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Journal of Marketing Vistas provides a platform to marketing professionals from academia and industry to exchange information on emerging marketing practices and theory across industry around the globe.

Articles in the Journal furnish information on trends in areas including, but not limited to, Strategic Marketing, Promotion Management, New Product Management, Pricing Decisions, Product-Line Management, Competitive Strategy, Buyer Behaviour, Marketing Research, Market Information System, International Marketing, Services Marketing, Segmentation Targeting and Positioning, Sales Force Management, Retail Management, Customer Relationships Management and e-Marketing.

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Journal of Marketing Vistas invites original contribution in the form of state-of-the-art conceptual / empirical papers and case studies on the application of marketing across industry globally.

The following guidelines are to be adhered to while submitting the manuscript.

A paper should contain 3000-5000 words. The desired order of content is: Title, Author(s) /Affiliations, Abstract (200 words), Main Text, Appendices, Acknowledgements, References.

The manuscript should be typed on one side of good quality white bond paper in one-and-a-half spacing, 12 font size, justified and Times New Roman. Acronyms should be spelt out in the first occurrence.

Mathematical terms, symbols and other features that cannot be typed should be inserted neatly into the text by hand in black ink. Tables and illustrations complete with titles, labels and artwork should be placed in the text at the appropriate locations.

Tables / Figures should be numbered 1, 2, 3, etc., and should be referred to in the text. Equations should be numbered sequentially in parentheses by the right margin. Theorems, propositions, corollaries, etc., should be numbered in one sequence, e.g., (1) Proposition, (2) Corollary, (3) Theorem, etc.

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- Tertiary headings are in title case and italicized, Text follows on same line.
- Do not number the headings.

Numbers under ten are spelt out (nine-point scale, five to 10 hours, but 5%). Numbers followed by% are always numerals (5%, 20%). Spell out numbers that begin sentences (Twenty students attended the program).

All manuscripts should have been proofread before submission. Correspondence and proof for correction will be sent to the first name author, unless otherwise indicated. The author(s) will receive page proof for checking, but it is hoped to correct only typesetting errors. Proof should be returned within a week.

The author(s) should also send an 'electronic version' of the paper on CD / e-mail using standard software (preferably MS-Word) to jmt@ipeindia.org and / or meherkaruna@ipeindia.org

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Contents

Editorial

Metamarketing introduced by Mohan Sawhney is a new avenue for marketers to attract and increase thenew customers and to retain the existing ones. Business opportunities for metamediaries in dairy business are increasing in India. An empirical study has been conducted in the city of Gowhati to identify the gaps in fulfilling the metamarket in Milk Industry. As per the study, the opportunities for milk, yogurt, lassi and cream businesses are lucrative for metamediaries as complementary products in Gowhati market.

Various barriers like socio economic status, location, gender etc. are warding off 61 million primary school going children from education. Selection of school for the child has become the most cumbersome decision among all the major family decisions. Factor analysis proves that distance from the house to school is an important factor influencing the parents to decide the school for their child in Jalandhar. Other factors include, information provided by the school, facilities and controls and systems.

India is thriving in the global retail rankings and expected to become the third largest consumer economy by 2025 as per the study carried out by BCG. Retail firms focus on customer satisfaction to gain, keep and grow the number of footfalls. In this process, factors ensuring customer satisfaction are important inputs for the organized retailers. An empirical study enlists the factors like sales associates, retail convenience, product assortment; retail ambience and customer shopping motivation influence the shopping experience of the customers which in turn contributes for customer satisfaction. Holistic model of retail experience has been developed and depicted based on the behavior intentions of the Indian tier – II city shoppers.

Descriptive research is more reliable over empirical research in management education for its inclination towards arts. The case on Maruti Suzuki states the importance of the case approach in identifying the customer insights in buying process. A conceptual model of upstream marketing is introduced comprising both logical and emotional thoughts of the consumer.

Growth of food chains is throwing low cost business offers to the entrepreneurs to start with, but to survive and grow, they struggle and follow the experienced businesses. Gaining customer trust is a proven success factor in case of major business houses. Small food chain restaurants are no exception from this, and find a place as pre requisite for customer satisfaction.

Selection of an over the counter medicine from a wide range of display under the category of headache is a headache. Category planning and management plays a key role in profitability of a pharmacy retail store. Efficiency in category management enhances customer service, which in turn satisfies customer. Customer satisfaction is an ultimate goal of any retailer including pharmacy.

Individual characteristics like, setting targets, training adaptability, strategic leadership etc. are visible in case of successful leaders of sales department over their less successful counterparts. In the article titled, "Sales Leadership Styles and Sales Performance", Effective leadership qualities resulting in sales performance are extracted from review of leadership approaches and highlighted for future empirical research for the development.

We encourage research based articles related to the various marketing areas in this Journal. However, articles based on descriptive research, expert views and case studies are also finding place due to their high quality inferences.

Dr. M. Meher Karuna
Managing Editor

An Exploration of Business Prospects in the Milk Metamarket – An Empirical Study

Shazeed Ahmed*

Abstract

The paper makes a study on the milk metamarket and identifies the constituent elements in the market. The main purpose of the study is to find out the available gap among the individual elements of the identified metamarket. It was an exploratory study where a sample of 400 respondents had been taken. Convenience sampling technique was used for conducting the survey. The study was confined to the city of Guwahati which is regarded as the gateway of north east India. Sources of data were primary. A structured questionnaire was used as an instrument for the collection of data through convenience sampling method.

The study identified double toned milk, high fat loose milk, pure raw milk, toned milk, lassi, chocolates of milk, curd (yogurt), sweets of milk, cheese, paneer, cream, ghee, butter, SMP (skimmed milk powder), AMF (anhydrous milk fat) and soft drinks of milk as the important constituent elements in the milk metamarket. The study found that in the market, among the elements identified, the items namely *pure raw milk, lassi, curd (yogurt), cream and soft drinks of milk* have scope for further product improvement. In fact these identified items have significant influence in creating the available gaps of the milk metamarket. These are vital inputs for marketers so that they can meet the identified gaps. Further these are the potential business areas in the milk metamarket which can generate employment as well as profits.

Keywords: Regression, Metamarket, Potential, Implication, Variance

Introduction

Milk is an opaque white fluid rich in fat and protein, secreted by female mammals for the nourishment of their young (English Oxford Living Dictionary). According to IDFA-Washington, milk has about eighty seven percent water and thirteen percent solids and the fat portion of the milk contains vitamins in the form of fat soluble. The solids other than fat include proteins, water soluble vitamins, carbohydrates and minerals. Presence of these important nutrients elements makes milk to be the most nearly perfect food available from nature (IRDF-Washington).

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Milk production in India accounts for 15 per cent of world's milk production and its production is growing at the rate of 4.5 per cent per year as against the world's milk growth rate of 1.1 per cent per year (Jain, 2004). The diary industry in India is quite unorganized with a domination of almost 80 percent of the market by local milk men and sweet mates. The organized sector has domination on around 20 percent of the market. The dairy industry in India today is at a stage where application of the principles of marketing has become important for its growth and viability. Creating an organization structure centered on marketing is the first step towards the transition from a production (or) sales oriented approach to a marketing-oriented approach. This is a challenge that should be taken up (Revathi, 2009).

According to The North Eastern Council (NEC), a person needs minimum 200 ml milk every day, but states in the Northeast at present produce about 20 per cent while the rest is imported. Presently the thrust area of the Centre is to double farm income by 2022 and the focus is on devising ways and means to increase milk production in the region. Further NEC statistics tells us that the national average daily requirement is 333 gm milk per person. But in relation to total milk production in the region, the Northeast produces just a meager 86.87 gm per person (Telegraph, 20 July, 2017). According to the Economic Survey of Assam even though there has been a steady growth of milk production in Assam in recent period, the estimated per day per capita consumption has remained almost same with the increase in population. It is therefore imperative for professional business houses and marketers to be aware of the need and aspirations of the consumers. It is more important for the diary industry to come to the level of consumer's expectation so as to remain competitive (Dutt and Mallah, 2015). This will further help in raising the standard of living of the consumers.

In any markets identified related to a particular industry there are a lot of associated products that serves the need of the industry. The commonly use term to denote such a market of the associated products is known as metamatket. Therefore metamarket is the market of closely associated products which cater to the needs of a particular industry. It is a bunch of goods and services which are intimately linked to each other but appears apparently different in the eyes of the consumers. It was Prof. Mohanbir Sawhney of Northwestern's Kellogg Graduate School of Management who used the term metamarket for the first time. He defined a metamarket as a set of products and services that consumers need to connects with mentally to fulfill the desired set of needs for satisfaction (1999).For instance the metamarket related to automobile comprises of manufacturers of automobile, new and used dealers of cars, insurance companies, financing companies, mechanics, dealer of spare parts, shops related to service, auto magazines, newspapers auto ads and auto sites on the Internet. Buyers of cars can get associated with many parts of this metamarket. This has formed scope for metamediaries to help buyers to move effortlessly in these groups for fulfillment of various needs (Kotler, 2001). Metamarkets accrue multiple benefits to both the buyers and the sellers. Metamarkets provide a readily available market for the collection of raw materials and finished products. It also provides a platform for the customers to know about their various needs related to products. Further the sellers can demonstrate the unique features of the products they deal with in the market. Hence it can be appreciated that for measuring the development of markets in an economy, the

types and quality of metamarket prevailing in that economy is important. In fact, well developed metamarkets provide ease to the consumers and upgrades the standard of living of the community of any economy at large.

Literature Review

Literature on the milk related metamarkets is quite rare. A few notable research work have been reviewed which have been published in leading journals of both national and international repute. They are summarized below.

Rameshkumar and Vikraman (2018), in their research work tried to study the factors that influenced the decision of rural and urban consumers in the purchase of milk and milk products. The study had a sample size of 360 respondents selected through convenient sampling technique. The results revealed that the product related factor like high quality, affordable price, taste, aroma, thickness, availability in required quantity and absence of harmful effects had a greater impact on the purchase behavior of consumers. Results of the study did not show any significant difference in the product related factors influencing the purchase decision of the consumers of both the areas.

Kumar and Babu (2014) in their research work tried to study the factors affecting consumer's buying behavior, with the focus on dairy products. The factors taken into consideration included product availability, product popularity, packaging, cost, ingredients, product taste, product quality and the like which have an impact on brand choice behavior among a list of brands under consideration. The study was descriptive in nature and simple survey method was used for data collection. For data analysis simple percentage and weighted average method were used. The study gives insight for formulation of marketing programs and strategies for generation of growth in the market of dairy products.

Jana (2009) through his research paper identified various parameters like consumer's awareness towards healthy and safe products, search for look fresh and natural products and the growing desire for convenience will propel to give life to the diary industry. The researchers is of the view that the dairy industry has to satisfy the need establishments dealing with food items like retailers, importers, food industry, restaurants and the different types of customers. The paper proposed for the implementation of ISO 22000 (Food Safety Management System) to have acceptability both at the national and international market.

Saxena (2007), in his paper found that the there is an increase in the desire for milk and milk products in India which is because of the rise of income of people and the comparatively decrease in the prices of milk. But as the average per capita consumption of milk in the country is quite low, there is a higher latent demand among the low and the middle income groups in the domestic market. The research work projected that by 2020, the demand for milk may go up to the extent of 147.5 million to 160 million tones.

Khanna (2005), through his research work is of the opinion that there will be an anticipated rise annually of 3 per cent to 5 per cent in the disposable income of people in Asian countries compared to a rate of 1 percent in the developed countries annually. The study also is of the view that milk producers of Asia have to capture the in-house demand before it is taken over by outside players. The growing phenomena's like availability of market related to ready-to-eat

food, demand for food products at locations away-from-home for consumption and the availability of food parlours are creating new scope for ready-to-serve dairy products.

Badola (2003) in his study on the pattern of behavior of buyers of dairy products, found that the factors that influenced the purchasing of dairy products were brand, low price, good flavour, taste, availability, freshness, good quality and packing, advertisement and sales promotion. The study found that consumption of unbranded products was found to be quite common in the purchase of liquid milk, sweets and paneer. The outcome of the study gave critical inputs to the marketers of dairy products and organized dairy processors to plan their marketing mix and to create and expand market of the dairy products, particularly the branded product.

Roy (2002), in his paper pointed out that traditionally the milk market in India were under the influence of cooperative dairies and federations. However post liberalization; there is a drift in the activities on account of the entry of MNCs and private regional players. These global players have micro level knowledge of the customers, potential areas of the market and the techniques related to distribution. In such a scenario, the Indian players have no other option other than competing with global players. They have to tailor made the products according to the need and lifestyle of the Indian consumers. The situation would ultimately lead to the survival of the fittest.

Saxena (1997), in his study on the demand for milk and milk products found that there is an increase in the share of consumer expenditure on milk and milk products in both the urban and rural areas whereas the share of consumer expenditure on cereals is decreasing. The study further made us known that among the higher income groups, expenditure exceeds on milk that on cereals. It is an indication of the increasing consumption of milk. The study predicts that the demand for milk would further gain impetus in the years to come.

Vyas (1997), in his research paper brought to the notice that the way milk is consumers in the overall world is a variance to that of India. In the global perspective about 51 per cent of the world milk production is used as liquid milk, 27 per cent is utilized for the purpose of making cheese, 5 per cent is used for the preparation of milk powders and only 4 per cent is consumed in the process of converting it into butter. But when the Indian scenario is considered, 45 per cent is consumed as liquid milk, 35 per cent is used in the process of making ghee, 7 per cent is used for the preparation of paneer and only 4 per cent is used for the purpose of making milk powders. This implies that consumption of milk by products instead of liquid milk is more in India.

Prakash (1995) through his research work is of the opinion that the future of dairy industry in India will depend on the quality and quantity of raw materials that will be produced. It has to be supported by hygienic processing, durable shelf life, aptness of the milk and the milk byproducts. It has to be further supported with a stress on making traditional milk byproducts meeting international standards with an eye on fulfilling health standards. The paper suggests that there is a need to formulate a major thrust area in the production of raw material, meeting local consumers' demand and producing export oriented products.

Bedi (1987) in his research study reveals that the level of consumption of liquid milk in India is quite poor. Barely forty per cent of the total milk available is consumed in this form. The rest sixty per cent is transformed into various milk

related products like ghee, curd, butter and the like. Ghee alone consumes around thirty three per cent of the aggregate milk supply. Besides the direct consumption of milk, the identified items are used for manufacturing many high priced milk products.

