websites whilst others published no information on sustainability on their corporate websites. As such this may reflect the reality that the UK's leading wholesalers may be at the start of a long and potentially difficult journey towards sustainability. Four sets of issues merit attention and reflection. Firstly the leading food and drink wholesalers currently lag a long way behind their retail counterparts in the UK in their approach to sustainability. By way of comparison all the UK's leading retailers produce dedicated annual sustainability reports (Jones et. al. 2013) and some of them embrace materiality and commission independent external assurance (Jones et. al. 2015). This may reflect the fact that the UK's leading retailers are larger and have more mature management structures and are possibly more attuned to leading edge management thinking and practice than their wholesale counterparts. At the same time it may also reflect the fact while the leading retailers have a high visibility on the High Street and in edge-of-town and out-of-town retail parks, *'many of the largest and most important wholesalers are largely unknown to final consumers'* Armstrong et. al. (2012, p.372). As such the leading food and drink wholesalers may currently feel less pressure to publicly demonstrate their accountability, to their customers and to government and the media than their retail counterparts.

Secondly, given the range of the sustainability agendas and issues currently being addressed by the selected wholesalers it may not always be easy to align what may be competing and contradictory strategic goals and commercial imperatives. When addressing sourcing policies, for example, wholesalers may have to assess whether the environmental costs of importing fresh fruit and vegetables from less developed countries are outweighed by the social benefits of trading with suppliers within these countries. Here wholesalers may have to make difficult trade-offs between competing goals. At the distribution centre or depot level managers who are working to meet what may be ever demanding operational and financial targets and /or to achieve performance related bonuses may, for example, when facing problems in staff scheduling, put employees under pressure to work outside the hours that suit their work/life balance or refuse to release employees for training.

Thirdly there is a set of issues concerning the ways in which the selected wholesalers report on their approach to sustainability. Generally the accent is on providing a simple narrative of sustainability commitments and achievements, sometimes illustrated with basic descriptive statistics and mini case studies with pictures and simple diagrams being widely used to illustrate broad themes. Overall the lack of common and agreed frameworks and standards and the use of simple case studies make it difficult not only to make any meaningful comparisons between one company and another but also to assess the contribution that these companies are making towards sustainability at regional, national and international levels.

Arguably more critically, none of the leading food and drink wholesalers embraced materiality and only one commissioned independent external assurance of their sustainability reports and information posted on their corporate websites. This can be seen to undermine the transparency, reliability and integrity of the sustainability reporting process. Such reservations would certainly appear to reduce the credibility of the sustainability reporting process reviewed in this paper but it is important to remember that the UK's leading wholesalers are large and dynamic organisations. Capturing and storing comprehensive information and data across a diverse range of business activities throughout the supply chain in a variety of geographical locations and then providing access to allow external assurance is a challenging and a potentially costly venture and one which the majority of the UK's leading wholesalers currently demonstrably choose not to publicly pursue. Thus while data on a company's carbon emissions may be systematically collected, collated and audited as part of the company's environmental commitments, information on their impact on local communities and levels of staff satisfaction may be more difficult to measure, collate, interpret and assure.

Fourthly there are issues about the way in which the selected wholesalers construct their sustainability agendas. While many stress their commitment to sustainability they can be seen to be individually and collectively constructing a specific definition of the concept. Such a definition is built around business efficiency and the search for competitive advantage and is driven as much by business imperatives as by a concern with sustainability. Thus while many of the environmental initiatives addressed in the sustainability reports are designed to reduce energy and water consumption and waste emissions, for example, they also reduce wholesalers' costs. In a similar vein the wholesalers' commitments to their employees focusing for example, upon good working conditions, health and safety at work and training all help to promote stability, security, loyalty and efficiency within the workforce. The selected wholesalers might thus be seen to have constructed sustainability agendas, which are driven primarily, though not necessarily exclusively, by their own commercial interests. The accent being on efficiency gains across a wide range of economic, social and environmental issues rather than on maintaining the viability of natural ecosystems and reducing demands on finite natural resources.

