BEYOND THE POLEMICS: DO CHANGE IN SHOPPING ENVIRONMENT AND CUSTOMER RECORDS WILL WORK FOR SURVIVAL OF OFFLINE RETAILERS?

Judith Gomes[1*], Namrata Gain[2], Rachna Thakkar[3]

[1*]Department of Management, Bhilai Institute of Technology, Durg (C.G.), judith.gomes@bitdurg.ac.in
[2]Department of Management, Bharti Vishwavidyalaya, Durg(C.G.), namratagain@gmail.com
[3]Department of Commerce, St. Xavier's College Of Management & Technology, Patna,
thakkar.rachna86@gmail.com

*Corresponding Author: Judith Gomes
*Department of Management, Bhilai Institute of Technology, Durg (C.G.), judith.gomes@bitdurg.ac.in

Abstract:
This paper explores relative importance of survival of small retailers in organized era. It measures the degree to which survival needs factors were related to customer response according to retailers. The model was tested with data collected from a retailer survey. Data was analysed using descriptive statistics, factor and correlation analysis. In general, results of research support framework proposed for reference. Survival needs was positively driven by response needed with shopping environment and customer records requirement. Shopping environment exhibited that merchandise management can help to build customer response towards the store and in customer records, personal information and loyalty points can also encourage customer towards their store. Contrary to other items they responded are not much related to encourage customers. A further important finding is a different but significates item store ambience can be also worth encouraging customers to the store. This concludes if they manage merchandises and maintain records with appropriate store ambience can generate customer response.
Keywords: survival, shopping environment, customer records, retailers, motivation, etc.

Introduction

"The retailing sector is India's largest industry after InfoTech, in terms of contribution to gross domestic product (GDP) at 12 percent and also the second largest employment generator (8 percent of total employment) after agriculture sector" as per Indian Business Directory. Guruswamy, Sharma, Mohanty and Korah (2010), "the retailing in India is largely unorganized and predominantly consists of small, independent, owner-managed shops. Of the estimated 15 million retail outlets in the country, only about 4 percent of them are larger than 500 sq. ft. in size".

According to Pinder (1998), motivation is the behavior that willingly affects direction, intensiveness and determination of individual within themselves. Direction is the manner of putting effort by people. This shows effort of people depends upon their choice. Similarly, Intensity is termed as people's effort linked to each goal. Therefore, the level where people involve themselves to complete task is intensiveness.

Determination refers to the element representing the effort made for a time period. However, Challenge for management is to find out behaviour of people individually and in group for managed effort in work place as well as to understand its effect on various motivation systems. As per Todes et al, "Motivation doesn't depend upon techniques but on its ability to manage it". Motives refer to individual's consciousness of mind towards their goal achievement by referring their needs, wants or desires and constraints or decisions. (Hersey and Blanchard, 1977). Subconsciousness in Motivation depends upon people mental ability when they don't know want, they want, which shows the significance of sub consciousness, discovered by Freud.4 Only money does not motivate employees, there are some other factors based on behavior and attitudes of employees also (Dickson, 1973). Objective of research is draw attention to the significance of different factors in motivating consumers in retailing unit.

The study describes the significance of the theories adopted by retailers in motivating consumers. A secondary purpose of the study was to compare all the motivation content theories and to find the most effective and for primary research with adaptive theory. Motivation concept is defined by various contemporary authors.

According to Decenzo (2001), Motivation refers as the individual outcome and interaction condition. Lawler (1986), defines it as an individual process intentionally created for a situation for a result, what will and will not be. The process of Psychology that provides goal and a way to respond to the behavior is motivation (Kreitner, 1995).

Buford, Bedeian& Lindner (1995), defines motivation as a mindset to perform in a productive manner to accomplish specific, unreached needs; and Bedeian ((1993), the determination to achieve it.This study implies motivation as the effort made by retailers that drives to accomplish their personal and organizational goals through consumers' satisfaction.