Need of the Study

Guwahati is known as the gateway of the North East. Presently the demand of milk and milk related products are catered by both the organized and unorganized sectors in the city. Among the suppliers' prominent dealers and business establishments include State Animal Husbandry and Veterinary Department (Khanapara), Shree Gauhati Gaushala, Purabi (WAMUL), Amul and other small traders. But these business units have not been successful enough in meeting the demand gap fully. Consequently organized marketing of milk in Assam remains relatively insignificant, despite the past efforts to develop and promote collective market mechanisms. In the metamarket related to the milk industry, there is a growing feeling that products are not as per expectation in terms of quality, variety of by products, adequacy in supply and the like. This is proven by the fact that there is availability of toned and double toned milk which are made available in the market in the city.

In the metamarket related to milk industry therefore availability of milk and milk related products of good quality is an ardent call of the hour in the city. At the same time with the mushrooming growth of business schools and the graduation of students every year there is a challenge for the organizations both at the public and the private sector to create sufficient job opportunities to absorb the fresh graduates. But since parallel job creation to absorb cent percent graduates is a distant dream, the next best alternative is to motivate as many graduates as possible to try out with entrepreneurship ventures. The study is intended to find out if there are opportunities for business available in the metamarket related to milk industry. In fact entrepreneurship ventures can meet the gap of unmet products. This will also absorb the fresh graduates by engaging themselves in productive and fruitful ventures so that some of the basic necessities of the city is met in one hand and on the other people are productively employed.

Objective of the Study

The paper has the twin objective of:

To find out if there are opportunities for business available in the metamarket related to milk and milk related products. This is possible by finding out gaps in the existing elements of the metamarket.

To identify scope for entrepreneurship ventures so that the gap of unmet products in the milk metamarket can be fulfilled and thereby engage the unemployed youths in productive and fruitful ventures.

Research Methodology

The design of the study is an exploratory research. The sample size taken for the study is 400 which are the consumers of Guwahati city. They are selected on a random basis. The sampling units were the individual household of the city.

Sources of data were primary. Data collection was done through direct face to face personal interviews and a well structured questionnaire was used. The questionnaire used two categories of questions marked as 1(a) and 1(b). Question no 1(a) tried to measure attitude of the consumers in terms of their overall feeling of a scope in the metamarket of milk related products for improvement. And in order to measure the attitudes, itemised categories with appropriate ratings (in the 5 point Likert Scale) have been used where, 5 indicates 'Highly Felt', 4 indicates 'Somewhat Felt', 3 indicates 'Cannot say', 2 indicates 'Less Felt' and 1 indicates 'Not Felt'. Question no 1(b) tried to measure attitude of the consumers in terms of their degree of felt need for availability / improvement if any of the products / services identified under the milk metamarket. And in order to measure the attitudes towards each individual element, itemised categories with appropriate ratings (in the 5 point Likert Scale) have been used where, 5 indicates 'Highly Felt', 4 indicates 'Somewhat Felt', 3 indicates 'Cannot say', 2 indicates 'Less Felt' and 1 indicates 'Not Felt'. Analysis techniques used are simple Mean Score and Multiple Regression. In the Multiple Regression analysis, output of Q 1(a) has been used as the dependent variable and output of Q 1(b) has been used as the independent variables.

An initial pilot survey was conducted to identify the probable items that forms the part of the milk metamarket. Based upon popularity, items in the markets were identified and marginally unpopular items were discarded. Accordingly the identified products in the milk metamarket includes (i) Double Toned Milk, (ii) High Fat Loose Milk, (iii) Pure raw milk, (iv) Toned Milk, (v) Lassi, (vi) Chocolates of milk, (vii) Curd (Yogurt), (viii) Sweets of milk, (ix) Cheese, (x) Paneer, (xi) Cream, (xii) Ghee, (xiii) Butter, (xiv) SMP (Skimmed Milk Powder), (xv) AMF (Anhydrous Milk Fat) and (xvi) Soft drinks of milk. The mentioned items have been used in conducting the study.

Analysis and Interpretation

From the collected data mean score has been calculated as given in Table 1 below. From the overall mean score of all the respondents it has been found that *Pure raw milk* with a mean score of 4.78, *Toned Milk* with a mean score of 3.67, *Lassi* with a mean score of 4.52, *Curd (Yogurt)* with a mean score of 4.35, *Sweets of milk* with a mean score of 4.05, *Cheese* with a mean score of 4.11, *Cream* with a mean score of 4.29, Ghee with a mean score of 4.44 and *Soft drinks of milk* with a mean score of 4.36 have scores on the higher side above 4 which may be an indication that these items of the milk metamarket are deficient in terms of quality or quantity and therefore consumers have a felt need for availability or improvement. Other items like *Double Toned Milk, High Fat Loose Milk, Toned Milk, Chocolates of milk, Paneer, Butter, SMP (Skimmed Milk Powder), AMF (Anhydrous Milk Fat)* do not have any felt need for improvement.

Table 1: Overall Mean Score of the various components

	Individual Constituents	Mean Score
(i)	Double Toned Milk	2.19
(ii)	High Fat Loose Milk	3.72
(iii)	Pure raw milk	4.78*

	Individual Constituents	Mean Score
(iv)	Toned Milk	3.67
(v)	Lassi	4.52*
(vi)	Chocolates of milk	3.77
(vii)	Curd (Yogurt)	4.35*
(viii)	Sweets of milk	4.05*
(ix)	Cheese	4.11*
(x)	Paneer	3.56
(xi)	Cream	4.29*
(xii)	Ghee	4.44*
(xiii)	Butter	3.25
(xiv)	SMP (Skimmed Milk Powder)	3.31
(xv)	AMF (Anhydrous Milk Fat)	2.91
(xvi)	Soft drinks of milk	4.36*

Hence from the above Table 1, it can be said that the items namely Pure raw milk, Toned Milk, Lassi, Curd (Yogurt), Sweets of milk, Cheese, Cream, Ghee and Soft drinks of milk have scope for improvement to make the milk metamarket more perfect.

But in order to reconfirm the above finding, multiple regression analysis has been used. Table 2 shows the multiple linear regression model and overall fit statistics. It has been found that R of the model is 0.815 and R^2 of the model is 0.664. This indicates that the regression explains 66.4 percent of the variance of the data and the model is quite fit to explain the variance. From Table 2, it is has been found that items namely *Pure raw milk* (β=0.141, p$\leq$ 0.002), *Lassi* (β=0.159, p$\leq$ 0.000), *Curd(Yogurt)* (β=0.017, p$\leq$ 0.042), *Cheese* (β=0.142, p$\leq$ 0.000), *Cream* (β=0.156, p$\leq$ 0.021) and *Soft drinks of milk* (β=0.118, p$\leq$ 0.012) have significant influence in the available gaps of the milk metamarket.

However items namely *Double Toned Milk* (β = 0.055, p $\geq$ 0.276), *High Fat Loose Milk* (β = 0.057, p $\geq$ 0.247),*Toned Milk* (β = 0.050, p $\geq$ 0.219), *Chocolates of milk* (β = 0.043, p $\geq$ 0.292), *Sweets of milk* (β = 0.242, p $\geq$ 0.080), *Paneer* (β = 0.041, p $\geq$ 0.411), *Ghee* (β = 0.005, p $\geq$ 0.914), *Butter* (β = 0.067, p $\geq$ 0.105), *SMP (Skimmed Milk Powder)* (β = 0.038, p $\geq$ 0.387) and *AMF (Anhydrous Milk Fat)*(β = 0.243, p $\geq$ 0.091) does not have significant influence in the available gaps of the milk metamarket.

Table 2: Multiple Regression Analysis of milk metamarket

Contribution of the individual elements of the milk metamarket			
R = 0.815	R square = 0 .664	F = 41.83	Significance = 0.000
Elements of the metamarket	Standardized Coefficient (Beta)	t	Significance
Double Toned Milk	0.055	1.091	0.276
High Fat Loose Milk	0.057	1.160	0.247
Pure raw milk	0.141	3.194	0.002*
Toned Milk	0.050	1.230	0.219
Lassi	0.159	3.208	0.001*

Contribution of the individual elements of the milk metamarket

R = 0.815	R square = 0 .664	F = 41.83	Significance = 0.000
Elements of the metamarket	Standardized Coefficient (Beta)	t	Significance
Chocolates of milk	0.043	1.055	0.292
Curd (Yogurt)	0.017	0.316	0.042*
Sweets of milk	0.242	5.941	0.080
Cheese	0.142	3.572	0.000*
Paneer	0.041	0.823	0.411
Cream	0.156	3.723	0.021*
Ghee	0.005	0.108	0.914
Butter	0.067	1.623	0.105
SMP (Skimmed Milk Powder)	0.038	0.867	0.387
AMF (Anhydrous Milk Fat)	0.243	5.020	0.091
Soft drinks of milk	0.118	2.512	0.012*

* Significant at 5% level of significance

By finding out the common elements of the Mean Score as per Table 1 and Multiple Score as per Table 2, it has been found that raw milk, Lassi, Curd (Yogurt), Cream and Soft drinks of milk are the common elements in both the Tables. Items like Sweets of milk and Ghee though they have higher mean score, they are not significant in the Regression Analysis. Hence the common elements identified on the basis of common occurrence in both the Tables needs availability / improvement in the milk metamarket.

Conclusions

From the above analysis, it can be concluded that in the metamarket related to milk products, items namely Pure raw milk, Lassi, Curd (Yogurt), Cream and Soft drinks of milk have significant influence in the available gaps of the milk metamarket. On the other hand, items namely Double Toned Milk, High Fat Loose Milk, Toned Milk, Chocolates of milk, Sweets of milk, Paneer, Ghee, Butter, SMP (Skimmed Milk Powder) and AMF (Anhydrous Milk Fat) does not have significant influence in the available gaps of the milk metamarket.

Managerial Implications

Marketers who want to market products in the milk metamarket can contemplate of dealing with products like Pure raw milk, Lassi, Curd (Yogurt), Cream and Soft drinks of milk to make profits and sustain in the market as the identified areas still have gap or potential.

Limitations of the Study

The study is confined to the Guwahati city (metro). The time period of the study was from January 2018 to March 2018 only. With the passage of time and due to arrival of competitors there may be changes in the market scenario.

Scope for Further Study

Further study can be carried out in the other existing metamarkets in the region. Moreover different geographical areas can be taken for conducting studies on the identification of gaps in the individual elements of different metamarkets identified. The same research objectives can be taken to conduct study on the entire state (on a broader scale by covering all the districts) so that a more representative picture can be arrived at of the state. More studies can also be carried out to find out if the need felt varies based upon changes in demographic profile of the candidates.

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Questionnaire

Q1(a) Do you feel that there is scope in the metamarket of milk related products for improvement?

Highly Felt ☐	Somewhat Felt ☐	Cannot say ☐	Less Felt ☐	Not Felt ☐

Q1(b) Indicate your degree of felt need for availability / improvement if any of the products / services mentioned below with appropriate ratings where, 5 indicates Highly Felt, 4 indicates Somewhat Felt, 3 indicates Cannot say, 2 indicates Less Felt and 1 indicates Not Felt. (Please put the rating score)

Meta-market	Associated markets / components			
	Double Toned Milk	☐	Cheese	☐
	High Fat Loose Milk	☐	Paneer	☐
	Pure raw milk	☐	Cream	☐
Milk	Toned Milk	☐	Ghee	☐
	Lassi	☐	Butter	☐
	Chocolates of milk	☐	SMP (Skimmed Milk Powder)	☐
	Curd (Yogurt)	☐	AMF (Anhydrous Milk Fat)	☐
	Sweets of milk	☐	Soft drinks of milk	☐

Factors Affecting the Choice of Parents in School Selection for Kids in India

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Abstract

This study determines important factors that influence selection decisions of parents towards different schools and provides valuable insights on their decision behaviour in India. A sample of 380 respondents was taken from the city of Jalandhar. The data was collected using a 5-point *Likert* scale structured questionnaire. Factor analysis technique was used to analyze the data. After analysis, it was found that the first most important decision-making variable was the distance of school from the house and second was regular information provided by the school about child academic performance. Important factors considered by parents are school performance, social environment / facilities, supervision and social background / status. Schools would require the understanding of factors that parents consider before selecting the school for their child.

Keywords: School, Admission, Parents, Teaching, Education, Children

Introduction

Advancements that are being introduced in the education sector have made it difficult for the parents to decide as to which school is best suited for their kids during the early stages of their education. With the passage of time, as both the parents started working, the decision regarding the admission of their child grew difficult due to many factors which include time constraints, location proximity and mobility issues due to job transfers, quality of education and other socio-economic factors. In certain cases, there use to be very few schools in the town or village and people didn't have many options in the selection of the school. But in the current scenario, due to the attractive potential in this field, there had been an advent of the private schools and more and more schools are coming up which is slowly changing the competitive scenario. Even the schools with heavy demands have been confirmed to the questions of being able to choose the desired

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kind of target customers. In a developing country like India, brand awareness is on rising in education sector also. Parents now prefer schools that are brands over the other average schools. In the context of Jalandhar, brands have developed namely Cambridge, Ryan International, DPS, IVY world school etc. In the quest for quality education and all-round development of their children, the parents are more willing to admit their child into such schools. However, the final decision to be made by them is based on various other factors which are discussed herein our study. Therefore, our study focuses on various factors that affect a parent's decision while choosing appropriate schools for their children.

