

CUSTOMER PERCEPTIONS FOR STORE ATTRIBUTES: A STUDY OF TRADITIONAL RETAIL STORES IN INDIA

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Abstract

This study examines the impact of store attributes for traditional stores in the Indian context. It is based on a two staged study with its first stage based on qualitative analysis involving a set of interviews leading to the second stage of designing a structured questionnaire. A total of 240 structured questionnaires were collected to examine the data. Another significant relation that was evolved is the moderating effect on the relationship between distances travelled by customers on the customer perceptions. The results identified typically stress on the positive relation between customer perceptions and store attributes. These results would help the retailers catering in unorganized markets to meet the customer expectations and hence retain loyal customers.

Keywords: Customer Perceptions, Store Attributes, Traditional Stores.

1. Introduction

Retailing is defined as all the activities that involve selling of goods or services directly to the final consumer for their personal, non-business use via shops, market, door-to-door selling, and mail-order or over the internet where the buyer intends to consume the product. Retailing can also be

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defined as the activity that ensures that customers derive maximum value from the buying process. This involves activities and steps needed to place the merchandise made elsewhere into the hands of customers or to provide services to the customers (Dune et al., 2002). Thus the retail acts as an interface between the manufacturer and the consumer of the product buying for personal consumption.

The phenomenon of shopping has undergone immense change in terms of format and consumer buying behavior, ushering in a revolution in the Indian retail shopping. Modern retailing has entered into India as is observed in the form of sprawling shopping centers, multi-storied malls and the huge complexes that offer shopping, entertainment and food all under one roof. The Indian retail industry has experienced a growth of 10.6 percent between 2010 and 2012 and is expected to increase to USD 750-850 billion by 2015 (McKinsey & Co, 2008). With the emergence of the modern retail players, the traditional kirana shops have also transformed themselves in different ways. A number of kirana shops have increased their shop size and also enhanced the overall merchandise in the store. These transformed kirana shops are now providing facilities like credit, replacement and home delivery etc (Sinha and Banerjee, 2004). Indian retail sector is gradually edging its way towards becoming the next boom industry. But still Indian retail industry constitutes only 8 percent of organized retail and remaining 92 percent is left unorganized (McKinsey, 2008). Unorganized retailing refers to the traditional forms of low cost retailing for example local kirana shops, owner operated shops, pan beedi shops, convenience shops, hand cart and street vendors Although there is a growth pattern in organized retailing and in its consumption made by the Indian population, still very huge traditional markets have held their base in Indian retail sector. India's unorganized (Traditional) retail market is expected to grow at an average annual rate of 10 percent over the next year. There are about 12 million retail outlets spread across India, having a label of "nation of shopkeepers" (Ernest and Young, 2012).

Previous studies in the field of retailing, have focused on the importance

of store attributes in understanding the concept of store choice and patronage behavior (Woodside and Trappey, 1992; Medina and Ward, 1999; Outi, 2001; Sinha and Banerjee, 2004, Sinha et al., 2005; Sinha and Uniyal, 2005) but majority of the research work is focused towards the organized retailing formats. Lindquist (1974-75) reviewed the results of some 19 studies which were based on retail store image and created frameworks into a set of six store image attributes. They are merchandise, clientele, promotions, service, convenience, store atmosphere and post transaction satisfaction. As Indian retail market is strongly driven by the unorganized (Traditional store) retail stores, so the current study deals with the importance of customer expectations for store attributes in unorganized retail scenario. The area of unorganized retail is an unexplored area of research and very few studies have contributed to literature of store attributes towards unorganized retail in India. So, this study is a significant contribution to the field of Customer Perceptions and store choice behavior on the basis of store attributes literature in Indian retailing context. Hence, this study aims to examine the association between customer's perceptions and store attributes in food, grocery, consumer durables, apparel, tobacco, chemist and cosmetic products retailing in India. The geographical scope of the study is confined to the three districts of Jammu in Jammu and Kashmir in India. Another very important aspect of the current study is the profiling of traditional retail stores in these three districts. The end results would help us to evaluate the overall view of traditional stores on the basis of the type of merchandise they possess and the average square feet area.