It includes all forms of safety, physiological and material needs required for existence. Safety needs include taking care for fear, anxiety, threat, danger, tension, etc. Physiological needs include individual's search of satisfaction at their energy level, like leisure, exercise, sleep.Still, It is not completely agreed about the needs in theories and their relationships, but they agree upon the satisfaction of them is necessary to motivate human behavior for generating business (Greenberg J. and Baron R.A., 2003).

Categorization and Model Development for Motivation Techniques used by retailers
There are numerous types of techniques used by retailers to motivate their consumers; so, it is important to summarize them according to the categories in needs. After selected categorization, the relationships between the needs and desires can be identified.

This study summarizes two objectives, mainly:
(1)To classify needs, according to the major needs, various types of services provided by retailers.
(2)To validate the Research Model using empirical data of the retailer consumer's selections of motivational services.

In this study variables are chosen according to categories of needs presented earlier. They are arranged into categories of existence needs, social relatedness needs and Development needs. Survival needs include safety needs and materials needs. Thus, the variables are managed in corresponding to needs for existence into two categories, i.e; "Shopping Environment" and "Customer Records". Status needs refer to people's desire to maintain interpersonal relations as the acts of interaction and sharing with others to earn their interest and respect. The needs and services categorize are listed in Table 1.

Table 1: Mapping of motivating variables

Retailer Needs	Motivating Variables of Retailer
Survival Needs	Shopping Environment
	Customer Records

Survival Needs for retailers

It includes all forms of safety, physiological and material needs required for survival. In respect of this study, shopping environment and customer records measures are taken into consideration, as key elements for consumer's behavior motivating factors by retailers.

- *Shopping environment*

Shopping Environment refers to values of the organization, styles and working conditions, according to Pearson (1991). Kruger (1996) and Oosthuizen (2001), Equipments and tools, electric supplies, exposure for air and shopping space, i.e; resources availability and quantity purchase that refers to physical working conditions. Moreover, conditions of the climate plays vital role to create differences in behavior, as per Singleton (1989).

Baker et al., (2002) pointed out that a store's shopping environment plays an extremely important role in providing information and shopping guides to customers, and is the key feature in building the store image.

Shopping environment is an influencing factor in estimating complete satisfaction for managers in Chinese restaurants, in the research of Lam's et al. (2000). They explain that satisfaction and retention can be improved by focusing on this factor strategically.

- *Customer Records*

Lallmahamood, 2008 states that, privacy refers as an individual capability to control personal information. Consumer provides to retailer complete personal information but they think that their information can be violated by them (Suki et al., 2001). Consumers need privacy while shopping as they are concerned about their product decision, the feel of violation by the external environment exists while shopping. Suki et al., (2001), they are also concern about "the credit card, debit card, information unauthorized use", "their information can be sold without concerned", and "product decision can be merged with other people".

Figure 1: Proposed Model of Retailer's Survival
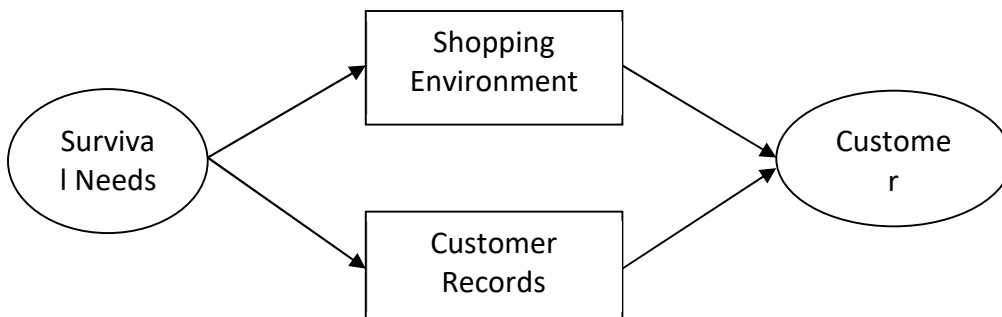
According to Vijayasarathy, 2004, the consumers in other view called practically privacy are way of providing individual information related to advantages and risk management. They consider that privacies will not be compromised while shopping. Moreover, Shopping is more concern about privacy. A researcher Suki et al. (2001) in his study suggested that factors are considered by consumers' while shopping and on result it shows that the most important factor considered is privacy.

