

# An Empirical Study to Discover Components Measuring Store Attributes

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## ARTICLE INFO

## ABSTRACT

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This study makes an attempt to explore components specifying store aspects in the paradigm of Retail. The organized apparel stores were surveyed considering loyalty program members as respondents. The study found merchandise, store environment, preferential treatment, Interpersonal communication, and service in post transaction phase as components. Further, as store attributes and loyalty program were closely related. This study helps researchers to strengthen loyalty program and to measure customer loyalty in varied retail contexts.

**Keywords:** Retail, Store attributes, loyalty program, factor analysis.

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## INTRODUCTION:

The growth of retail sector is unparalleled in the contemporary market economy. Apparel retailing is not an exception. Variety of measures is adopted by retailers to win their share in the market and sustain. Though it is far and wide believed that retailers reasonably realize the necessity of loyalty among the consumers to grow and sustain in this competitive marketplace. The literature review helps us to understand that very few studies have been done to learn about loyalty in the context of apparel retail setting. The relationship marketing gained a high attention in the academic context along with the industrial paradigm as it is useful to develop, manage and acquire necessary result in the evaluation process on the connection between the consumer base and the retail firm owners (Kim and Kim, 2009; Clark et al., 1995; Sheth and Parvatiyar, 1992, 1995; Lindgreen et al., 2006;).

Different stores have varied store attributes, although prior studies have recognized nine shop characteristic elements, i.e., shop ambiance (an indoor setting consisting of arrangement, visual presentation, shades, illuminations, and sounds which forms a perception of the shop in the consumer's perception), ease (the high access rate to a shop or center for shopping), goods (features of items offered by a shop or shopping center such as standard, variety or assortment, and designs of items), advertisements (efforts a shop makes to notify buyers of its offerings and reputation), after-sale service (physical assistance related to items after purchases such as product transport and setup, item guarantees, and replacements or reimbursements), direct mailing (efforts carried out by a shop or a shopping center to reach buyers directly through postal booklets and leaflets), personal interaction (staff engagements with buyers in a welcoming way), special treatment (a buyer's belief that he/she gets unique acknowledgment from a shop or a center by way of superior assistance which is not available for the non-frequent buyers), and physical incentives (such as deductions and benefits given to buyers in return for their transactions with a shop or a shopping center). However, prior research indicated that a numerical study was necessary to determine the appropriate factors in the selected retail setting.

De Wulf et al.'s (2001) discussed; firms need to focus on relationship quality with consumers as it influences the loyalty level among the consumers. In other words, a retail may provide offerings to consumers as it is convenient to build relationship with the consumers (De Wulf et al's 2001, 2003), store aspects are useful as it enables consumers to have a positive mindset good about brand offers or brand image (Martineau, 1958). Thus, store attributes are important in a retailer-customer relationship.

Perceived relationship commitment refers to the degree to which a shop is seen to allocate resources, exertion, and concern to sustain or improve connections with buyers (De Wulf et al.'s 2001). Perceived relationship excellence

refers to a buyer's perception about the connection between shop owners and buyers. As per De Wulf et al.'s (2001), Perceived relationship excellence is a single aspect that improves relationship contentment, trust, and feeling of duty.

Though reward programs were well-liked among US and UK merchants in the 1990s, these gained popularity among Indian merchants in the 2000s, meaning ten years later. These approaches are still in the developing phase in India, and buyers are understanding the advantages of these programs (Colloquy, 2009). Three primary types of shop characteristics have been discovered to affect buyer retail loyalty behaviors: product quality, quality in the service, and shop-related characteristics (Zeithaml, 1988). Customer loyalty refers to a customer's commitment for repeat purchase towards a favorite product constantly in days to come (Jamal and Anastasiadou, 2009; Ganesh et al., 2000; Kim et al., 2007; Stank et al., 1999, 2003; Oliver, 1999). Loyalty programs are crucial for firms as it is necessary for marketers to attract customers and increase positive attitude among consumers towards the firm (Sharp and Sharp, 1997).

Sincere efforts acted as useful for the current study as it helped in the information acquisition process about customers from loyalty programs. The retailer showed intention to maintain confidentiality in the business, and for this reason, retailers showed less intention to provide loyalty program lists. Hence, crucial approaches such as "non-probability method" along with "purposive sampling" and more specifically judgement sampling was used, which is characterized as choosing participants arbitrarily for some criterion or unique characteristics or their experiences, attitudes, or perceptions (Cooper and Schindler). The data were collected from Levi's and Peter England stores at Raichur and Ballari during October to Dec 2014. Out of 510 members to whom questionnaire were given, only 430 valid questionnaire was collected.

#### Sample details:-

The characteristics of the selected sample can be looked upon on the basis of respondent's age. Please find the details below.