2. Literature Review

Demographics

Impact of Consumer Demographics on retail choice with reference to grocery retailing has not been extensively studied. The behavior of customers differs with the place of shopping and their overall involvement level with the act of shopping (Berman and Evans, 2005). A study conducted by Zeithaml (1985) examined the effects of demographic variables (gender,

female working status, age, income, marital status) on supermarket shopping variables. Fox et al. (2004) examined the effect of demographics on format choice across three formats: grocery stores, mass merchandisers, and drug stores. Findings from the study indicated that household size, income, and level of education influence consumers' format choices. In our study we will evaluate the moderating effect of distance travelled on the customer perceptions. As the earlier literature suggests, proximity of the store affects the chances of buying from that store. In contrast, the farther the consumers are from a store, the more are the number of dominant alternatives and thus the chance of patronizing a store becomes less (Loudon and Della Bitta, 1993). The time taken to reach the store is assumed to measure the effort, both physical and psychological. However, the effect of proximity of store varies with each product type. For some products, consumers are willing to travel very far (Runyon and Stewart, 1987; Hawkins et al., 1998). This study will help evaluate the moderating effect of distance travelled by a person to reach the retail store and his/her perceptions for the store.

Store Attributes

Store Image

Doyle and Fenwick (1974) define store image as the consumer's evaluation of all salient aspects of the store as individually perceived and weighted. Several functional and psychological attributes of a store lead to make up the store personality (Martineau, 1958). Retail store image is represented by a multi-attribute construct by several researchers (Marks, 1976; James et al., 1976). Several sets of store attributes lead to forming a construct of store (Doyle and Fenwick, 1974; Kim and Jin, 2001; Dong-Mo, 2003).

Product Assortment

As shelf space in traditional retail stores is limited, the major assortment issues faced by a retailer include what products, and how many of each,

should be on the shelves in the stores. In a classical economic sense, the assortment decision is easy, as the rational retailer should choose the combination of products that yields the biggest profit in the long run. More products mean more flexibility and it gives the decision maker a sense of empowerment (Boatwright and Nunes 2001; Kahn and Lehmann 1991; Koopmans 1964; Kreps 1979). Store image and satisfaction with the store is affected by the perceived store assortment (Anselmsson, 2006). The customer's perception towards the product quality and assortment are positively related to the patronage of a store (Darley and Jeen-Su, 1993; Jacoby and Mazursky, 1985; Craig et al. 1984; Koelemeijer and Oppewal, 1999). In Greece a study performed on store choice suggested that product assortment and quality are the key drivers of customer's choice (Baltas and Papastathopoulou, 2003).

Discounts

The store image is judged on the basis of the nature of discounts in the store (Grewal, Kent, Monroe & Krishnan, 1998). Consumers have a perception of low overall prices of those stores that offer a small discount over a large number of items. Thus frequency of price advantage is stronger over the magnitude of price advantage (Schiffman and Kanuk, 2008). Sometimes discounts may persuade several customers who are loyal to any other brand to change their preference. And also it might influence some consumers, who would have otherwise found the product category too expensive, to make a purchase in the product category. Larger discounts are likely to lead to an increase in variability in category sales. This is consistent with the analytical results in Magirou (1982), Golabi (1985), Helsen and Schmittlein (1989), and Assuncao and Meyer (1990)..