Various studies relevant content theories of motivation have been reviewed for supporting change in different environments and circumstances. ERG with Maslow needs and Herzberg are used to support Indian advocacy for compensation regarding cash instead of benefits, in a theoretical argument, Agarwal (2010). It was proved through empirical data that in place of perquisites and benefits cash compensation is needed. He expressed that growth need fulfillment people go back to existence need.

Methodology
The population frame would be the retailers of grocery and food products in Central India.The convenience sampling technique was adopted for the present study. This method is used in exploratory research where the researcher is interested in getting an inexpensive approximation of the truth. This non probability method is often used during preliminary research efforts to get a gross estimate of the results, without incurring the cost or time required to select a sample.

Total 100 retailers of grocery and food products were targeted, out of which 87 respondents provided their response. Primary data collected through Questionnaire and Interview.Exploratory Factor Analysis is done to calculate the reliability of data collected. Confirmatory Factor Analysis. Hypothesis Testing for retailer motivation related objective, Correlation statistical tool is applied.

Data Analysis with Descriptive Statistics
The study is organized with 2 factors and 9 scale items. Each of the scale items are agreement statements on a 5-point likert scale. The scale items of the identified factors are analyzed with the descriptive statistics of mean, standard deviation, skewness and kurtosis to test the normality of collected data. For testing of normality of the collected data, the study considered standard deviation to be < 1 an (Sclove, 2001), and skewness and kurtosis to be +2 to -2 (Garson, 2011). The descriptive statistics of measurement items construct-wise are discussed below.

Table 2: Descriptive Statistics for Shopping Environment Scale Items

SI. NO.	Scale Item No.	Scale Items	Min.	Max	Mean	Std Devi.	Skew ness	Kurt osis
1	1.1	I believe that comfortable shopping environment for consumers encourage them to buy from my shop.	1	3	1.61	.705	.723	-.677
2	1.2	Wall colours and lighting in the store doesn't have any relevancy to consumer behavior.	1	5	3.05	.806	.052	.293
3	1.3	An attractive physical facility (chairs, baskets, trollies, etc) doesn't create goodwill among consumers.	1	5	3.10	1.121	-.512	-.588
4	1.4	Organization and logical arrangement of Merchandise in the store doesn't influence consumers much.	1	4	2.39	.944	.662	.534
5	1.5	Wide selection, full stocked and trendy of merchandise doesn't create image among consumers.	1	5	3.10	.965	.027	-.475

Shopping environment is a motivation technique measuring construct and refers to the extent to which unorganized retailers try to motivate their consumers in a store. Shopping environment is measured using five statements. The mean values of these five items varied from 1.61 to 3.10 and standard deviation from 0.705 to 1.121. Skewness values have a range of -.512 to .723 and kurtosis values range from -0.677 to 0.534, indicating the normality of the data representing Shopping environment variable.

Table 3: Descriptive Statistics for Customer Records Scale Items

SI. NO	Scale Item No.	Scale Items	Min.	Max.	Mean	Std Devi.	Skew ness	Kur tosis
1	2.1	Doesn't make sense to ask consumers personal information (Name, address, contact no. etc).	1	5	2.70	1.142	.614	-.420
2	2.2	Automatic discounts at checkout for loyalty points or coupons hardly influence consumers	1	5	2.52	1.247	.586	-.557

3	2.3	Personal information can only be used for record for billing, record keeping and future reference	1	5	2.19	1.186	.864	-.267
4	2.4	Item suggestion and reminders cannot make consumers patronage.	1	5	2.72	.898	.283	.625

This construct measures the retailer concern about taking personal information of their consumer for records, future reference, billing and reminders.Customer records are measured through four statements whose mean and standard deviation values have ranges of 2.19 to 2.70 and 0.898 to 1.247 respectively. Skewness and kurtosis values have ranges of 0.283 to .614 and -0.420 to 0.625 respectively. These values meet the normal distribution criteria for perceived construct.

Scale Reliabilities for Motivation Measures
Reliability is the degree to which a set of scale items measuring a construct can produce consistent results across time (Hair, Anderson, Tatham, &Black , 1998) and the degree to which the measure is free from random error (Peter, 1979).