That said the leading food and drink wholesalers construction of sustainability which emphasises efficiency, can be interpreted, for, example, as being consistent with the UK government's vision for sustainability which looks to *'stimulating economic growth and tackling the deficit, maximising wellbeing and protecting our environment'* (Department for Environment, Food and Rural Affairs 2013). More critically Banerjee (2008) has argued that *'despite their emancipatory rhetoric, discourses of corporate citizenship, social responsibility and sustainability are defined by narrow business interests and serve to curtail the interests of external*

stakeholders.' In a similar vein this, echoes Hobson's (2006) argument that rich and powerful groups will construct sustainability agendas that do not threaten consumption, per se, but seek to link them *'to forms of knowledge – science, technology and efficiency – that embody the locus of power.'*

Fifthly there are broader and more fundamental issues about the tension between sustainability and economic growth. In some ways the distribution sector's general position was epitomized by Sir Terry Leahy, the then Chief Executive Officer of Tesco, in his 'Foresight' contribution at the start of The Global Coca Cola Retailing Research Council Forum report (2009), who argued that, at that time, his company '*is seeking to create a movement which shows that it is possible to consume, to be green and to grow'*. This approach is certainly consistent with the argument advanced by Reisch et.al. (2008) for example, that although moving towards sustainable consumption is a major policy agenda, *'Growth of income and material throughput by means of industrialization and mass consumerism remains the basic aim of western democracy.'* Reisch et.al. (2008) further argued that *'rather than controlling consumption, recycling materials and increasing production efficiency have tended to be the dominant means supposed to decouple environmental degradation from economic growth.'*

Finally and more fundamentally Jackson (2006) has argued that *'it is entirely fanciful to suppose that deep emission and resource cuts can be achieved without confronting the structure of market economies.'* In a similar vein Castro (2004) has questioned the very possibility of sustainable development under capitalism and argued that economic growth relies upon the continuing and inevitable exploitation of both natural and social capital. Here Fernando's (2003) assertion that *'capitalism has shown*

remarkable creativity and power to undermine the goals of sustainable development by appropriating the language and practices of sustainable development' resonates loudly. More generally this, in turn, echoes Dolan's (2002) belief that *'the goal of sustainable consumption needs to be seen as a political project, recognising the power relations between social groupings and between cultural value systems'* and his warning that *'this is the context within which the idea of sustainability will stand or fall.'*

Conclusion

The majority of the UK's leading food and drink wholesalers, either publicly reported on, or provided information on, their commitments to sustainability. A minority either explicitly or implicitly argued that by integrating sustainability into their businesses, they are better placed to provide long term growth and financial security for all stakeholders and to enhance their market position and reputation. However the authors argue that the leading food and drink wholesalers'' definitions of and commitments to sustainability can be interpreted as being driven as much by business imperatives as by any fundamental commitments to sustainability. Thus the accent is upon making efficiency gains across a wide range of economic, social and environmental issues rather than on maintaining the viability and integrity of natural ecosystems and on reducing demands on finite natural resources. As such the UK's leading wholesalers are, at best, pursuing a 'weak' rather than a 'strong' model of sustainability. More critically the authors suggest that the leading food and drink wholesalers' commitments to sustainability are couched within existing business models centred on continuing growth and consumption and that current policies might be viewed as little more than genuflections to sustainability. As such this echoes Roper's (2012) belief that weak

sustainability represents *'a compromise that essentially requires very little change from dominant economic driven practices but effectively works to defuse opposition, increase legitimacy and allow business as usual.* The UK's leading food and drink wholesalers are thus effectively and conveniently ignoring the fact that present patterns of consumption may simply be unsustainable in the long term. As such these wholesalers may begin to increasingly attract vocal and sustained criticism from those who are exercised about what Jackson (2009) has described as *'an emerging ecological crisis that is likely to dwarf the existing economic crisis.'*

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