Retailers Attitude

In small traditional stores it is observed that the role of a salesman is played by the retailer himself. A retailer's relationship efforts are defined as "any effort that is actively made by a retailer towards a consumer, that is

intended to contribute to the consumer's perceived value above and beyond the core product and/or service efforts received (Gwinner et al., 1998). Hutheson and Muthinho (1998) conducted a study which suggested that customers use a combination of quality of staff and the occurrence of low prices as the main variables in selecting a store. A salesperson can be seen as a strong variable towards store image and can play a significant role for repeat purchase and increasing satisfaction (Mc Goldrick, 2002). According to Hawkins et al., 2004, the higher the degree of involvement in product purchase the higher is the likelihood of interaction with sales person at the store.

Product Availability

Product availability, defined as the probability of having a product in stock when a customer order arrives (Chopra and Meindl, 2007, p. 77). It is a key performance driver of customer service. When customers do not find the products available they show various behaviors like switching of store, brand or variant, delaying or even dropping the purchase (Kucuk, 2008). With the same perspective the study conducted by , Corsten and Gruen (2003) applied the five responses of, buy item at another store; delay purchase; substitute – same brand; substitute – different brand; and do not purchase item when a product is not available. Kucuk (2004) studied the stock out situations of a retail store where in-store merchandising and store attractiveness factors affect consumers' brand and store loyalty. So, the availability of the product is a very important variable in developing an overall image of a store.

Other Services

Traditional retail stores have been providing certain extra facilities to the customers in order to have an increased level of satisfaction and thus retention of the customers. These facilities may be providing goods on credit, home delivery of goods or providing gap for bargaining. Home delivery may be defined as when a customer orders desired products either at present or by telephone, the service provider (retailer) dispatches them to the residence of

the customer. The traditional stores in India are trying to fight extensive competition by giving such facilities to their customers. The nearby traditional stores provide goods on credit to the customers for which close personal knowledge of the customer is a prerequisite. So such facility can be provided by the nearby stores only (Traditional retail stores). Also, another very interesting feature of a traditional store is the bargaining feature. Bargaining facility is the scope for negotiating the price of an item at a retail store. This is available more in unbranded grocery shops where there is no printed Maximum Retail Price (MRP) or the MRP seems to have no significance.

3. Theoretical Model

From the qualitative survey made with a sample of 40 customers and the extensive literature study, the six constructs that were derived are store image, product assortment, product availability, retailer attitude, discounts and extra benefits. A total of 28 statements were derived which were used in a structured questionnaire for data collection. The conceptual model that was derived for the study is given in Fig1. The model developed has six hypotheses which are to be tested.

H1. Store image has a positive effect on customers' perception about the store.

H2. Product assortment has a positive effect on the customers' perception about the store.

H3: Product availability has a positive effect on the customers' perception about the store.

H4: Retailer's attitude has a positive effect on the customers' perception about the store.

H5: Discounts has a positive effect on the customers' perception about the

store.

H6: Other Services has a positive effect on the customers' perception about the store.

H7: Distance travelled by the customer has a moderating effect on the customer's perception about the store attributes.