Item Reliabilities
An individual scale item is reliable when its value of squared correlation between the scale item and its corresp (Bagozzi& Yi, 1988). The item reliability values for 9 scale items are shown in the Table 4.

Table 4:Item Reliabilities for Survival Measures

Factors	Constructs	Squared Multiple Correlation
Shopping Environment	1.1	.750
	1.2	.771
	1.3	.876
	1.4	.877
	1.5	.954
Customer Records	2.1	.919
	2.2	.977
	2.3	.843
	2.4	.863

Factor Analysis on Survival Measures
Retailer's motivation techniques were measured using twenty-seven statements in the context of Indian food and grocery retailing. Factor analysis was conducted to reduce the number of variables for various factors in Survival Needs. Factor models were selected based on KMO (Kaiser-Meyer- Olkin) measures of sampling adequacy criteria (should be as near 1 as possible) which is a goodness of fit coefficient, Bartlett's test of sphericity (should

be as close to 0 as possible) which is a badness of fit test, the Eigen values greater than 1 and amount of variance explained by the model. Each model was estimated using principal components analysis as the extraction method. Varimax with Kaiser Normalization rotation method assisted in interpreting the data for Survival factors. Factors were labeled based on salient loadings.

Nine statements concerning survival needs of retailers which were derived, was submitted to factor analysis with Varimax rotation. Three factors with eigenvalue greater than 1 emerged explaining 67.921 percent of the variance with a Kaiser –Meyer –Olkin (KMO) measure of sampling adequacy of 0.634, which is considered acceptable as it is near to 1. The application of Bartlett's test of sphericity clearly revealed that these factors are related at significance level 0.000. The scree plot also resulted in the acceptance of three factors with total variance of 67.9 percent. Factor one was labelled "Shopping Environment", factors two was labeled "Customer Records" and factor three was labelled "Store Ambience". Results of the individual loadings and variance explained with factor labels for Survival Needs were summarized in Table 5 and 6.

Table 5: KMO and Bartlett's Test for Survival needs

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.634
Bartlett's Test of Sphericity	Approx. Chi-Square	312.272
	Df	36
	Sig.	.000

Table 6: Survival needs factor analysis

Factor label	Statements	Factor Loadings	Variance
Shopping Environment	An attractive physical facility (chairs, baskets, trollies, etc) doesn't create goodwill among consumers.	.813	34.358
	Organization and logical arrangement of Merchandise in the store doesn't influence consumers much.	.720	
	Wide selection, full stocked and trendy of merchandise doesn't create image among consumers.	.898	
	Doesn't make sense to ask consumers personal information (Name, address, contact no. etc).	.771	
	Automatic discounts at checkout for loyalty points or coupons hardly influence consumers	.645	
Customer Records	Item suggestion and reminders cannot make consumers patronage.	.557	18.121
	Personal information can only be used for record for billing, record keeping and future reference	.858	

	I believe that comfortable shopping environment for consumers encourage them to buy from my shop.	.648	

a. Extract Method: Principle Components Analysis, Rotation Method: Varimax with Kaiser Normalization, variance explained 67.921%, p=0.000

Hypothesis Testing

H_1: 'Survival needs' and 'customer response' relation to shopping behavior in a retailing store.

Pearson's r correlations, also known as product-moment correlations, were used to measure the degree to which survival needs factors were related to customer response according to retailers. Individually, the correlations for A3 (r=.276, p<.05), A4 (r=.311, p<.05), A5 (r=.436, p<.05), and C1(r=.246, p<.05) showed the correlation among survival needs factors and customer response according to retailers. No significant correlation was reported by the retailers on A1, A2, B1, B2 and B3 (r=0.163, r=0.116, r=0.178, r=-.118 and r=0.153 p>.05) for customer response on survival needs factors. So we can conclude that unorganized retailers don't think for some statement related to motivating consumer at store for their survival.

Table 7 : Correlation Matrix between 'Survival Needs' and customer response.