Review of Literature

Parent's decision about schooling of their children is a combination of multiple behaviors and activities which are directly or indirectly related to each other. Through research literature and theories this study explores the various underlying (sub) dimensions of the parental participation and investigates how these dimensions are associated with educational outcomes. McNeal Jr, (2012)in his study focuses on the status aspect of parents specifically while choosing schools for their children. This is correlated to their income, which basically defines their status and parents go for schools which match their status exclusively. Weber, (2011)in his study identified six factors (availability, affordability, convenience, hours of operation, child's age, program quality and family need) which parents contemplate before selecting a school for their child. These factors are further moderated by a group of stimuli which includes transportation of school, quality of school and employment. According to Galotti & Tinkelenberg, (2009) parents should be considered novice decision makers while making educational decisions for their children. This is because when they take a decision about their child's education, they take a specific decision (e.g., delaying entry into kindergarten, selecting which school to attend or demanding a specific teacher for their child) and this occurs only a few times in their lives for which they cannot be considered experts. O'Gorman, (2008) Found that parents today viewed the current needs of their child as a quality preschool program. This program should be an integration of disciplined environment, well-structured curriculum and a great kindergarten experience in terms of length of the day. Further, the findings of his study showed results similar to other researchers where parents perceived that an ideal program for their child would be one with a rigorous curriculum, excellent staff, positive climate and individualized input. Bakker *et al.,* (2007) contact with the school is related to the growth of the children, as the study suggests that parents play a vital role in the growth by providing valuable inputs to schools. A proper contact with the school is necessary as most parents, as well as schools, consider it necessary for the child's benefit as schools even find it easier to tackle the children in the appropriate way as desired by parents. Calvo, (2007)parents are in a habit of continuously gathering knowledge as a part of their decision-making activity either through a direct or indirect channel. Further, he explains this as a continuous and overlapping process in which educational information of their child is regularly received and stored. Direct channels of knowledge are school literature, websites and parent nights whereas indirect channels include personal observation friends, neighbors and older siblings. Morrissey& Warner, (2007) this study explores the working habits of parents, mainly focusing on the nature of their occupation which

includes operational hours, cost and location. Related studies have established that operational hour is the most critical factor in the parents work schedule. Parents who had unusual or long working hours were more probable to select a day care for their child based on comfort. Mattingly *et al.,* (2002)in his study focused on theoretical discussions related to the impact of parental participation on student achievement. This provided environment under which a student may benefit from this participation. Senechal & Le Fevre,(2002)in his study identifies parent's perception related to their involvement at home (early literacy activities) with their children and the kind of school environment also affects their decision. The parents want the right kind of environment for their children at school for overall development of their children. Early & Burchinal, (2001) developed a model for childcare selection based on preferred care characteristics, demographic information, flexible hours of operation for parents, family income and parental beliefs, both educational and religious. Fan & Chen, (2001) discussed the nature of multiple dimensions which are involved in parental involvement which has led to various options available to parents and opened multiple avenues for the admissions of their children. Emlen *et al.,* (1999)in his study stated that parents have been majorly ignored by those who draft childcare policies. Hence the rationale behind asking parents about their decision-making selections related to their child's education included a desire to involve parents seriously in the matter of school selection and to comprehend what parent's value in their child's education. Scott& Bruce, (1995) in their study have identified five factors which parents consider before making decision about which school their child should go. These factors were intuitive, dependent, rational, avoidant and spontaneous. Parents with rational approach gather information and consider alternatives whereas parents with intuitive approach base their decision upon feelings or some attitudes that may pay attention to some specific detail lastly parents with dependent decision approach gather information from other sources like family, neighbors and friends to make a decision. Bauch P. A., (1988)in his study highlights that parents prefer private schools for their discipline, academic and curriculum emphasis and safety. Other factors which motivate parents to prefer private school for their children's bright future, are factors like income and societal factors.

Research Methodology

This study was taken-up in early 2017 in the city of Jalandhar, Punjab. The significant objective of this research is to identify the factors affecting the choice of parents while selecting the school for their child. The research approach involves the collection of data from primary and secondary sources. The primary data was collected from 380 parents who send their children to school. Descriptive statistics were applied to determine the most important and least important variables according to parents. Factor Analysis method was applied, to summarize, the findings. The sample of this study included parents who have children and are willing to send them or is sending their children to schools in Jalandhar. The parents who were the respondent's target for the survey were chosen using the purposive sampling technique. Our study focuses on parent's decision making before choosing schools for their children. In our study, we would describe the factors and its underlying variables which would help in determining the choices of parents.

Data Analysis and Interpretation

Table1: Descriptive Statistics

Sr. No.	Statements	N	Sum	Mean
1	Distance of school from house	380	1531.00	4.0289
2	School should regularly keep me informed about my child academic performance	380	1515.00	3.9868
3	Child need and ability	380	1514.00	3.9842
4	Individual Attention	380	1513.00	3.9816
5	Discipline of the school	380	1414.00	3.7211
6	Admission process of the school	380	1384.00	3.6421
7	Teaching Pedagogy	380	1345.00	3.5395
8	Curriculum of the school	380	1326.00	3.4895
9	Reputation of teacher teaching	380	1315.00	3.4605
10	Instruction offered at school	380	1281.00	3.3711
11	Support Services	380	1174.00	3.0895
12	School financial resources	380	1137.00	2.9921
13	Class Size	380	1085.00	2.8553
14	Child of your friend already studying in the school	380	1036.00	2.7263
15	Infrastructure for extracurricular available with school	380	1033.00	2.7184
16	Worship provided	380	909.00	2.3921
17	Other parents with similar standard	380	894.00	2.3526
18	Similar religion	380	835.00	2.1974
	Valid N (list wise)	380		

From Table 1, it was found that the first most important decision-making variable is based on the distance of school from the house. The regular information provides by the school about child academic performance is second important variable. The third important variable is child need and ability to perform in a particular school. Fourth is individual attention provide the school to their students, fifth is discipline of the school, sixth is admission process of school, teaching pedagogy, curriculum of the school, reputation of teacher teaching, instruction offered at school, support services, school financial resources, class size, child of your friend already studying in the school, infrastructure for extracurricular available with school are also some important factor. Worship and religion were found to be least important variables. Further, we have used factor analysis to summarize our findings. Before we proceed with factor analysis we have used reliability test Cronbach's alpha to check the reliability of our scale, as shown in Table 2.

Table 2: Reliability Statistics

Cronbach's Alpha	.914

From Table 2, it can be seen that the value of Cronbach's alpha for our data is 0.914. Hence, we can state that the internal consistency in our data is excellent and

we are good to proceed further and check the value of KMO and Bartlett's Test value for our data. From Table 3, it can be observed that for our analysis, the KMO is 0.901 which is a clear indication that our data is adequate for factor analysis.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		.901
Bartlett's Test of Sphericity	Approx. Chi-Square	5139.940
	Df	153
	Sig.	.000

Extraction Method: Principal Component Analysis

Further, from Table 4, we confirm that four factors (i.e., components) have been extracted. That is, the analysis assumes that the 18 original variables can be reduced to 4 underlying factors. The four components explain 76% of the variance in the data. That is, when it is assumed that there are four components, we can predict 76% of the information in all the 18 variables.

Table 4: Total Variance Explained

Com-po-nent	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumula-tive %	Total	% of Variance	Cumula-tive %	Total	% of Variance	Cumula-tive %
1	7.521	41.786	41.786	7.521	41.786	41.786	4.404	24.467	24.467
2	2.495	13.863	55.649	2.495	13.863	55.649	3.425	19.025	43.492
3	2.164	12.024	67.672	2.164	12.024	67.672	3.387	18.818	62.310
4	1.528	8.487	76.160	1.528	8.487	76.160	2.493	13.849	76.160
5	.592	3.291	79.451						
6	.505	2.805	82.256						
7	.410	2.276	84.532						
8	.394	2.189	86.721						
9	.356	1.979	88.700						
10	.342	1.902	90.602						
11	.309	1.716	92.319						
12	.260	1.444	93.763						
13	.247	1.375	95.138						
14	.233	1.293	96.431						
15	.202	1.120	97.551						
16	.172	.956	98.507						
17	.165	.915	99.423						
18	.104	.577	100.000						

Table 5: Rotated Component Matrix

	Component			
	1	2	3	4
Worship				.850
Standard				.902
Religion				.891
Reputation	.731			
Curriculum	.856			
Pedagogy	.826			
Discipline	.847			
Instruction	.811			
Process	.789			
Friend		.715		
Size		.859		
Infrastructure		.784		
Services		.747		
Finance		.768		
Distance			.858	
Need			.878	
Update			.885	
Attention			.894	

Table 5, depicts the Rotated Component Matrix (RCM). The RCM sometimes referred as the loadings and is the key output of principal components analysis. It contains estimates of the correlations between each of the variables and the estimated components. As per the Rotated Component Matrix, four factors are derived, which are as follows: Factor 1-Reputation, curriculum, pedagogy, discipline, instruction and process fall into one factor or for better understanding named as Factor1. Factor 2-Friend, size, infrastructure, services and finance Factor 3-Distance, need, update and attention Factor 4-Worship, standard and religion As no cross loading was observed in the factors. Hence, we can proceed further towards naming our factors or giving the observed factors a suitable name.

Findings

In the present study, we came to know about the various factors responsible for the decision making of parents before admitting their children into school. We have named the factors or grouped them into one for better understanding and clarity. The factors that were concluded from the study are broadly classified as:

- Factor 1: This factor group's reputation of the school, its curriculum, teaching pedagogy, the discipline of the school, a medium of instruction and admission process together. School's reputation is what parent's rate most highly when choosing schools for their children because a good and reputed school would be beneficial for their child's future and hence enhance their image. The teaching pedagogy should also be of good quality because it would help in the all-round development of their wards and help them excel. The discipline provided in the schools is what makes and breaks a child; therefore, discipline

is highly considered by parents. Curriculum, which is what is taught in school, is considered by parents because children would learn specific knowledge and skills through classroom teaching and later result in a transformed and educated human. The admission process of a school is duly considered by parents these days, as parents usually want the admission process to be smooth and easy and they do not have to waste their hard-earned money on unnecessary formalities of the school. Hence, we have named this factor as school performance.

- Factor 2: This factor groups kids of friends, the size of the class, the infrastructure of the school, services provided by the school and the financial position of school together. The size of the class (batch size), like what parents perceive is, "smaller the batch better would be the study environment for the child" and teacher would be able to better concentrate on their wards hence catering to their individual needs. The ratio between teacher and student should be justified. Infrastructure is also what parents look for before admitting their children into school, as infrastructure matters for them and the facilities would be considered quality if the infrastructure of the schools is striking. Parents also consider services offered by schools to be of prime importance as the services offered would help into an all-round development of their children. Schools usually accommodate growth with new buildings or with renovated facilities adapted to support institutional need. The school should also have the adequate finance to suffice the needs of children and parents and to keep the name of the school held high as compared to competitors. Hence, we have named this factor as social environment/facilities.

- Factor 3: This factor includes everything a parent actually expects from school in terms of fulfilling the individual need of their child. The amount of individual attention their child gets from the teachers and how closely the child is looked after in their parent's absence is of high importance to parents. Parents should also be regularly updated about their child's performance and catered to their child's individual needs with utmost care and concern. Distance from the school is another factor which was highlighted in the study, where parents are actually ready to compromise if the school is at a distant place but the environment, education and facilities it offers is of high standard and meeting their requirement they would not mind taking a chance to send their wards to a school distant from their place. Hence, we have named this factor as supervision.

- Factor 4: This factor groups worship, standard and religion together. The kind of worship provided into schools and the other parents of similar standard and culture sending their children to school is what parents look for so that their wards also develop a good social status amongst peers and grow in a healthy and non-discriminating environment. They want that their wards to imbibe values similar to their peers or fellow pupils. Hence, we have named this factor as social background/status (values and ethos).

Recommendations

The study could be used to develop an application (APP) for the ease of parents so that they can make a rational choice of school for their child. The APP could also be used by the parents to locate schools. Further parent's interest and engagement

towards finding schools and decision making can be improved which can further ease the search process for parents.

Conclusion

This research endeavored at assessing the most prominent factors that impact the parents' selections in finalizing a school for their child. 18 statements have been grouped into 4 factors namely supervision; social status/background; social environment and school performance. After analysis, it was found that the first important decision-making variable was based on the distance of school from the house. Regular information provided by the school about child academic performance is second important variable. Third important variable is child need and ability to perform in a particular school, fourth is individual attention provide the school to their students, fifth is discipline of the school, sixth is admission process of school, teaching pedagogy, curriculum of the school, reputation of teacher teaching, instruction offered at school, support services, school financial resources, class size, child of your friend already studying in the school and infrastructure for extracurricular available with school are also important factors.

Managerial Implications

The education sector in India provides a huge scope, as twenty-nine percent population of India is in the age group of 0-14 years. In 2015, India's schooling segment was estimated to be $ 95.8 billion and is anticipated to be around US$ 144 billion by 2020. The recognized primary/junior schools in India are approximately 8,08,802 in number. Out of these 375,103 are middle/senior basic school and 202,381 are high/higher secondary schools. This shows that there is a huge potential in this sector and this study actually aims at understanding the behaviour of parents before admitting their child to the middle/senior school. The private schools in India are growing at CAGR 14.4%. This means the competition in this sector is growing at 14.4%. Hence schools would require understanding the factors that parents consider before selecting the school for their child. As in this scenario, however, the consumer is a child but the decision makers are the parents. A better understanding of parent's behaviour would allow a school to make much better-targeted marketing activities which would finally help them in increasing their overall admission.

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Retail Experience, Customer Satisfaction and Behavior Intention: A Study of Tier-II City Consumers in Organized Retail Settings

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Abstract

This research paper explored the attributes of retail experience and customer satisfaction;and established the relationship between retail experience, customer satisfaction and behavior intention of organized retail stores consumers in a Tier-II city in India. The sample of the research work encompasses of 496 respondents of organized retail shopper. Exploratory factor analysis was used to abridge a set of 52 organized retail stores attributes into a list of five factors. Consequently, a conceptual structural model depicting the relationships between retail experience, customer satisfaction and behavior intention was created and empirically verified through structural equation modeling. The study showed five factors: customer shopping motivation, sales associates, retail convenience, product assortment/ pricing decisions and retail ambience had a significant impact on the retail experience of organized retail shoppers. Though, only product assortment had a significant positive influence on customer satisfaction. Results also revealed a significant relationship between retail experience, customer satisfaction,and behavior intention.

Keywords: Retail Experience, Customer Satisfaction, Behavior Intention, Organized Retailing,Tier-II City

Introduction

Indian retailing scenario is changing with the increase in consumer awareness, comfort level,and experiential economy. It is evident from the tremendous growth of the organized retail sector, creating many opportunities for domestic as well as foreign players to spread out their ambitious plans. Organized retail stores are professionally managed and offer a variety of services and products under one roof, e.g., shopping malls, hypermarkets, departmental stores, etc. According to

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the report of the BCG and RAI 2015, it estimated that modern retail grows three times to \$180 billion in 2020 from \$60 billion in 2015, thus supporting the rising of mall culture in India.