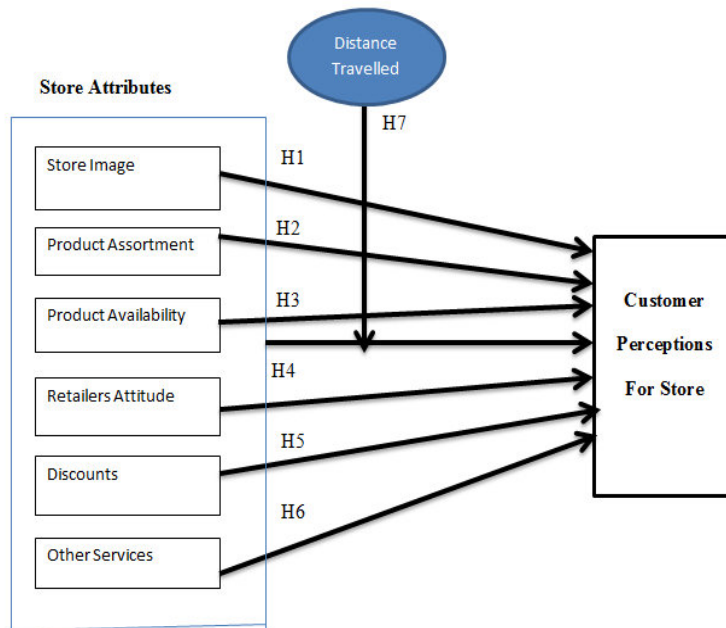


Fig. 1 Conceptual Framework

4. Research Methodology

The methodology adopted to seek answers for the stated objectives was survey based. Due to limited literature available on customer perceptions in the Indian context, the study has an exploratory nature identifying the customer perceptions for store attributes in the context of unorganized retail stores. Based upon the above parameters the study is designed to mainly answer the following questions:

1. Do these store attributes impact the customer perceptions about the retail store?
2. Do these perceived store attributes vary with change in the product category?
3. Distance to be travelled moderates customer perceptions.

The study is two staged, at the first stage a qualitative analysis is conducted based on interviews, leading to the second stage of designing a structured questionnaire. The study basically served to analyze whether there is an impact of store attributes on the consumers perceptions of unorganized markets in India. For this convenience based 40 semi structured interviews were conducted involving the consumers who do their own shopping or at least were actively committed to shopping (Including 17 females and 23 males of different age group, marital status and occupation). According to Glasser and Strauss (1967), even if the sample size for qualitative interviews is small the exploratory nature and principle of saturation makes it sufficient to proceed for further research. The appropriate sample for qualitative study is the one that helps in reaching a theoretical saturation where any additional data does not enrich or enhance the collected information (Amine and Cadenat, 2003).

The cues derived from the interviews helped us to design a structured questionnaire for overall data collection. Step two of the study included designing of the structured questionnaire which consisted of 28 statements measured on a likert scale. The data was collected from rural areas of Jammu province of Jammu & Kashmir. These areas were selected on the basis of convenience from the Census 2011. Three sub districts of Jammu province were catered from where the questionnaires were filled by the consumers (Refer Table 1). The areas were selected on the basis of convenience. The respondents were approached at the shop after they had finished shopping and were leaving the store. Due to a very conservative nature of villages very few persons per area got ready to answer our

questionnaires. So finally we got a total of 240 customers whose profile is discussed in Table 2.

Table 1
Areas of Data Collection

S.No	Sub District	Village Code	Name of Village	No. of Consumers Catered
1.	Akhnoor	0135	Pallan Wala	18
2.	Akhnoor	0158	Muthi	21
3.	Akhnoor	0178	Chak Dhlan	24
4.	Akhnoor	0216	Sidhar	26
5.	Jammu	0148	Jaswan	19
6.	Jammu	0154	Phalora Nagbani	14
7.	Jammu	0156	Gura Brahmana	19
8.	Jammu	0157	Patoli Brahmana	18
9.	Jammu	0163	Chak Dina	20
10.	R.S Pora	020	Kadyal	27
11.	R.S Pora	024	Nari	12
12.	R.S Pora	052	Thikrian	9
13.	R.S Pora	059	Baspur	13

A combination of descriptive and inferential statistical techniques was used to analyze the impact of store attributes on customer perceptions. Stepwise regression models were fitted to each of the six attributes of store attributes i.e. store image, product availability, product availability, retailer's attitude, discounts and other services using a minimum inclusion alpha of .06. Significance tests and beta estimates were used to evaluate the magnitude and direction of the effect(s) of store attribute variables on customer perceptions. One way analysis of variance (ANOVA) was used to examine the effect of distance travelled on each of the six levels of store attributes among different categories being selected. Levene's test for homogeneity of variance was evaluated for each of the ANOVA models.