Factor label	Item No.	Correlation	Sign.	Result
Shopping Environment	A1	.163	.131	No Relation
	A2	.116	.285	No Relation
	A3	.276	.010	Relation
	A4	.311	.003	Relation
	A5	.436	.000	Relation
Customer Records	B1	.178	.100	No Relation
	B2	-.118	.276	No Relation
	B3	.153	.158	No Relation

Measures used in current situation

The analysis done to achieve this objective has resulted into preliminary stages of development of a model which consists of 2 factors and 9 scale items. The exploratory factor analysis is done to extract the final factors for further analysis. The findings of the factor analysis and hypothesis testing are summarized in this.

Table 8 : Result from study relation between 'Survival Needs' and customer response in a retailing store.

Factor label	Corrected Statements
Shopping Environment	An attractive physical facility (chairs, baskets, trollies, etc) create goodwill among consumers.
	Organization and logical arrangement of Merchandise in the store influence consumers much.
	Wide selection, full stocked and trendy of merchandise doesn't create image among consumers.

	Doesn't make sense to ask consumers personal information (Name, address, contact no. etc).	
	Automatic discounts at checkout for loyalty points or coupons hardly influence consumers	
Customer Records	Item suggestion and reminders can make consumers patronage.	
	Personal information cannot only be used for record for billing, record keeping and future reference	
	I believe that comfortable shopping environment for consumers encourage them to buy from my shop.	

This study shows the result that among various motivation theories to study techniques of motivating people, Alderfer ERG Theory of Motivation is more simply related to retailer's needs to motivate their consumers to be evaluated (Table 8). In this theory Existence needs is related to the existence of the retailers, i.e.; shopping environment and customer records taken from consumers to maintain relations. According to Alderfer's Motivation Theory, Existence needs of retailers in respect to this study, shopping environment and customer records measures, as key elements for consumer's behavior motivating factors by retailers. It was proved through empirical data that in place of perquisites and benefits cash compensation is needed (Agrawal (2010). He expressed that growth need fulfillment people go back to existence need.

This study shows the impact of organized retailing on consumer buying behaviour in Chhattisgarh. It is found that grocery and food market have impact of unorganized business in some places of the state. The model is developed based on the traditional Blackwell Model by Kotler (1991) in order to capture consumer buying behaviour toward a grocery and food products and factors influencing it. The proposed research model model fit acceptance and the independent variables in dependent variables variances explained suggested in the model can be helpful for represent consumer buying behaviour toward grocery and food products in current scenario. It is confirmed through the research model that traditional Stimuli – Organism - Response paradigm; i.e; the stimuli (constructs) had effects on the organism (marketing efforts), which in turn influenced the response behaviour (consumer buying behaviour). The study also provides the motivation parameters taken by retailers to achieve confidence and response of consumers in current business scenario.

Summary and Conclusion

It will be obvious from those investigation that indeed the unorganized retailer may be mindful of the requirement with change for period and they a really feel that supermarkets would those approach with future. An ever-increasing amount unorganized retailer need aid eager to imitate those features from claiming a sorted-out retail outlet, which makes their working additional proficient Also includes of the accommodation of the consumers. The point when it hails tackling new advances that might upgrade the effectiveness of the outlet, the chaotic retailers need aid readied with accept newer approaches.

The perception among majority of unorganized retailers that features like cash credit and home delivery to its customers would help attract / retain their customers, indicates the resolve of the unorganized retailer to hold on

to his strong points. It may be noted that, it is the very fact that the unorganized retailer caters for the customers in the close vicinity that enables him to resort to such services, which could not be easily emulated by organized retailers catering for mass. Further unorganized retailers are not finding any serious threat to his business. However, he is fully aware of the changing times and the requirement of adaptation. He is willing to diversify or modulate his business to meet these requirements, provided fund are available.

The findings of the study bring out certain definite way ahead for the unorganized retailer. A few them, such as, store environment motivates more to create existence needs of the retailer, to grow their business have been highlighted. It revealed motivational factors, Retail outlets attributes and consumer buying attributes the dimensions can be contributed for encouraging retail market.