Indian retail sector is gaining momentum with higher pace, with the expansion of retail in Tier-II and Tier-III cities. A unique opportunity for the growth of the organized retail sector has emerged in small Indian towns due to the change in the tastes and preferences of consumers, increasing brand awareness, growing consumerism and demand for shopping with entertainment. The decrease in consumer footfall and diminishing sales at malls in metropolitan cities have enforced mall operators to look at options in Tier-II and III cities (Khare, 2011). Over the past five years because of the saturation of organized retail markets of metros and Tier-I cities, the large players are increasing their number of stores in small cities (CRICIL Report, 2015). The other factors luring both national and international retail players for expanding their businesses in these cities are lower land prices and rentals, less competition and incentives from the government to develop these areas.

To deliver best services to their customers organized retail stores are considering retail experience as their management strategy. As favourable retail experience can lead to customer satisfaction, future purchase behavior, increase in the duration of stay, more of spending, revisit and recommendation to other customers.

Review of Literature

Retail Experience

Nowadays, the success of a retailer is not in what they sell but in how they sell their goods and services, as the customers want memorable experience throughout their buying process thus, creating the new experiential paradigm shift in shopping (Sachdeva and Goel 2015).The authors have used the term such as consumer experiences or shopping experiences (Carù and Cova 2003) and retail experiences (Healy *et al.,* 2007) while discussing the experience in retail environment.

The concept of customer experience was firstly coined by Holbrook and Hirschman (1982) and become relevant in management discipline with the research of Pine and Gilmore (1998).Retail experience is an integrated approach which created at the time of decision making and consumption of services, including sequence of interactions with environment,people, process and objects moreover, it is summation of feelings, perceptions and attitudes (Berry *et al.,* 2002; Carbone and Heackel 1994;Jain and Bagdare 2009; Mascarenhas *et al.,* 2006; Meyer and Schwager 2007).This experience is not only influenced by those elements which the retailer can control but also by the elements which are outside his control (Verhoef *et al.,* 2009).The researchers in the past have empirically tested the influence of shopping environment on emotional responses of customers which, in turn, influence their shopping behavior (Donovan and Rossiter 1982; Machleit and Eroglu 2000; Sherman *et al.,* 1997).

Customer Satisfaction

Customer satisfaction measured as a vital construct in the literature of marketing by many academicians (Erevelles and Leavitt 1992; Fournier and Mick 1999; Luo and Homburg 2007) as it is a crucial issue of consumer research (Anselmsson 2006).

In today's highly competitive world of retail business, it is essential to measure and to find out the various determinants of customer satisfaction. Westbrook (1981) has presented a validated retail store satisfaction scale which measures eight antecedents of satisfaction with retail stores: salespersons, environment, merchandising policies, service orientation, product/service, clientele, value and exclusive sales. However, this scale failed to enclose all the attributes of shopping center such as retail mix, one-stop shopping, etc. Many studies have found significant relationships between emotional states (such as pleasure, arousal, etc.) and satisfaction with shopping experience (Andreu *et al.,* 2006; Machleit *et al.,* 2000; Mano and Oliver 1993; Westbrook and Oliver 1991).

Building Blocks of Retail Experience and Customer Satisfaction

To have a competitive edge, retailers need to satisfy the customers by enhancing their shopping experiences. Therefore, it is essential for the organized retailer to know the various factors that influence the retail experience and customer satisfaction.

Kotler (1973) introduced the term "atmospherics" to define the conscious control and manipulations of environmental stimuli by the retailer to influence the behavior of consumers at a place of purchase. The essential sensory channels for atmosphere are sight, sound, scent,and touch (Marques *et al.,* 2016). Two main streams of the literature identified from the body of literature concern to retail atmospherics. The first stream is related to those studies that have treated retail atmospheric as a holistic concept, considering overall effects of various attributes of store atmospheric on the shopper's behavior and satisfaction, such studies seem to be truly scarce (Ballantine *et al*., 2010; Ballantine *et al.,* 2015; McGoldrick and Pieros 1998; Verhoef *et al.,* 2009). The second stream is concerned with exploring the impact of specific cue of store atmosphere such as music (Allan 2008), scent (Chebat and Michon 2003; Gulas and Bloch 1995; Spangenberg *et al.,* 2006), colour (Chebat and Morrin 2007), lighting (Quartier *et al.,* 2014), layout and signage (Ang *et al.,* 1997), convenience (Moeller *et al.,* 2009; Reimers 2014), product assortment (Simonson 1999), service quality (Cronin *et al.,* 2000; Yip *et al.,* 2011)and salespeople and other customers (Kim and Kim 2012; Mehta 2013). In this scenario of global competition, it is imperative for the retailers to recognize the significance of the holistic influence of store atmosphere on consumer shopping behavior.

Another factor which is repeatedly cited in the literature is customer shopping motivation that inspires consumers to go for shopping (Jamal *et al.,* 2006; Puccinelli *et al.,* 2009) and has a direct influence on customer satisfaction (Babin, *et al.,* 1994; Oliver 1996; Woodruff 1997).Shopping motivation is not only related to acquiring products but also to the pleasure and enjoyment consumers experience from shopping (Babin *et al.,* 1994; Griffin *et al.,* 2000; Pine and Gilmore 2011). Shoppers with utilitarian shopping motivation are more goal oriented, rational and they gain value from shopping when a product can be acquired efficiently (Babin *et al.,* 1994). Hedonic shoppers searched for happiness and enjoyment (Babin *et al.,* 1994) and considered "shopping as fun" (Griffin *et al.,* 2000). Research shows that customer satisfaction is affected more by the hedonic aspect of shopping

rather than by utilitarian aspects (Babin *et al.,* 1994; Carpenter 2008; Jones *et al.,* 2006; Hanzaee and Rezaeyeh 2013). It is crucial for the retailer to know whether the shopping motivation has an impact on customer satisfaction as it will help them to plan their retail strategy in a better way.

Behavior Intention

The past studies notified that retail customer experience influenced customer satisfaction, willingness to spend more time and money, recommendation and profitability (Andreu *et al.,* 2006;Arnold *et al.,* 2005; Crosby and Johnson 2007; Donovan and Rossiter 1982; Holbrook and Hirschman 1982; Swinyard 1993).Many studies have hypothesized and empirically tested the relationship between satisfaction and behavioral intentions in a retail business such as loyalty, repurchase intentions, customer retention and word-of-mouth (Cronin *et al.,* 2000; Gountas and Gountas 2007; Jayasankaraprasad and Kumar 2012; Sivadas and Baker-Prewitt 2000).

Some studies have treated the retail environment as a holistic concept, considering overall effects of various attributes of store atmospheric on the shopper's behavior, such studies seem to be genuinely scarce. At the same time,most of the research studies on retail experience undertaken in the USA or European countries. Not many studies pursued in Asian, particularly in the Indian context. The studies that have conducted in Indian retail sector focused on the metro and Tier-I cities. Despite our best efforts, we could not find a study that has conducted on Indian organized retail setting in Tier-II city touching issues of retail experience, customer satisfaction,and behavior intention together in a single model. Therefore, reflects the literature gap and need for the study towards this direction.

Objectives of the Study

To explore the dimensions of retail experience and customer satisfaction of the organized retail store's consumers in a Tier II city in India.

To develop and test a conceptual structural model of the relationship between retail experience, customer satisfaction,and behavior intention.

Research Methodology

Instrument Development

Firstly, with the help of extensive literature reviews, a bank of items appropriate for measuring the constructs under study was gathered. As a result, seven potential antecedents related to retail experience (RE) and customer satisfaction (CS) were identified: (1) retail ambience (e.g., music, scent, temperature, cleanliness, lighting, layout), (2) retail convenience (e.g. one stop shopping, shopping hours, payment options, parking, absence of traffic congestion, distance from the residence), (3) social / human variable (e.g. salespeople, crowding), (4) product assortment (e.g. availability, variety, quality), (5) price/promotion decisions (e.g. discounts, special deals, price-quality relationship), (6) retail service quality/ relationship (e.g. after sales service, fulfillment of promises) and (7) customer's shopping motivation (hedonic and utilitarian motives) and 72 items related to above potential components were generated.

The eight items related to RE taken from the study of Erogluand Machleit (1990), Mehrabian-Russell model (1974) and Baksi (2013). The five statements of CS derived from Eroglu and Machleit (1990), Babin *et al.,* (2005), Seiders *et al.,* (2007), O'Brien (2010) and Bettencourt (1977) with minor language modification. Behavior Intention (BI) comprised of eight items used by Babin *et al.,* (2005), Wakefield and Blodgett (1994), Reynolds and Beatty (1999), Han *et al.,* (2011), Azeem (2012) and Avello *et al.,* (2011).

Secondly, for the assessment of content validity, this list was scrutinized by a panel of experts. As a result, nine items related to components of RE and CS and one item from BI deleted.

Thirdly, the reliability of the instrument checked through pilot testing. Pre-testing conducted with a small sample size of 30 shoppers at the exit of the store. The questionnaire divided into two sections. The first section of the questionnaire consisted of 63 items related to the attributes, eight items of RE, five items of CS and seven items of BI. Responses recorded on the five-point Likert format (ranging from `strongly agree 5' to `strongly disagree 1') to reduce response time and shoppers fatigue. The second section comprised of the questions related to the sample profile of the shoppers.

The quantitative assessment was done with Cronbach's Alpha so that purification of scale items can check at this stage. The corrected item-to-total correlation of the items calculated,and the value equal to or greater than 0.40 was considered acceptable (Nunnally 1978). After careful inspection of the items, 52 items out of 63 items chosen for final sets of questionnaire. At the same time, two items out of eight items of RE having corrected item-total correlations below 0.40 deleted.

Sample and Data Collection

A sample of 496 respondents collected through convenience sampling from Jaipur city. Sampling element was the individual shopper who has completed shopping at organized retail stores of apparel or grocery. To make sure that data collected only from the genuine retail customer, it was decided to approach only that person, carrying at least one shopping bag while coming out of the retail store. The detailed respondents' demographic characteristics shown in Table 1.

Table 1: Demographic Profile of the Respondents

Demographic Profile		Frequency	Percentage (%)
Gender			
Male		222	44.8
Female		274	55.2
	Total	496	100.0
Age (in years)			
20-30		242	48.8
31-40		157	31.7
41-50		49	9.9
51-60		26	5.2
Above 60		22	4.4
	Total	496	100.0
Family Monthly Income(Rs)			
10001-25000		54	10.9
25001-50000		159	32.1
50001-75000		149	30.0
75001-100000		74	14.9
Above 100000		60	12.1

Demographic Profile		Frequency	Percentage (%)
	Total	496	100.0
Education			
Intermediate		36	7.3
Graduate		157	31.7
Post graduate		158	31.9
Professional		145	29.2
	Total	496	100.0
Occupation			
Student		96	19.4
Housewife		86	17.3
Service		243	49.0
Business		63	12.7
Retired		8	1.6
	Total	496	100.0
Marital Status			
Married		342	69.0
Unmarried		154	31.0
	Total	496	100.0
Family Status			
Nuclear		317	63.9
Joint		179	36.1
	Total	496	100.0

Data Analysis and Interpretation

Exploratory Factor Analysis (EFA)

EFA using Principal Component Analysis (PCA) run on data set to uncover the underlying factors of the RE and CS. The appropriateness of the data checked through Kaiser Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's test of Sphericity. According to the findings, Bartlett's test of Sphericity was approx. chi-square=15310.922, p<0.001 and the KMO value was 0.879, which was more than the threshold of 0.50 (Field 2005) indicating sampling adequacy.

At this stage, negative items re-coded for correctly identifying dimensionality and an iterative approach considered for deleting those items having the following statistical criteria: communality of less than 0.5, factor loading of less than 0.5 and a cross-loading over 0.40 (Churchill 1979; Hair *et al.,* 2010; Rossiter 2002). As a result, 36 items comprising eight factors revealed with communalities above 0.50 (Table 2).

Table 2: Consolidated Factor Output

Factors	Variables Included	Factor Loading	Corrected Item-Total correlation	Com-munal-ities	Cron-bach Alpha
F1 Customer Shopping Motivation (CSM) (7items)	When I am in down mood, I wanted to go shopping to make me feel better. (CSM1)	0.857	0.798	0.761	
	I wanted to have excitement and fun in doing shopping. (CSM2)	0.855	0.802	0.768	
	A feeling of escape from daily routine is felt during shopping. (CSM3)	0.852	0.818	0.800	
	I wanted to see what new products are available. (CSM4)	0.848	0.797	0.768	0.909
	I wanted to treat myself to something special. (CSM5)	0.777	0.736	0.682	
	I wanted to combine visits to friends/relatives with this shopping trip. (CSM6)	0.692	0.646	0.581	
	I wanted to shop, as there are sales. (CSM7)	0.566	0.542	0.582	

Factors	Variables Included	Factor Loading	Corrected Item-Total correlation	Com-munal-ities	Cron-bach Alpha
F2 Sales Associates (SA) (7 items)	In case of any defects in the product, the shopkeeper changes the product. (SA1)	0.800	0.629	0.655	0.875
	The salesmen in this store are very professional and knowledgeable. (SA2)	0.789	0.739	0.684	
	The salespersons of this store are responsive to my complaints. (SA3)	0.760	0.680	0.636	
	This store provides megoodafter-sales services. (SA4)	0.740	0.557	0.608	
	This store has a friendly and helpful salesperson. (SA5)	0.721	0.695	0.739	
	The salesperson at this store gave me personal attention. (SA6)	0.685	0.683	0.630	
	The salesperson of this store provides prompt service. (SA7)	0.607	0.614	0.612	
F3 Retail Convenience (RC) (6 items)	This store is close to where I live/work. (RC1)	0.888	0.858	0.837	0.892
	Travelling to this store is low cost. (RC2)	0.848	0.831	0.807	
	This store provides convenient shopping hours. (RC3)	0.838	0.749	0.715	
	There is the absence of traffic congestion in the locality of this store. (RC4)	0.735	0.720	0.716	
	Shopping from this store saves my time. (RC5)	0.713	0.619	0.648	
	Ample parking facilities available around this store. (RC6)	0.668	0.500	0.501	
F4 Product Assortment/ Pricing Decisions (PAPD) (6 items)	This store has various special deals/promotions/offers. (PAPD1)	0.792	0.676	0.699	0.868
	This store has good price quality relationship. (PAPD2)	0.771	0.674	0.655	
	This store has high quality products. (PAPD3)	0.755	0.711	0.692	
	This store provides me discount and rebate. (PAPD4)	0.750	0.604	0.636	
	The products at this store are very satisfactory compared to other stores. (PAPD5)	0.738	0.674	0.628	
	This store has new fashion/fresh products. (PAPD6)	0.729	0.653	0.619	
F5 Retail Ambience (RA) (4 items)	This store has a pleasant smell. (RA1)	0.783	0.788	0.770	0.907
	This store has pleasant background music. (RA2)	0.755	0.801	0.798	
	This store has good interior decoration. (RA3)	0.751	0.806	0.789	
	This store has an attractive window display. (RA4)	0.737	0.777	0.765	
F6* (2 items)	I found the store very crowded. ® (SA10)	0.743	0.358	0.604	0.527
	This store has quick billing process. (RC8)	0.736	0.358	0.712	
F7* (2 items)	The salespersons at this store were polite and courteous. (SA8)	0.750	0.288	0.691	0.459
	The salespersons at the store were neat and tidy in appearance. (SA9)	0.687	0.288	0.538	
F8* (2 items)	This store is neat and clean. (RA8)	0.785	0.298	0.658	0.439
	This store layout makes it easy to find what I need. (RA7)	0.784	0.298	0.657	

Notes: The factors marked* were not considered for further analysis; ® re- verse-coded statement.