5. Data Analysis

Sample Characteristics

A total of 240 valid responses from the consumers were obtained. The profile of consumers is given in Table 2. In almost all cases the consumers

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Table 2
Customer Profiling (Quantitative Data)

Gender	Total Number	Percentage
Male	92	38.4%
Female	148	61.66%
Marital Status		
Married	157	65.4%
Unmarried	83	34.5%
Age		
18-25	62	25.8%
26-33	89	37%
34-40	54	22.5%
>40	35	14.5%
Occupation		
Daily Wager	128	53.3%
Own Business	53	22.08%
Monthly earner	59	24.6%
Type of Store		
Grocery	65	27%
Consumer durables	32	13%
Apparel	17	7%
Tobacco shops	26	10%
Chemist	42	17%
Cosmetics	58	24%
Total	240	
Distance Travelled		
0.5km	68	28.3%
0.5- 1 km	45	18.7%
1- 3km	41	17.08%
3-5 km	36	15%
5-7 km	32	13.3%
More than 7 Kms.	18	7.5%
Frequency of purchase		
Daily	86	35.8%
Weekly	102	42.5%
Monthly	52	21.7%

were stopped after they had shopped from a retail store and were asked to fill up the questionnaire. All those respondent for whom it was difficult to analyze the questionnaire, they were helped in interpretation of questions. The sample was collected more carefully so that the consumers being selected represent the correct sample. So, the shop Exit Interview method was adopted. A total of 240 samples were collected with 38.4 female percent

and 61.66 percent males. The customers were catered from the old format shops of grocery (27 percent), cosmetics (24 percent), chemist (17 percent), consumer durables (13 percent), tobacco (10 percent), (8.3 percent) and apparel (7 percent). Most of the sample was under daily earners (53.3 percent) whereas a percentage of sample had their own business (22.08 percent) and 24.08 percent were employed where they earned monthly income. Nearly 35.8 percent customers shop daily from that retail store whereas 42.5 percent customers shop weekly and about 21.7 percent customers shop monthly. About 28.3 percent customers shop from a retailer who is with a radius of 0.5 km, 18.7 percent customers travel around 0.5 -1 km distance, 17.08 percent customers travel 1-3 km distance, 15 percent customers travel 3-5 km distance, 13.3 percent customers travel about 5-7 km to visit a retail store whereas only 7.5 percent customers travel more than 7 km to purchase goods. This shows the buying behavior of customers of unorganized markets. They do not want to travel much distance to buy goods of daily usage.

Store Attributes and Customer Perceptions:

The effect of store attribute variables including store image, product assortment, product availability, retailer's attitude, discounts and other services on customer perceptions was evaluated using step wise regression. The results are shown in Table 3.

The regression models were found to be significant within six product categories. The results indicated a varying consensus within each category. In case of grocery; store image, product assortment, retailers attitude and product availability predict patronage with significance of $\alpha < 0.005$. Similarly in consumer durables category; store image, retailer's attitude and discounts were found to be significant. In the case of apparel and tobacco products; product assortment, retailer's attitude and discounts were found to be significant. Whereas store image, product availability retailers attitude were found significant in case of the Chemist category. Finally in the cosmetic category; product assortment, product availability and

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Table3
Predictor Effects and Beta Estimates for Store Attributes in Different Categories of Store

Predictor Variable	Unstandardized Coefficients		Standardized Coefficients		Significance
	B	S.D.	B	t	
Grocery					
Constant	3.515			23.654	0.000
Store image	1.70	0.046			0.002
Product Assortment	0.218	0.058			0.000
Product Availability	0.095	0.431			0.004
Retailers Attitude	0.113	0.475			0.001
Discounts			0.004	0.114	0.912
Other Services			0.035	0.683	0.0482
Consumer Durables					
Constant	3.219	0.147		21.986	0.000
Store image	0.094	0.046			
Product Assortment			0.045	0.950	0.342
Product Availability			0.036	0.765	0.453
Retailers Attitude	0.095	0.048			0.000
Discounts	0.097	0.047			0.004
Other Services			0.031	0.712	0.532
Apparel					
Constant	1.341	0.103		12.634	0.000
Store image			0.034	0.732	0.000
Product Assortment	0.066	0.019			0.003
Product Availability			0.83	1.705	0.085