**Table 1: Age-wise Distribution of Sample**

Age	Frequency	Percent	
15 to 20 years	42	9.7	
21 to 25 years	146	33.9	
26 to 30 years	121	28.1	
31 to 35 years	76	17.6	
More than 35	45	10.4	
<b>Total</b>	<b>430</b>	<b>100</b>	

#### EXPLORATORY FACTOR ANALYSIS

Thee need for factor analysis was high for the research as it was helpful to reduce the data level among the variables and also avoid a high data loss rate. The current research includes a high variable number and these requires collaboration, thus it is necessary to reduce the data size (Hair et al., 2008). A relationship test also acted as necessary in the current research as it helped to identify the interrelation between variables along with underlying aspects. The research utilized "exploratory factor analysis" as it was helpful to develop proper theories on specific aspects such as store attributes. Multiple methods for the extraction purpose are present in SPSS and it is useful to take out the necessary factors. "Principal component factor analysis method" is a common process for the extraction purpose in the research on social science paradigm. The outcome total variance is crucial in "principal component analysis" and it requires a high recognition in the data analysis process. This method is useful in case the it is necessary to identify the minimum or low number in a factor that will influence the "maximum variance" in a dataset and it will also help in "multivariate analysis". These factors have a proper name and it is "principal components" (Hair et al., 2008).

This method has a high importance as it is useful to detect underlying factors in a variable's set. "Principal component analysis" is crucial for the current research objectives as it is necessary to take out crucial factors from variables. Apart from this, crucial approaches such as "Cronbach's alpha coefficient" and correlation's critical analysis also acted as useful as these were beneficial to ensure factor analysis method use in the research (Hair et al., 2008).

It is important to select a sample size with five observations as these numbers are requirements for the "factor analysis" process along with around ten observations for each variable (Hair et al., 2008). As per the analysis process, the current study includes 43 variables and for this reason, the minimum requirement for sample size is 430.

The 430-sample size is crucial as it is helpful to conduct a "factor analysis". Apart from this, crucial methods such as "Kaiser-Meyer-Olkin (KMO)" also acted as useful as it helped to measure statistics in sample adequacy or to investigate the sample appropriateness. It further shows, variance's proportion in a variable and its connection with the crucial underlying factors

**Table 2: Results of "KMO and Bartlett's Test" (Store Attributes)**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.815
Bartlett's Test of Sphericity	Approx. Chi-Square	3760.871
	Df	119
	Sig.	0.000

The KMO measure for this sample is 0.815, and it further shows, the sample size is adequate or useful to conduct a "factor analysis" process.

The "cumulative %" in a value is a crucial sign as it means that the five taken out factors contributes to around 69% in the variance level. The analysis process further showed, around sixteen items were present in the five factors and it is present in the "factor analysis" process from the table 3.

**Table 3: Factor Matrix**

Variables	Components/Factors				
	SASE	SAME	SAPTS	SAIC	SAPT
Signs and decoration within the shop or store were nice.	0.786				
The shop or store places were eye catchy and attractive	0.713				
It is large and very easy to move within the store	0.732				
It is maintained clean and renewed	0.679				
Generally, each store has quite beautiful variety of products		0.765			
The condition of the merchandises that I purchased at this shop fulfilled my expectations		0.713			
I found many products that gratifies my want		0.766			
The store has appropriate price for each product sold		0.711			
The collection has most suitable return policy and most easy to return products			0.815		
The shop has most easy way to exchange product which I bought			0.820		
The most appropriate return policy is given by this shop			0.817	0.819	
The shop conducts personal dialogue with me					
This shop makes attempt to understand me				0.786	
This shop very regularly ask about my personal wellbeing				0.716	

The frequent customers are taken care with a lot of care The shop makes good effort for frequently purchase customers in comparison to irregular customers.					0.811 0.813
Eigen value	5.43	1.87	1.69	1.49	1.21
Cronbach's alpha	0.829	0.865	0.812	0.767	0.833

*Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. (Rotation Converged into 5 iterations).*

It is important to interpret the variable's nature and also assign meaning to each factor as it acts as a guidance to identify the factor numbers for future extraction process (Hair et al., 2008). The analysis process was helpful as it provided names to each factor after extraction as per information from prior studies, opinions by the prior authors or academicians, or variable's nature. The analysis process extracted five factors on store attributes and these are: *Interpersonal Communication, Merchandise, Store Environment, "Post Transaction Service" and Preferential Treatment.*

### IMPLICATIONS AND CONCLUSION

The researches from the prior era included information about the retailer's area however, these did not included information on store attributes on customer loyalty in Indian apparel retailers' context. This is the first time a theoretical model considering store attribute concept was tested empirically in apparel retail owner's context.

The research was performed with the help of personal survey method using members of loyalty programs as respondents. The members are the key customers wherein retail companies invest resources in order to run the loyalty program. Obviously, the retail companies expect the return on investment by creating and sustaining loyal customers in a long run. This study was conducted considering the organized apparel retailers, wherein very few players are seriously running these loyalty programs in this region. The region which is selected for the study is growing in the context of apparel retailers, which includes the cities like Raichur and Bellari. The data was collected at a single point of time in one single region of Karnataka. The research has limitation of carefully generalizing the research findings across organized retailers in different parts of the country. The "non-probability method" for the sampling purpose such as the "purposive sampling method" was useful as the retailers showed a low interest to share loyalty member's list for the research purpose along with limitation in the findings such as a lack of scope for generalization. The factor analysis enabled us to identify factors in the context of retailing, in future the researcher can use similar factors in other organized retail context such as shoe and athletics, woman apparel, branded leather, etc.

**I declare that, don't have conflict of interest for publishing this article.**

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