The reliability of the factor output was checked by calculating Cronbach's alpha. The results revealed that Cronbach's alpha coefficients of the first five factors ranged from 0.875 to 0.907, which was more than the threshold value of 0.70 (Nunnally 1978) (Table 2). At the same time, the value of the last three factors was below the minimum value hence; these factors were neither given any name nor considered for further analysis, as mentioned in Table 2.

The reliability of other three components,i.e., RE, CS and BI were also checked. As per the results, the alpha coefficients of the RE, CS and BI were 0.877, 0.909 and 0.813 respectively. One item from the dimension of BI had low corrected item-to-total correlation, that is, less than 0.40, therefore this item was deleted from the scale (Table 3).

Table 3: Reliability Statistics

Compo-nents	Variables Included	Corrected Item-Total correlation	Cronbach Alpha
Retail Experience (RE) (6 items)	I enjoyed shopping at this store. (RE1)	0.779	0.877
	The retail experience was interesting. (RE2)	0.683	
	I am happy with my retail experience. (RE3)	0.754	
	The retail experience was boring. ® (RE4)	0.681	
	I felt relaxed while shopping in this store. (RE5)	0.531	
	I was excited to shop at this store. (RE6)	0.684	
Customer Satisfaction (CS) (5 items)	I am satisfied with my retail experience at this store. (CS1)	0.808	0.909
	I am satisfied with my decision to shop at this store.(CS2)	0.738	
	I am satisfied with the service I receive from this store. (CS3)	0.718	
	Overall this retail store meets my expectations. (CS4)	0.785	
	The retail experience did not work out as I had planned. ® (CS5)	0.834	
Behavior Intention (BI) (7 items)	Today I have spent more money than planned. (BI1)	0.513	0.813
	I would like to repurchase from this store in the future. (BI2)	0.649	
	I would say positive things about this store to other people. (BI3)	0.623	
	This store is my first preference for shopping. (BI4)	0.756	
	I do not consider myself as a loyal customer of this store. ® (BI5)	0.704	
	I would like to visit this store again. (BI6)	0.633	
	I spent more time than I expected in the store.* (BI7)	0.262	

Notes: The item marked with * deleted for further analysis; ® re- verse-coded statement.

Conceptual Structural Model and Development of Hypothesis

The result of EFA revealed five in place of seven dimensions of RE and CS which anticipated through an extensive literature study. As a result of this exercise, a conceptual structural model comprising of three essential aspects RE, CS and BI was developed based on their concepts and relationships derived from the literature as shown in Figure 1. The study included testing of the following hypotheses:

H1: (a) Customer shopping motivations, (b) sales associates, (c) retail convenience, (d) product assortment/pricing decisions and (e) retail ambience positively influence retail experience.

H2: (a) Customer shopping motivations, (b) sales associates, (c) retail convenience, (d) product assortment/pricing decisions and (e) retail ambience positively and directly influence customer satisfaction.

H3: Retail experience has a positive influence on customer satisfaction

H4: Retail experience has a positive and direct influence on behavior intention.

H5: Customer satisfaction has a positive influence on behavior intention.

Figure 1: Conceptual Structural Model
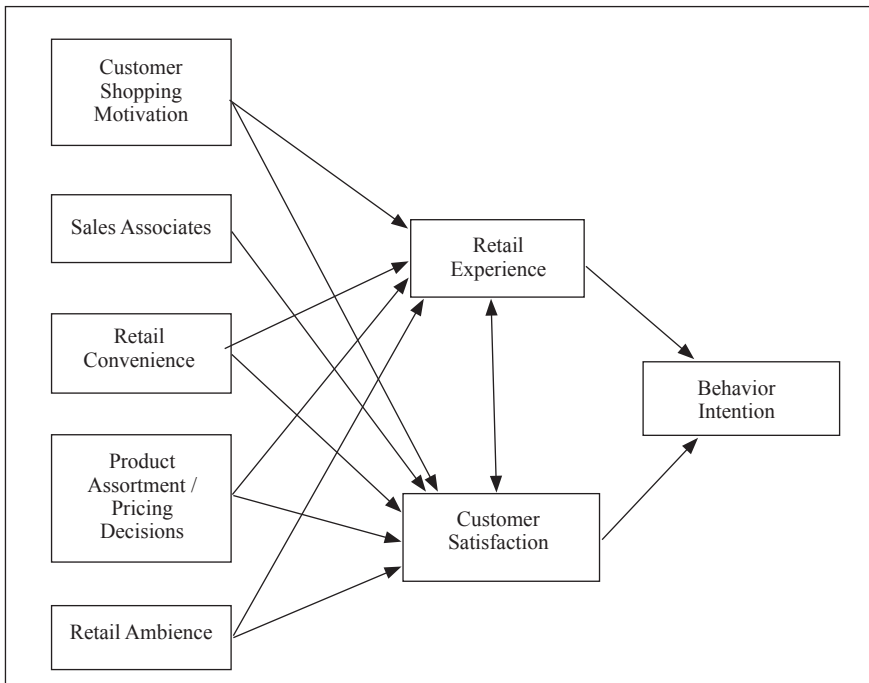
Measurement Model-Confirmatory Factor Analysis (CFA)

To evaluate the final dimensions obtained through EFA and other three dimensions,i.e., RE, CS and BI, individual constructs were assessed by estimating CFA model. The objective was to cross-check the construct dimensionality by establishing validity and reliability of the constructs in the model. A two steps process undertaken: firstly, CFA for each identified construct or factor conducted. Secondly, CFA was assessed for all constructs at the similar time for getting the final measurement model. The evaluation of measurement model conducted at

both the steps by using Maximum Likelihood method and various model fit indices such as absolute and incremental fit indices calculated.

The initial measurement model results for all the identified constructs other than RC were not satisfactory. Therefore, step by step model alteration is carried out to improve the model fit indices and not more than the one item at a time deleted. For improving the model, guidelines suggested by Barclay *et al.,* (1995) and Hair *et al.,* (2013) followed: (1) items with standardized regression weight having threshold limit of 0.06 were accepted, (2) the standardized residual covariance of the items having cut-off limit between +2.58 and –2.58 considered acceptable, (3) the items having modification indices that show high covariance (more than 20) deleted. As a result, the items CSM6, CSM7, RE5, CS5 and BI1 deleted due to the low standardized regression weights. The evaluation of standardized residual covariance indicated that the values of all the indicators were within the acceptable range other than SA4, PAPD2, RE6, BI2 and RA4 hence, these items were removed. Three items PAPD4, SA7 and BI3, deleted, as modification indices are higher than 20. The results of CFA for various constructs of the study were presented in the manner as it was used by Gawankar *et al.,* (2016) in their study: firstly, initial values are presented without the modifications then; final values presented with modifications as shown in Table 4.

Table 4: Results of CFA for Constructs of the Model

Measurement Models		No. of items	CMIN (DF)	CMIN/ DF	GFI	AGFI	TLI	CFI	RMSEA	Items deleted for modification
CSM	Initial model results	7	77.668(14)	5.548	0.961	0.921	0.957	0.971	0.096	CSM6 and CSM7
	Refined model results	5	18.709(5)	3.742	0.985	0.956	0.985	0.992	0.074	
SA	Initial model results	7	103.181(14)	7.370	0.942	0.883	0.912	0.941	0.113	SA4 and SA7
	Refined model results	5	16.245(5)	3.249	0.988	0.963	0.978	0.989	0.067	
RC	Initial model results	6	35.09(9)	3.890	0.977	0.946	0.977	0.986	0.076	-
PAPD	Initial model results	6	151.591(9)	16.843	0.906	0.782	0.823	0.894	0.179	PAPD4 and PAPD2
	Refined model results	4	1.704 (2)	0.852	0.998	0.992	1.001	1.000	.000	
RA	Initial model results	4	54.840(2)	27.420	0.947	0.734	0.881	0.960	0.231	RA4
	Refined model results	3	1.704(2)	.852	0.998	0.963	1.00	1.000	.000	
RE	Initial model results	6	53.041(9)	5.893	0.967	0.923	0.946	0.968	0.999	RE5 and RE6
	Refined model results	4	3.559(2)	1.7820	0.996	0.982	0.995	0.998	0.040	

Measurement Models		No. of items	CMIN (DF)	CMIN/ DF	GFI	AGFI	TLI	CFI	RMSEA	Items deleted for modification
CS	Initial model results	5	28.172(5)	5.634	0.978	0.934	0.964	0.982	0.097	CS5
	Refined model results	4	4.027(2)	2.013	0.996	0.980	0.994	0.998	0.045	
BI	Initial model results	6	271.424(9)	30.158	0.827	0.596	0.756	0.854	0.243	BI1, BI2 and BI3
	Refined model results	3	0	-	1.00	-	-	1.00	-	

Finally, after modifying the initial model of each constructs the CFA run on the proposed measurement model for all the eight constructs comprising of 34 items at the same time. The results revealed standardized regression weight of all measurement items more than the 0.6 criteria and critical ratio values are above 1.96 (Table 5). The absolute fit statistics showed a CMIN/DF = 2.877, RMSEA = 0.062, CFI = 0.916 and TLI = 0.906, signifying good fit. Moreover, other fit indices viz. GFI = 0.901 and AGFI = 0.888, were also supportive.

Subsequently, construct validity of the measurement model examined through convergent and discriminant validity. The study satisfied convergent validity as standardized factor loadings of all indicators were well above the threshold limit (0.60) and AVE more than 0.70; the Cronbach's alpha coefficients and CR for each construct exceed the recommended benchmark set for this study, i.e., 0.70 (Fornell and Larcker 1981) as depicted in Table 5.

Table 5: Reliability and Convergent Validity Measures

Latent Constructs	Items	Standardized factor loadings	Critical ratio (t-value)	Significance	AVE	CR	CA
CSM	CSM1	0.819	A				
	CSM2	0.883	23.890	***			
	CSM3	0.892	24.240	***	0.707	0.923	0.922
	CSM4	0.850	22.578	***			
	CSM5	0.750	18.865	***			
SA	SA1	0.659	a				
	SA2	0.817	14.798	***			
	SA3	0.732	13.668	***	0.547	0.857	0.854
	SA5	0.768	14.176	***			
	SA6	0.712	13.373	***			
RC	RC1	0.935	a				
	RC2	0.895	32.221	***			
	RC3	0.795	24.591	***	0.613	0.902	0.900
	RC4	0.777	23.508	***			
	RC5	0.631	16.555	***			
	RC6	0.604	15.561	***			

Latent Constructs	Items	Standardized factor loadings	Critical ratio (t-value)	Significance	AVE	CR	CA
PAPD	PAPD1	0.682	a		0.543	0.825	0.824
	PAPD3	0.834	14.685	***			
	PAPD5	0.680	12.912	***			
	PAPD6	0.742	13.842	***			
RA	RA2	0.867	a		0.726	0.888	0.885
	RA3	0.804	20.966	***			
	RA1	0.883	22.839	***			
RE	RE3	0.827	19.864	***		0.601	0.857	0.851
	RE4	0.697	16.380	***			
	RE1	0.855	a				
	RE2	0.709	16.746	***			
CS	CS1	0.835	a		0.640	0.876	0.870
	CS2	0.800	19.598	***			
	CS3	0.720	17.155	***			
	CS4	0.835	20.550	***			
BI	BI4	0.990	a		0.725	0.885	0.847
	BI5	0.883	25.587	***			
	BI6	0.633	15.945	***			

Note: a depicts regression weight 1; ***p< 0.001

At the same time, discriminant validity assessed for the proposed measurement model. The rule of thumb for achieving discriminant validity is that the square root of AVE should be more than the correlations among constructs (Cooper and Zmud 1990). The results of this study show that all the requisites of discriminant validity have achieved as presented in Table 6. Accordingly, the results of convergent and discriminant validity suggested that the measures of the proposed constructs achieved satisfactory construct validity.

Table 6: Discriminant Validity of the Measurement Model

Constructs	CS	CSM	RC	SA	PAPD	RA	RE	BI
CS	**0.800**							
CSM	-0.021	**0.841**						
RC	0.065	-0.363	**0.783**					
SA	0.385	0.100	-0.106	**0.739**				
PAPD	0.547	0.165	-0.145	0.268	**0.737**			
RA	0.239	0.546	-0.406	0.244	0.498	**0.852**		
RE	0.711	0.263	-0.038	0.485	0.573	0.447	**0.775**	
BI	0.545	-0.118	0.267	0.265	0.494	0.144	0.607	**0.852**

Note: Discriminant Validity: The Square Root of AVE (diagonal items in the bold) should be more than the correlations among constructs (off diagonal items).

Structural Model

SEM was conducted on the structural model using the maximum likelihood estimation method to test the hypotheses formulated. The same set of fit indices used in the assessment of measurement model was used to study the structural model.