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Retailers Attitude	0.087	0.028			0.001
Discounts	0.065	0.018			0.001
Other Services			0.019	0.382	0.0602
Tobacco					
Constant	1.272	0.101		12.646	0.000
Store image			0.144	3.096	0.351
Product Assortment			0.378	3.173	0.521
Product Availability	0.076	0.023			0.000
Retailers Attitude	0.071	0.021			0.000
Discounts	0.045	0.013			0.002
Other Services			0.176	2.95	0.459
Chemist					
Constant	1.577	0.179		8.801	0.000
Store image	0.090	0.040			0.000
Product Assortment			0.016	2.991	0.697
Product Availability	0.144	0.039			0.000
Retailers Attitude	0.121	0.36			
Discounts			0.011	2.845	0.499
Other Services			0.076	1.564	0.117
Cosmetic					
Constant	3.762	0.157		28.592	0.000
Store image			0.932	1.945	0.548
Product Assortment	1.567	0.092			0.001
Product Availability	1.328	0.065			0.000
Retailers Attitude	1.002	0.043			0.000
Discounts			0.761	1.562	0.023
Other Services			0.782	1.655	0.562

retailers attitude was found to be significant. Other services were not found significant in any of the categories.

A multi nominal logit was carried out using these variables for understanding the customer perceptions for store attributes in different categories. In case of grocery products customers mainly emphasize on product assortment, product availability and retailers attitude. This reflects that the customers in case of grocery products go to a known retailer and trust him for the purchases. Retailer's behavior impacts the customers to a large extent. Also the availability of their preferred product and the number of brands and variants the retailer carries also affects the customers and their purchase behavior. Whereas when we look at the consumer durable products customers mainly emphasize on the store image, product assortment and discounts offered by the retailer to him. This shows that in case of consumer durables customer goes to a known retailer or a retailer who has a good image in the market. Moreover consumer durables being high in price a customer also looks for a discount.

Table 4
Multi Nominal Logit

Effect	Grocery	Consumer Durables	Apparel	Tobacco	Chemist	Cosmetics
Store Image		2.456	-	-	1.569	1.732
Product Assortment	1.483	1.769	1.653	-	-	1.998
Product Availability	1.275	-	1.782	1.820	1.967	1.620
Retailers Attitude	2.129	-	-	1.662	2.762	-
Discounts	-	2.183	2.138	-	-	-
Other Services	-	-	-	2.653	-	-

In case of apparel; customers look for product assortments, product availability and discounts offered at the store. They prefer those stores that have high depth and width of products. Customers look for high variety. The

customers purchasing tobacco products look for product availability, retailer's attitude and other services. The reason behind this may be that the choice and preference of such goods is fixed so they look for the preferred product at the store. Similar is the case of cosmetic stores customer's look for store image, product assortment and product availability. This is due to the nature of buying different varieties. Therefore, the customer looks for large assortments and availability at the store.

5.1 Structural Equation Modeling

The model illustrated in Fig. 1 was tested using structural equation modeling in LISREL 8. The overall fit statistics demonstrate acceptable model fit (CFI=.989, NFI=.979, RMSEA=.053, $\chi^2=392.44$ with $df =181$). Following basic descriptive analyses (including examination for normality, skewness, and kurtosis), we did a confirmatory factor analysis (CFA) using LISREL 8. The items were grouped into a priori conceptualized constructs (see Table 4). The CFA overall fit was acceptable (CFI=.991, NFI=.982, RMSEA = .050, $\chi^2=353.04$ with 174 df). Convergent validity was assessed by examining the magnitude, direction, and statistical significance of the estimated standardized factor loadings (Anderson and Gerbing 1988). All the significant and positive factor loadings are given in Table 5. In addition, Table 5 shows average variance extracted (AVE) and the reliabilities; all criteria as outlined by Gerbing and Anderson (1992) were met, supporting construct reliability. The construct reliability for Store image (0.904), Product Assortment (0.954), Product Availability (0.933), Retailers attitude (0.920), Discounts (0.970) and other services (0.901) was significantly large.