References:
- Agarwal, A. S. (2010). Motivation and executive compensation. IUP Journal of Corporate Governance, 9(1), 27-46. Retrieved from http://vlex.in/source/iup-journal-corporate-governance-5174
- Bagozzi, R.P., Gopinath, M., Nyer, P.U. (1999), "The role of emotions in marketing", Journal of the Academy of Marketing Science, Vol. 27, No.2, pp.184-206.
- Baker, J., D. Grewal and A. Parasuraman. (1994), "The Influence of Store Environment on Quality Inferences and Store Image." Journal of the Academy of Marketing Science 22.4 (1994): 328-339.
- Baker, J., Dhruv Grewal., Michael Levy. (1992), "An experimental approach to making retail store environmental decisions", Journal of Retailing, VOL. 68 (winter), pp.445-460.
- Baker, J., Parasuraman, A., Grewal, D. and Levy. (2002), "The influence of multiple store environment cues on perceived merchandise value and patronage intentions," Journal of Marketing, 65, pp.120-141.
- Bedeian, A. G. (1993). Management (3rd ed.). New York, Dryden Press.
- Buford, J. A., Jr., Bedeian, A. G., & Lindner, J. R. (1995). Management in Extension (3rd ed.) Columbus, Ohio: Ohio State University Extension.
- Decenzo, D. A. (2001). Fundamentals of Management. Essentials Concepts and Application, Prentice Hall, New Jersey.
- Dickson, 1. P. &Albaum, G. (1977). A method for developing tailormade semantic differentials for specific marketing content areas. Journal of Marketing Research, li(February), 87-91.
- Dickson, J. P. and D. L. MacLachlan (1990). "Social Distance and Shopping Behaviour." Journal of the Academy of Marketing Science 18(Spring): pp. 224-234.
- Dickson, W. J. (1973). Hawthorne experiments. In C. Heyel (ed.), The encyclopedia of management, New York, Van Nostrand Reinhold, 2nd ed., pp. 298-302.
- Garson, G.D. Structural Equation Modeling: Statnotes. 2010. 27 November 2011 <http://faculty.chass.ncsu.edu/garson/PA765/structur.htm>.
- Greenberg, J., & Baron, R.A. (2003). Behaviour in organisations (8th ed.). Pearson Education International, New Jersey.
- Hersey, P., & Blanchard, K. (1977). Management of OrganisationalBehaviour. Englewood Cliffs, Prentice Hall.
- Kreitner, R. (1995). Management (6th ed.). Boston: Houghton Mifflin Company.

- Kruger, S.J., Smit, E., & Le Roux, W.L. (1996). Basic Psychology for human resource practitioners. Kenwyn: Juta & Co.
- Lallmahamood, M. (2008). Privacy over the internet in Malaysia: A survey of general concerns and preferences among private individuals. Malaysian Management Review, 43(1), 77–108.
- Lam, J. (2000). All Bets are On. Harvard Business School Press.
- Lancaster, G., & Massingham, L. (2002). Essentials of Marketing (4th ed.). Maidenhead: McGraw-Hill.
- Lawler, E. E. (1986). High Involvement Management. Participative Strategies for Improved Organizational Performance, San-Francisco, Jossey – Bass, California.
- Oosthuizen, T.F.J. (2001). Motivation influencing worker performance in a technical division of Telkom SA, Acta Commercii, 1, 19-30.
- Pearson, R. (1991). The human resource: Managing people and work in the 1990s Berkshire: McGraw-Hill.
- Pinder, C. C. (1998). Work motivation in organizational Behavior. Upper saddle River, NJ, Prentice Hall.
- Singleton, W.T. (1989). The mind at work. Cambridge: Cambridge University Press.
- Suki, N. B. M., Ahmad M. I., &Thyagarajan, V. (2002). Motivation and concern factors for internet shopping: A Malaysian perspective. The Electronic Journal for Ecommerce Tools and Applications, 1, 1–18.
- Todes, J. L., McKinney, J., & Ferguson, W. Jr. (1977). Management and Motivation. New York, Harper and Row.
- Vijayasarathy, L. R. (2004). Predicting consumer intentions to use on-line shopping: The case for an augmented technology acceptance model. Information & Management, 41(6), 747–762.