The initial structural model showed moderate fit for the data: CMIN/DF = 3.041; GFI = 0.847; AGFI = 0.820; TLI = 0.897; CFI = 0.908; RMSEA = 0.064. Other than RMSEA and CFI the entire index was marginal fit. If the model fit is not adequate, various researchers have modified the model by deleting the path that is not significant and by adding the path that improves the fit (e.g.,Carpenter and Fairhurst 2005; Hox and Bechger 1998; Ray and Chiagouris 2009; Zhang 2014) but there should be theoretical justification for the same. Therefore, modification indices associated with all 13 paths specified in the research questions examined. The modification indices suggested adding a path from RC to BI. Based on theoretical evidence from previous research an additional path was added that hypothesized a direct relationship between RC and BI (Moeller *et al.*, 2009).Specifically, the paths from RC, SA,and RA to CS were non-significant (t-value<1.96, p>.05) therefore, these paths dropped. These four adjustments improved the model significantly without compromising its theoretical foundations.

The final model (Figure 2) resulted in the following fit statistics CMIN/DF = 2.934; GFI = 0.852; AGFI = 0.826; TLI = 0.903; CFI = 0.912; RMSEA = 0.063. The improved model demonstrates a good fit with relation to CMIN/DF and TLI. Therefore, the final improved model was accepted as reasonable and the hypothesis tests were interpreted.

Figure 2: Final Model (with Standardized Regression Weight)
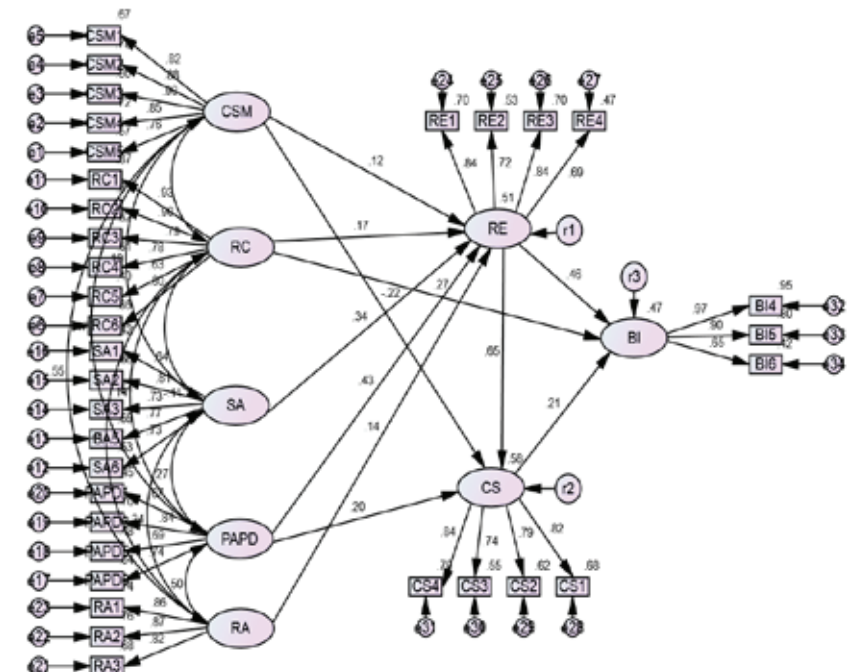
Testing Structural Relationships

To calculate the statistical parameter significance;path estimates and the critical ratio (C.R.) or t-value estimated. Table 7 indicates significance for most of the hypothesized relationships thus, providing strong support for the proposed conceptual model of this study. However, as noted earlier, by adding the path the model gained an additional degree of explanatory power.

The antecedents of retail experience were customer shopping motivation (β=0.124), retail convenience (β=0.169), sales associates (β=0.343), product assortment/pricing decisions (β=0.428) and retail ambience (β=0.144). The relationship between product assortment/pricing decisions and customer satisfaction was also found positively significant (β=0.205) thus, supporting H1 and partially accepting H2.

The relationship between retail experience and customer satisfaction was significant and positive (β=0.649, p<0.001) thus, supporting H3. Likewise, relationships of behavior intention with retail experience (β=0.460, p<0.001) and customer satisfaction (β=0.215, p<0.001) were significant and positive hence, H4 and H5 were accepted.

Lastly, the new path that added between retail convenience and behavior intention also shows the significant positive relationship between two (β=0.272, p<0.001). The final model elucidated 51% of the variance in retail experience, 58% of the variance in customer satisfaction and 47% of the variance in behavior intention as depicted in Figure 2.

Table 7: Standardized Path Coefficients (Hypothesis Test)

Path from ⟶ to	Hypothesis	Coefficient (β)	P	C.R. (t-value)	S.E.	Supported
CSM ⟶ RE	H1a	0.124	0.013**	2.480	.039	Yes
RC ⟶ RE	H1b	0.169	0.000*	3.478	.042	Yes
SA ⟶ RE	H1c	0.343	0.000*	7.491	.042	Yes
PAPD ⟶ RE	H1d	0.428	0.000*	7.753	.056	Yes
RA ⟶ RE	H1e	0.144	0.019**	2.338	.046	Yes
CSM ⟶ CS	H2a	-0.223	0.000*	-5.610	.033	No
SA ⟶ CS	H2b		NS			No
RC ⟶ CS	H2c		NS			No
PAPD ⟶ CS	H2d	0.205	0.000*	3.898	.058	Yes
RA ⟶ CS	H23		NS			No
RE ⟶ CS	H3	0.649	0.000*	11.178	.063	Yes
RE ⟶ BI	H4	0.460	0.000*	7.429	.106	Yes
CS ⟶ BI	H5	0.215	0.000*	3.538	.096	Yes
Additional path in the final model						
RC ⟶ BI		0.272	0.000*	6.746	.064	

Notes: * p< 0.001, ** p< 0.05 (two-tailed test), NS: Not significant (t-value <1.96, p>.05), Path removed in final model.

Conclusion and Managerial Implications

This study provides an empirically supported holistic model of retail experience, customer satisfaction and behavior intention of Indian Tier II city shoppers in the organized retail setting. Five important dimensions of retail experience and customer satisfaction emerged through exploratory factor analysis: customer shopping motivation, sales associates, retail convenience, product assortment/ pricing decisions and retail ambience. The SEM structural model results highlighted that, although all the dimensions had a significant positive influence on retail experience only product assortment/pricing decisions had a significant positive influence on customer satisfaction. There are the possibilities of indirect impact of other dimensions on customer satisfaction through retail experience as according to the results; retail experience had a significant influence on customer satisfaction. The results of path analysis also show that retail experience and customer satisfaction had a significant relationship with behavior intention.

This study has significant managerial implications. The findings of this study can help the retailers of organized retail formats to understand the ways to enhance the retail experience and customer satisfaction so that they can influence the shopping behavior of their customer positively. The primary aspect that has come out in the present study is that product assortment is very important for the Tier-II city shoppers of organized retail stores because this factor influences both retail experience and customer satisfaction. Therefore, retailers should have a proper product assortment strategy by keeping the needs and wants of the customers in mind as a more vibrant assortment of products would enhance their experience with the store. The retail convenience regarding location, the proximity of the store from the residence, traffic congestion and parking facility not only directly influence retail experience but also the behavior intention of the shoppers. Therefore, it is required by the organized retailers to ideally situate their stores at points which could not only save the time and money of their customers but also enhance the shopping experience. The result of this study shows that shopping trend is changing in India as large business houses such as Reliance, Bharti and Future group has opened stores in residential areas. There are other factors such as retail ambience, sales associates and customer shopping motivation which have a significant influence on the retail experience of the shoppers of an organized retail sector that influence the consumer buying behavior (customer satisfaction, revisit, patronage, store loyalty, etc.). Therefore, the retailers should try to enhance the retail experience of the customers in every perspective.

Limitations and Future Research Lines

Due to the dearth of time and resource limitations, the study conducted on the consumers of one city; hence the results presented above come with a note of caution. This research confined to bricks& mortar retailing, further research may conduct on online retailing which is a relatively new phenomenon in India or comparative analysis by customer experience,and satisfaction can studied between bricks& mortar and e-retailing in Tier-II and III cities.

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Understanding the Importance of Qualitative Customer Insights and its Impact on Product Innovation: A Case Study of Maruti Suzuki India Limited

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Abstract

With the advent of large amounts of data which is also known as 'Big-data' and related technological advances such as Artificial Intelligence, marketers have become well verse with answers to questions relating to 'what', 'where', 'when' and 'how' consumer buys the product along with inter-related co-relations which helps them ease the existing buying process for the consumer. However, such data cannot easily deduce as to 'why' the consumer purchases the said product. Since the consumer is a human, it is obvious that the decisions are based on a mix of logical and emotional notions and effects. And such insights into the emotions and logical mix can only be deduced thorough and manual 'insight-searching' thus trying to explore ways to innovate and change the product according to consumer motivations which lie beyond what meets the eye. This has to be done while keeping the external environment in vision. Insights can take form of minute cues which reveal the thoughts of consumers which they might not speak or might not even be aware of. And especially in India, this qualitative way of gathering insights is all-the-more necessary due to the multitude of cultures and sub-cultures intertwined in the population. A case study on Maruti Suzuki has been undertaken in this regard to showcase the effectiveness of such an approach. Also, a conceptual framework has been proposed with the aim to help stream-line the process of insight searching and give it a more formalised yet flexible structure which can be embedded by medium and large organizations in their day-to-day consumer interactions to have a continuous eye for insights. Using such insights to develop and enhance the products and other marketing mix aspects thus developing a fruitful Upstream Marketing function which would help the company in staying relevant and maintain sustainability.

Keywords: Consumer, Human, Insight-searching, Innovate, Maruti Suzuki, Framework, Upstream Marketing, Sustainability

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Introduction to the Study

It is a known fact that a consumer's mind is the most innovative of all. Its wants can develop in any lengths and breadths, be it logical or impulsive. But what marketers largely forego is the fact that consumers mostly remain oblivious to that innovative streak which remains in their subconscious. For a lot of time, many marketers have tried to ignore that sub-conscious need by pushing square pegs in round holes. This might have proven beneficial in long term, but today, an intelligent marketer is helping the consumer to read his sub-conscious and if not that, then at least to understand it themselves and trying to satisfy it before it grows into something more difficult for them to fulfil.

The term 'upstream marketing' was coined by Charan (2004), business consultant based in the US, to signify this product innovation aspect of marketing. While most marketers today take help of Big Data, some fail to realize that it is nothing but a set of co-relations of different aspects of a set of people, which might also be irrelevant and generalized. And most importantly, it ignores the "cause" factor involved, which is of paramount importance and can be only known through "Insight-Searching" of the target group.

The rationale behind this study is to shed light on the specialized domain of upstream marketing by probing into various strategies and approaches adopted by the marketer. For this purpose, the focus is narrowed to Maruti Suzuki, a company which has brought into market most products out of pragmatic innovations like identifying the need for small-cars due to the reducing family size, narrow structure of Indian roads and the ambitious aspirations of the petite bourgeoisie in India.

The case study approach also helps making it easier to analyse the "cause" factor involved. Further, it is opined that a case-based analysis would be helpful to establish the effect of "insight-searching" in upstream marketing and highlight its advantages in the long term. The area of study is relatively new and based on an extensive survey of the literature, it has been observed that there exist a limited number of studies in the aforementioned field. The undertaken study also reflects the importance of upstream marketing in the Indian context, where it is difficult to understand the overlapping demographics and psychographics of Indian consumers. The study seeks to primarily develop a formal process of integrating qualitative and cause oriented process of "insight-searching" at the same time not-ignoring the confirmation with quantitative and data analysis for a thorough reassurance.

Background Literature

The very concept of Upstream Marketing has been seldom touched upon by researchers across the globe in their works as per the information gathered during this research. However, the following review evaluates the available inputs of various researchers on this niche subject.

Malhotra and Sinharay (2013) focused on various innovative strategies of Maruti Suzuki in the wake of the LPG era in India, to maintain market leadership. Such strategies include indigenization of cars to reduce cost, providing allied services in-house such as insurance, car finance, which proved to be a major decision driver for salaried employees in particular. This was a rather impactful venture, given that Maruti True Value which aims to capture loyalty of existing Maruti

and non-Maruti customers by giving them fair value on their used-cars in addition to benefits on buying a new Maruti car. Maruti's customer centric approach is also highlighted along with its emphasis on maintenance services and having a dedicated CRM department to handle customer feedbacks.

Christensen *et al.,* (2016), in a Harvard Business Review article, had exemplified and proved how gaining consumer insight by probing into their thought process had brought a big turn-around for various for-profit and not-for-profit businesses. However, they had not mentioned the term insight-searching explicitly although they had proved how such businesses could actually gain valued consumer insights and reshape the functioning of their businesses. The authors also negated the over-dependence on big data to get insights as they believed that big data failed to provide the reasons behind consumer behaviour and its changes. One of the authors came up with a theory called the "jobs to be done" approach according to which consumers "hire" a product to do a specific job for them; if a marketer understands this personalized need, then he can provide a perfect product.

Key and Czaplewski (2017) suggested the use of Integrated Marketing Communications (IMC), a tool predominantly used in downstream marketing to bring synergy in various ways of communications, in the process of upstream social marketing. Their key focus was on the ways to reach out to the audience of the upstream marketing process in the social context. Such audience includes: policy makers, educators, civil Servants, regulators. The authors emphasize a strategic approach towards upstream implicating that marketers are focused on long-term, well researched approach that will gather realistic results. They further prescribed the development of a five-stage upstream social marketing strategy, the most important stages of which were to determine peripheral target audiences who have influence on upstream audience and to determine the most effective integration of channels of communication.

Based on a terse yet meticulous review of literature, the following gaps have been noted in this study. There is a dearth of studies which adequately cover the relevance of upstream marketing of automobiles or for that matter, even consumer durables and electronic items, in the context of contemporary marketing since most studies have been focused on downstream marketing activities such as branding and promotional features. There also has been a lack of available studies which might relate upstream marketing with sustainable growth of the product and the brand. In fact, majority of the studies have grossly ignored the impact of upstream marketing on the mind-set of Indian consumers who are highly diversified in their traits.

Objectives of the Study

The primary objective of undertaking this research is to understand how Maruti Suzuki uses the concept of upstream marketing and minute customer insights in creating a successful and sustainable position in the market. An attempt has been made to study the product development practices by the company in recent years.