The discriminant validity analysis is conducted to verify whether the AVE of any two constructs is greater than their squared correlations. The results mentioned in Table 6 provide support for discriminant validity analysis and the AVEs are found to be greater than the off diagonal squared correlations.

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Table 5

Measures, Loadings, Average Variance Explained (AVE) and Construct Reliability (CR)			
Construct	Measures	Loadings	AVE
Store Image (C.R= 0.904)	1. I prefer the store with good reputation.	0.803	0.769
	2. The store I visit has a good reputation in society.	0.782 0.888	
	3. I rely on my store for the goods I purchase.		
Product Assortment (C.R.=0.954)	1. The store I visit has almost all the varieties of goods.	0.910 0.908	0.874
	2. Whatever product variety I demand to the retailer he has it in the store.	0.932	
	3. When the product is not at store I tell my retailer to get the product he gets I for me.	0.805	
	4. I hardly have to visit other stores because I get all my goods from my retail store.		
Product Availability (C.R.=0.933)	1. Whenever I go to store he has the goods available with him.	0.897	0.862
	2. My retailer never says no when I ask him for the product.	0.939	
	3. The right product in right packaging is available at the store.	0.845	
Retailers Attitude (0.920)	1. The retailer talks to me in a helping way.	0.833	0.848
	2. Whenever the product is not at store he gets it for me in future.	0.803	
	3. My retailer gives me products on credit basis also.	0.955 0.872	
	4. My retailer shows me all possible varieties he has with him.		
Discounts (C.R=0.970)	1. He offers me small discounts on my purchases.	0.925 0.978	0.915
	2. Whenever I buy goods in large quantities he gives me certain money off on total amount.	0.966	
	3. The usually keeps value packs with him so that his customer gets benefitted.		
Other services (C.R=0.901)	1. My retailer gives me goods on credit.	0.805	0.739
	2. When I buy goods in large quantities he delivers them to my house.	0.867	
	3. He takes my product orders on phone also.	0.842	

Table 6
Discriminant Validity Analysis:

	Store Image	Product Assortment	Product Availability	Retailers Attitude	Discounts	Other services
Store Image	0.769					
Product Assortment	0.239	0.874				
Product Availability	0.468	0.627	0.862			
Retailers Attitude	0.223	0.489	0.590	0.848		
Discounts	0.108	0.120	0.239	0.482	0.915	
Other Services	0.055	0.082	0.135	0.137	0.051	0.739

*Based on Fornell and Larcker, 1998; AVE in the diagonal and squared correlations off-diagonal.

The results in Table 7 indicate the model testing results for which the hypothesis were rejected or supported. According to the results, Store Image has a significant relationship ($p < 0.01$) with customer perceptions and thus supports hypothesis 1. Product assortment also had a significant relationship ($p < 0.01$) with customer perceptions supporting Hypothesis 2. Similarly Product availability, retailer's attitude and discounts were found to be significant supporting hypothesis H3, H4, H5 respectively. The results can be properly analyzed through Table 7.

Table 7
Tests of the Hypotheses in Fig 1

Hypothesis Path	S.E	P- value	Conclusion
H1: SI → CP	0.743	P<.01	Supported
H2: PA→CP	0.789	P<.01	Supported
H3: PAv →CP	0.847	P<.01	Supported
H4: RA →CP	0.666	P<.01	Supported
H5: DS→CP	0.701	P<.01	Supported
H6: OS→CP	-0.034	n.s	Not supported

SI= Store Image, PA= Product Assortment, PAv=Product Availability, RA= Retailers Attitude
DS= Discount, OS= Other Services

Entering the independent variables, the moderator, and the interaction terms in the multiple regression generated R-square of .299 ($F = 9.387$, $p = 0.002$). It was hypothesized that distance travelled would moderate the

relationship between store attributes and Customer Perceptions. As represented in Table 8 the interaction term of store image, product assortment, product availability, retailer's attitude, discounts and other services in step 3 was statistically significant.

Table 8
Moderated Regression Analysis

Variables	Step 1			Step 2			Step 3		
	β	t	p	β	t	p	β	t	p
Store Image	.451	3.825	.000	.281	2.289	.000			
Product Assortment	.473	4.027	.000	.240	.112	.002			
Product Availability	.433	3.256	.002	.227	.876	.001			
Retailers Attitude	.369	2.585	.001	.008	.651	.000			
Discounts	.471	4.014	.000	.255	.788	.000			
Other Services	.488	4.036	.001	.261	.791	.001			
Distance Travelled				.445	3.788	.000			
Store Image × Distance travelled							1.45	1.988	.002
Product Assortment : Distance travelled							.223	1.775	.001
Product Availability × Distance Travelled							.354	2.765	.001
Retailers Attitude × Distance travelled							.023	.505	.090
Discounts × Distance travelled							.251	2.059	.000
Other Services × Distance travelled							.073	.982	.0528
Constant	5.374	45.92	.000	5.382	47.696	.000	10.26	7.427	.000
R ²		.164			.233			.299	
Adjusted R ²		.148			.213			.267	
F-value		10.363			11.923			9.387	

Store image, product assortment, product availability and discounts with customer perceptions were found to be significant with t values (1.988, 1.775, 2.765 and 2.059) respectively. But other services and retailer's attitude were not found significantly moderating the customer perceptions as the significance level was >0.05. So the results indicate that the Distance

Travelled by customer shows a moderating effect on store image, product assortment, product availability and discounts but not on other services and retailer attitude. So, proving the hypothesis H7, the relation between Customer Perceptions and store attributes (store image, product assortment, product availability, and discounts) are moderated by the distance travelled by customers.

6. Conclusion and Implications

As analyzed above the Indian retail market is strongly driven by the unorganized (Traditional store) retail stores. The purpose was to deal with the importance of store attributes in an unorganized retail scenario. The general customer profile easily reflects that the customers visiting the unorganized store usually visit it for the purchase of grocery products. Moreover such customers do not travel much to visit the retail store. As per the responses obtained store attributes have a strong relationship with the customer perceptions in unorganized markets. Discounts showed the strongest relation, product assortment and product availability also showed an equally strong relationship with customer perceptions. The results reflect that the retailers in unorganized markets have to cater to customers who are more price sensitive and get attracted towards the discounts being offered to them. Moreover, typically importance is given to the product assortment in the store and the availability of the desired goods of the customers. The predictor tests in Table 3 reveals that the customer purchasing grocery and consumer durable goods emphasize more on store attributes rather than in case of chemist or cosmetic product category.

The results also show that the customers purchasing grocery products emphasize on store attributes like product assortment, product availability and retailer's attitude. Similarly the importance of different store attributes varies with product categories. Retailers in unorganized markets dealing with different categories should emphasize on different store attributes depending upon the type of customers he deals with. Another very important result of the study is the moderating effect of the "distance travelled by the customer

to reach the store” on the customer perceptions. The results emphasized that except the retailer’s attitude and the other services all other store attributes showed a significant relation with customer perceptions when moderated with the distance travelled. These finding strongly emphasize that when a customer prefers certain store attributes he even travels long distances to purchase that product. This also reflects the store loyalty factor of a customer. All these when kept under consideration can surely meet customer expectations and thus make him a customer loyal.

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