The primary objective of this endeavour is to propose and establish a conceptual framework of an ideal upstream marketing process, which can be adopted typically by large organizations. This model would preliminarily capitalize the

process of upstream marketing in order to differentiate their positioning in a hyper-competitive Indian market.

The specific objectives can be stated as:

To provide prescriptive measures for developing new products by drawing in demographic and psychographic cues from the target market.

To investigate the transforming mind-set of Indian middle-class bracket of consumers in the automobile sector with specific reference to Maruti Suzuki vehicles.

To establish a liaison between upstream marketing and long term sustainable market standing with specific reference to Maruti Suzuki Swift-Dzire.

Case Study: Infusing Upstream Marketing and Insight Searching in the Growth Saga of Maruti Suzuki

It is an established fact that Maruti Suzuki India Limited is India's forerunner in the passenger car segment, accounting for nearly half of the total industry sales volumes. With a view to cater to the demand posed by a wide array of customers across the country, the automobile giant boasts of a wide variety of brands in its portfolio, from Maruti Alto to the modish hatchback Swift to the Ciaz and Nexa S-Cross, the premium crossover. The company has received a host of accolades on account of its continuous innovation and technological upgradations. It is also important to note how the company has made a conscious effort to safeguard the environment from vehicular pollution, ensuing in the use of the gasoline K-series engine across all its automobiles. It is remarkable to note how Maruti Suzuki India has stood the test of fierce competition in India and continues to be the leading automobile manufacturer, owing to its robust upstream marketing activities in terms of its economic, environmental and social accomplishments. The object of this case study is to evaluate the performance of Maruti Suzuki Swift Dzire in particular, in relation to how it has imbibed the concept of upstream marketing and insight searching across all its operations.

It was in the year 2008, when Maruti Suzuki launched the 1st Generation Swift Dzire, the USP being a sedan version of the popular Swift Hatchback. Harvesting customer insights such as aspirations of the growing middle-class segment, the car was designed exclusively for the Indian market. It was for the first time that Indian consumers were exposed to a premium sedan whose entry-level pricing was significantly lower than the erstwhile base price exceeding INR 7 lakhs for a sedan body-type. Maruti, manoeuvred the strategy diligently, careful not to induce a price war, given that it was battling high-end sedans be it Honda City, Hyundai Verna or the Renault Logan.

In 2012, the company launched the 2nd Generation Swift Dzire, upgrading features such as increased wheelbase. The model was immensely popular despite a discernible significant reduction in gross length of the car. Maruti, in this case, did not have to redefine consumer insights, but simply reinforced the pressing needs of the Indian middle-income consumers to 'upgrade' from a 'small' car to a 'big' car, without having to worry about their savings or fixed deposits. A car's wheelbase defines the passenger seating space inside it.

Table 1: Gross- Length and Wheelbase measurements of both 2008 and 2012 models

Model	Gross Length (mm)	Wheelbase (mm)
1st Generation (2008)	4160	2390
2nd Generation (2012)	3995	2430
Change %	- 3.96%	+ 1.67%

From the table, it is clearly visible that while there was a huge reduction in the length of the car (3.96%), there was a significant increase in the wheelbase of the car (1.67%) which increased the seating space of the car despite it being smaller in size.

The above analysis can be summarized in the following table, where the available sales data of Swift Dzire (1st Generation) and Swift (2nd Generation) from 2011 to 2016 has been reviewed (Table 1).

Table 2: Yearly Sales Data of Maruti Suzuki Swift and Swift Dzire – 2010-11 to 2015-16

	2011	2012	2013	2014	2015	2016
Swift	1.46*	1.68	1.99	2.02	2.06	1.68
Dzire	1.08	1.45	1.98	2.10	2.36	2.02

*Total (in 1,00,000 units)

It would be important for us to note that the sales figures for 2011 include sales till January 2012 since the new model was launched in February 2012. The above data can be represented using a line graph (Exhibit 1) comparing the sales data.

Exhibit 1: Yearly sales data of Maruti Suzuki Swift and Swift Dzire – 2010-11 to 2015-16
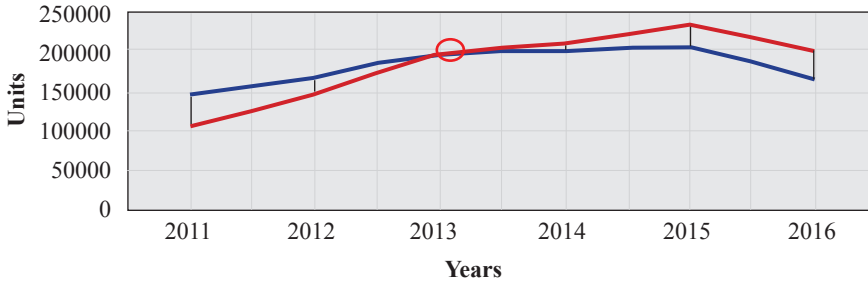
Source: Data Inputs from www.autopunditz.com

A careful study of the above data reveals that the Dzire, had robust sales numbers, although it is clear that the numbers were significantly lower than that of Swift hatchback till 2012. This was primarily because of exposure to the market share of entry level sedans; although Swift, being a low-cost model, sold better. To add to their woes, in 2011, frequent labour-union strikes and violence in the company's Manesar plant built pressure on production and further sales.

The gap between the sales of Swift hatchback and Dzire started to diminish once the new model was introduced in February 2012. Post 2013, the Dzire model has been out-selling the Swift Hatchback variant and the gap has been increasing since.

The upstream marketing inputs can be understood by fathoming the target consumer's mind-set, according to which the difference between a 'small-car' and a 'big-car' lies in the shape and not in the size. A sedan becomes a big-car

even though it might be smaller than a hatchback, which is eyed as a 'small-car'. Enormity of the boot is also not relevant, as mere presence is sufficient. A government law gives excise relief (from 22% to 10%) to cars with gross length below 4 meters. In the process, a direct cost benefit transferred to consumers, presenting the Indian middle class diaspora with the satisfaction of owning a big car essentially at the price of a small car.

Upstream marketing also encapsulates product strategy, a corollary of which was Maruti's ingenious masterstroke to position the outgoing version of Dzire as 'Dzire Tour' and position it as a commercial vehicle to cater the accelerated demand triggered by simultaneous entry of cab aggregators Uber and Ola in the Indian market. This further augmented the sales numbers of the brand.

Another essential ingredient of upstream marketing is the oft-overlooked aspect of 'Insight Searching'. This approach can partly be derived from the theory of 'jobs to be done' developed by Christensen (2016). According to this approach, a product is 'hired' to effectuate a particular job, which may vary for different people. It may depend on the progress they want to make from their current state of consumption.

A meticulous insight reveals that for most families who buy a car in the segment of INR 5 to INR 7 lakhs, it becomes their primary car, i.e. their only family car. For such customers, the job of the car is not merely to provide mobility and actualize the function of transportation, but performing the job of supporting them as a 'pseudo-family member'. Now, the small car can also fit in but the rational part of mind scouts for a 'product' which will not be warranting an upgradation in the near future. That being said, hatchback provides a massive scope for a potential upgradation to a sedan model, which creates a kind of mental conflict and discomfort.

Given the essence of the Indian market, the product range suitable for a family is INR 5 to INR 10 lakhs. It can be categorized into the following levels.

L1: Small Hatchbacks

L2: Compact sedans and Premium Hatchbacks

L3: Mid-size Sedans and Semi Premium SUVs

This can be summarized with the aid of a model, which summarizes the interface between a customer's reluctance to upgrade to a higher variant against the price differential, established on a scale of INR 5 lakhs to INR 10 lakhs – illustrated in the following exhibit (Exhibit 2).

Exhibit 2: Upgradation Propensity of Automobiles as a Function of Price Differences
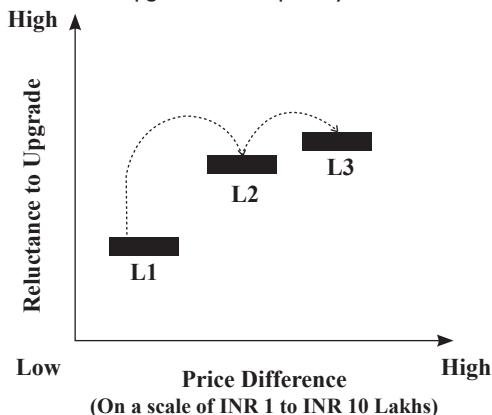
Source: *Authors' own conceptualization*

It would be relevant to note that the price difference between L1 and L2 blocks are the same as that between L2 and L3.

The horizontal differential is the divergence in the price range of these segments. For instance L1 cars belong to the price range of INR 2.5 lakhs to INR 5 lakhs and L2 cars belong to the price bracket of INR 5 to 7.5 lakhs. On the other hand, the vertical scales highlight the reluctance to upgrade from one level to the next. Low reluctance to upgrade is indicative of the fact that the consumer has a high propensity to upgrade the car in the near future.

For instance, let us consider a typical middle-income nuclear family setup. A small family will strongly express their desire to upgrade to a sedan with the increase in income assuming that they already own a hatchback variant. If the family owns an L1 hatchback such as a Swift or WagonR, they would consider procuring a 'big car', which, for them would essentially be the sedan. The cost of this upgrade would be say, INR 50,000 to INR 75,000.

On the other hand, let us consider a family which already owns a sedan. Such families will not have to bear the pain of upgradation of their 'family member' since they have already subscribed to the status of owning a sedan previously. Now let us consider that the family owns an L2 sedan; in such a case, its incentive to incur a cost of another INR 50,000 or INR 75,000 to relocate to an L3 sedan such as a SX4 or Ciaz would be on the lower side given that they already boast of a Sedan and acquiring a sedan of larger size would not be a strong motivation, especially because their 'big-car' aspirations has already been fulfilled and marked progress has been made from their current state of consumption.

A key upstream marketing insight that was developed subsequently was that the name Maruti Suzuki was largely associated and heavily positioned in the minds of Indian masses as an 'economy' brand. There is no denying that Maruti Suzuki is one of the most loved car brands in India for its immense value, fuel efficiency and colossal customer-friendly service network. Interestingly, the brand controls around 50% of the Indian car market with its small cars such as Maruti Alto, Zen, Swift, Dzire, Alto, Omni, Baleno and Vitara-Brezza

Notwithstanding, over the breath of years, the brand has been incapable in foraying into the premium car segment despite repeated attempts with products such as Kizashi and Vitara, causing a massive major roadblock for success.

In order to command a premium position in the market, the company launched a retail network in 2015 under the name 'Nexa' which exclusively sold certain exclusive models such as Baleno, S-cross and Ignis appealing to the high-end consumers who have gone beyond their first cars and are now looking for an ritzy experience. It offers a high level of sophistication and is based on the principles of exclusivity, pampering and heeding to the specific requisites of the consumer.

The Nexa range of showrooms were designed to eclipse the brand 'Maruti' such that sentiments of mediocrity and pedestrian were not even remotely close to the premium brand. The showrooms were designed such that they offered elite customer attention and made the best use of visual merchandising techniques to establish their brand-name. In fact, the atmosphere of the showroom, coupled with salesforce engagement and customer-centric services make car-buying a memorable experience. Their policy is now aimed at positioning the car delivery as a 'special moment', differentiating it momentously from conventional car showrooms.

Development of a Conceptual Model of Upstream Marketing

In order to understand the necessary nuances to be taken care of, during product innovation, a proposed model of a comprehensive upstream marketing process has been conceptualized, which encompasses both qualitative and quantitative aspects of 'insight-searching'. However, one underlying assumption is that this suggestive model is developed keeping in mind the nature and scale of activities undertaken by large organizations. The proposed model (depicted in Exhibit 3) is suggestive of a prescribed process which can be adopted in the quest of developing the 'perfect' product.

Exhibit 3: Proposed Upstream Marketing Paradigm for Large Organizations

Parallel 1   **Parallel 2**

| Strengthening the market to the last level to carve the target niche(s) | ← | Have a preliminary idea of the product to be developed, market to be entered, price points and distribution strategies |

- Shop Floor Executives
- Social Media Research
- Informal Research

Informal Surveys to Investigate the Psychology and Target Group Behaviour

Income Profile of Target Market

| Old Knowledge | → | New Insights |

Phase 1

Knowledge Matrix

Consumer Insights	Positive Inclination of the Insight	Negative Inclination of the Insight
Expected	Go Ahead	Signal (Pay Off 2)
Unexpected	New Road (Pay Off 1)	Speed Bump

Phase 2

Evaluation of Dominant Knowledge Matrix Trade-Offs	Alteration of the existing Product Idea by applying the Resultant Insights Trade-off
Congruence of the Data with Trade-off Analysis with different correlation sets of the available Big Data of the Niche	Confirmation of the Alteration received through Structured Customer Interviews

| Strong S1 | Weak W1 | → | Strong S2 | Weak W2 |

Phase 3

Source: Authors' own conceptualization

The proposed model has been segregated vertically in 2 Parallels and horizontally in 3 distinct yet interrelated phases. Parallel 1 deals with the sourcing, searching and evaluation of consumer insights while Parallel 2 is product-centric and involves application of insights to the product once the rudimentary idea is ready.

We shall briefly discuss the core components of this framework in relation to their core phases and associated functions.

Phase 1: This stage commences with the organization segmenting its market to the most precise extent possible. Parallel to this, it also ensures that the company

has a basic working idea of the product to be offered to the target segment. The informal research in the model relates to extracting views from existing customers of the target product in addition to reaching out to customers of competitive products for their insights. This is followed by identifying the sources of consumer insights. Such sources are primary and usually a study of such sources would the active thought process of the consumer. But with the informal nature of the sources, it is also possible to see through their passive thought process which reveals unseen insights. After a meticulous study, the information supplied by the services would reveal some insights. Some of which would already be a part of the company's prior knowledge and a set of fresh insights which the company is not privy to.

Phase 2: This is the most critical phase and marks the emergence of a knowledge pay-off matrix, a comprehensive break-up of the new insights. The insights here are of 2 types: 'expected insights', which the company might have foreseen, followed by 'unexpected insights', which companies strive to gain incessantly and permanently. The unexpected insights add to the company's knowledge and improve understanding of the consumer's thought process. Further, the insights can be divided on the basis of the inclination of the consumers, in terms of positive and negative inclination. An amalgamation of the 2 types of divisions lead to the emergence of pay-offs. For instance, a company's expected insight about a product, which it supposed would command positive inclination reveals to draw a negative inclination. This translates into a pay-off for conducting the process. Similarly, the matrix reveals 3 further pay-offs. For example, an expected-negative upshot actually turns out to command positive inclination. The most important pay-off, however, is the revelation of Unexpected Insights, which actually changes the course of idea development.

Phase 3: This phase begins with a systematic and critical evaluation of the resultant insights of the Knowledge Matrix and alteration of the initial product idea through application of the insights on the main product idea in Parallel 2. The step continues with establishing the relevance of the insights by testing its applicability on various big data correlation sets. Parallel to this again, the relevance of the product idea can be established through direct consumer interaction. This dual-process provides a concrete evidence of the relevance or non-relevance of the insight and its applicability. The consequence is 2 sets of Strong and Weak relevance, each emerging from the tests.

It is to be noted is that this step is the end of Insight-searching segment of the process and is followed by a continuation framework leading to downstream marketing activities as is evident from a proposed decision making model (Exhibit 4).

Exhibit 4: Matrix of Outcomes for Decision-Making for Downstream Marketing
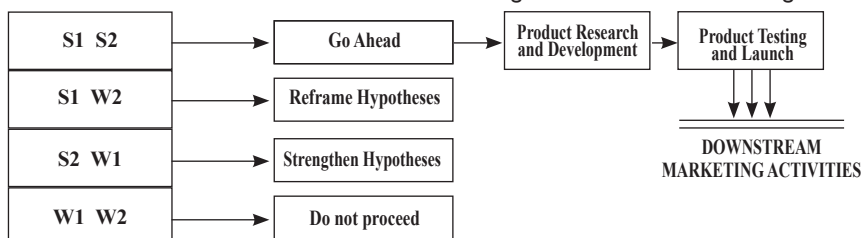
Source: Authors' own conceptualization

This is the final decision-making table and the various outcomes of both the tests are considered together in the process. There can be four possible outcomes from the combination of the results of both the tests and each outcome can have a different implication. The most apt implications are stated in the model but that may be changed on the basis of the particular situation. If the product idea gets a nod, then it might go through the development phase, launch and the rest will be taken care of with the help of downstream marketing activities.

A strong insight with a weak product implication S1W2 may be taken for reconsideration as to a better alteration of the product idea based on the insight, which might lead to a different product. A weak insight with a strong product implication S2W1 may lead to revelation of a room for improvement in the insight. A W1W2 is a big red flag which gives a dual confirmation of the non-feasibility of the idea.

Conclusive Statements

The entire study boils down to honour the fact that the logical and emotional thoughts of the consumer are the most important considerations for the upstream marketer. Such logical emotional causal effects cannot always be understood with the usage of data. In that direction, the study advocates the importance of qualitative insight-searching in enforcing ground breaking innovations. The testimony of this claim is validated with a case study on a particular remodelling strategy undertaken by Maruti Dzire in 2012 on the basis of qualitative insights and its impact on the exemplary success of the product against its rivals in the market. Post establishment of the credibility of the approach, the study moves on to propose a comprehensive working model tailored specially for large companies for them to adapt and implement this novel approach in their product formulation process. The point to be noted here is the fact the even while advocating the qualitative aspects of research, the study does not, in any way try to demean the relevance of quantitative data analysis in the process but recommends using it as an implement to establish conformation of the ideas rather than a tool to develop ideas.

Upstream marketing activities are constructive implements in the hands of marketers for accomplishing desired marketing functions, right from leveraging 'systems thinking' for organizational design to assessing divergences in business contexts. Marketing leaders such as Maruti Suzuki, make the best use of the dynamics of this model, given that they think in terms of the 'inputs' and 'outputs' that are necessitated for each role to execute their function. In their quest for achieving upstream competitive advantage, such large organizations seek to develops ui generis assets or capabilities and hence construct a 'wall' in the form of unique downstream activities to prevent them from leaking out to competitors. The downstream arena, as is believed, embraces its own set of rules in terms of sustaining customer value and lasting differentiation. Business managers achieve an early advantage, when they undertake innovative undertakings that attract customers by hedging their costs and risks and ward off rivals by fostering impregnable differentiation bases which epitomizes the mantra to success for the hyper-competitive downstream.

Implications for Future Research

The authors firmly opine that the realm of upstream marketing is a rather contemporaneous one in academic and business circles and hence offers immense scope for further research and deliberations. The proposed model can be actually followed with a certain degree of flexibility and a structured analysis can be presented stating its effects in the real-world innovation scenario. The authors intend to take the study forward in future by corroborating the proposed framework with empirical research and assessing the validity of the model. More specifically, efforts can be undertaken to analyse the relevance of a Knowledge Matrix by considering a hypothetical product idea as a basis to prescribe any changes to enhance its effectiveness catapulting innovation. Any company reports post the practical usage of the model would also be helpful in probing the inadequacies as well as unknown benefits of the model and of the idea at large.

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A Multigroup Study on Chains of Restaurants in Tamilnadu State

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Abstract

The focal area of this paper is towards identifying the factors affecting the relationship quality and to identify the impact of relationship quality on customer satisfaction and customer trust and in turn leading to customer loyalty. On reviewing the literature and various models proved by experts there are five factors which form the relationship quality. This has been depicted in the questionnaire with various items. The data have been collected from four chains of restaurants and a multi group analysis have been conducted to know if the same factors behave the same in all the chains of restaurants.

Keywords: Customer Loyalty, Customer Satisfaction, Customer Trust, Food Quality, Price, Location, Word of Mouth, Service Quality

Introduction

Most developed countries with strong economies are dominated by the service sector, which accounts for more than 70% of their GDP. India was ranked 13th in the services output in the year 2014, with the dominant presence of hospitality sector. In hospitality sector, the presence of strong hotel industry marks the growing economy of our country. The expansion of hotels can become an indicator of the growth of other sectors. On the other hand, both, husband and wife employment require the need of good quality hotels as they may not have sufficient time to prepare food. In this current scenario, an individual hotels started proliferation as chains of restaurants. The aim of these chains of restaurants is to provide quality food with taste, consistently.

Nevertheless, the challenge for the chains of restaurants is customer attraction and need to retain customers; these restaurants further need to strive for customer loyalty. Positive word of mouth is required to retain the customer base and to achieve customer loyalty. The standardization of services in chains of restaurants are challenging task as human element involvement is high and meeting out tough competition. With this backdrop, it is proposed to study the customer loyalty for

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the chains of restaurants that are based in Tamil Nadu. This study aims to develop a model to study the predictors of customer loyalty.

Objectives of the study

The objectives of the study are framed keeping in mind the theoretical contribution that addresses the research gap in chains of restaurants. The proposed research work has the following specific objectives.

To analyse the effect of customer eating habit in relationship with relationship quality in chains of restaurants.

To evaluate the effect of relationship quality on customer loyalty in chains of restaurants.

Problem Statement

Customer loyalty needs to be achieved by the service provider for their existence and to maintain their market share. To serve an old customer, it costs less in comparison to the acquisition of new customers. It was empirically proved that the loyal customers expected a lower level of service assurance because the trust towards the service provider is higher when compared to non-satisfied customers. The food industry is highly competitive in nature to retain the customers. The market is cluttered with too many competitors catering to every income group of customers.

The work of Sunghyup Sean Hyun, 2010 check whether the inline citation demonstrates the factors responsible for creating customer satisfaction and building customer trust can further lead to customer loyalty. The work done by Sunghyup Sean Hyun was done in University of Virginia, the same is being considered for the chains of restaurants in Tamil Nadu State. This study has taken the data from four different chains of restaurants and a multigroup study is being attempted.

Literature Review

Parasuraman and Zeithaml quote quality is an elusive and indistinct construct. Quality has been variously defined as a value, excellence, conformance to specifications, conformance to requirements, fitness for use and meeting and exceeding customer's expectations and user satisfaction [Crosby 1979; Deming 1982; Juran 1974, 1982]. Parasuraman, Zeithaml and Berry (1985) have defined service quality as "outcome quality", wherein references has been made about the type of services that are delivered? Christian Gronroos (1984) has defined service quality as "technical quality", which focuses on, how the service is delivered?

Based on Gronroos model the researcher Sunghyup Sean Hyun (2010) has formulated a model wherein the behavioural variables like food quality, service quality, price, location and environment are variables that are said to lead to relationship quality. The relationship quality is measured using customer satisfaction and trust.

Satisfaction is a major outcome of marketing activity and services to link processes culminating in purchase and consumption with post purchase phenomena such as attitude change, repeat purchase and brand loyalty. Ruth N

Bolton and James Drew, in their study, have proved that customer satisfaction or dissatisfaction is a function of disconfirmation arising out of the gap between prior expectations and actual performance. The aspect of service quality has been discussed in the research paper proposition of survival to meet and exceed by Jay Kandampalli (1998). Customer satisfaction is an important measure in restaurants, for its growth. Small firms need to customize their service delivery catering to the different needs of the customers.

In a study conducted in Iran, on time service delivery had shown importance towards the service quality. To improve the service quality of a service sector, the service delivery process needs to be perfect to match the perception of the customers. To achieve customer satisfaction, framing and implementing proper service quality is mandatory. In the study conducted in 2010, it has been proved that even if R square value seemed to be low, if the responsiveness of the employees of the service organization is good then the overall satisfaction increases.

Young Namkung and Soo Cheong Jang (2007) have empirically established that the food quality is an important aspect to improve customer satisfaction. The quality is defined by the food taste and presentation which were the major contributors towards achieving customer satisfaction.

Previous research of Lars Gronholdt, Martensen and Kristensen (2010) has established the relationship between the food quality and the satisfaction of customers.

It is empirically shown that the service quality is assessed using performance-based measures. One of the outcomes of this study is that the intangible aspects of the staff- customer interface have more significant effects, both negative and positive on customer satisfaction. The researchers have proved empirically that with the improvement of service quality the customer satisfaction also improves. This conceptual paper by Mohammad Rahmman, Abdul Khan and Md. Haque (2012) suggest the relationship between the service quality and customer satisfaction have been taken the area of concern. No single attribute can directly lead to the satisfaction of the customers. It is the proper blend of these attributes that will lead to the customer satisfaction. The customer satisfaction, in turn, will lead to customer loyalty.

Hypotheses Framework

This study developed the model proposed by Sunghyup Sean Hyun, in his research paper proposed in the year 2010. An attempt was made to study the behavioural pattern of customers of Tamil Nadu, India in chains of restaurants.

The model is tested with the patrons of chains of restaurants in Tamil Nadu**.**

Customer loyalty is the main area of concern in a service sector and this is especially true in food industry. The loyalty is the factor which can be inferred from the customer satisfaction.

H1: The Food quality positively influences the customer satisfaction.
H2: The Service quality positively influences the customer satisfaction.
H3: The Price of the food items positively influences the customer satisfaction
H4: The location of the restaurant positively influences the customer satisfaction.
H5: The service environment positively influences the customer satisfaction.

H6: The food quality positively influences the trust.

H7: The service quality positively influences the trust.

H8: The price positively influences the trust.

H9: The customer satisfaction positively influences trust.

H10: The customer satisfaction positively influences the customer loyalty.

H11: The customer trust positively influences the customer loyalty.

Proposed Model of the Study

Figure 1
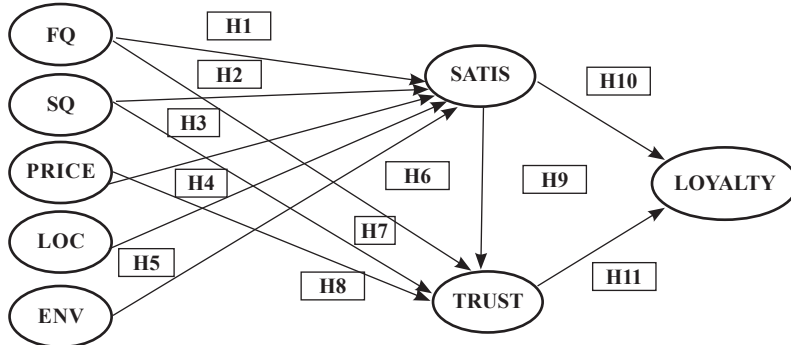
Major Contributions

Measurement Assessment

The model hypotheses have eight constructs which each has 36 items. All the constructs were adopted from the previous studies and were well-established scales. The response format used to measure is a 5 point Likert scale with 1 = strongly disagree and 5=strongly agree. The content validity was assessed by three domain experts. Few questions were rephrased without affecting the core meaning, to suit the Indian culture and tested. The reliability and validity were evaluated and certain constructs have low reliability. The questionnaire is again changed and administered. The questionnaire is administered to the customers using pencil and paper approach after getting service from the hotel. A pilot study was conducted to study the instrument with 50 samples. The results of the pilot study are acceptable and thus made way for large-scale study. The total sample collected to estimate the model empirically is 593. As expected, there are missing data issues, which was less than 1%. The missing data is imputed by the method of "mean imputation" using SPSS 21.

The case-wise deletion has been done for seven cases as the number of questions unanswered was around 50%. After the missing data, the outliers were removed to enhance the quality of data. The descriptive statistics generated in this study are mean, standard deviation, skewness and kurtosis. Once the Univariate analysis is completed, the bivariate analyses like zero order correlation were computed. The analysis method proposed is Structural Equation Modelling (SEM) and the analysis is carried out for measurement and then structural model as suggested by Anderson and Gerbing (1988).

Table 1: Descriptive Statistics

Items	Mini-mum	Maxi-mum	Mean	Std. Deviation	Skewness	Kurtosis
Food Quality 1	1	5	4.30	1.037	-1.458	1.296
Food Quality 2	1	5	4.10	0.873	-1.104	1.490
Food Quality 3	1	5	3.89	0.894	-0.617	0.262
Food Quality 4	1	5	3.98	0.833	-0.968	1.541
Food Quality 5	1	5	4.03	0.840	-0.892	1.038
Food Quality 6	1	5	4.01	0.750	-0.887	1.685
Service Quality 1	1	5	3.59	1.015	-0.111	-0.818
Service Quality 2	1	5	3.59	0.805	-0.301	0.126
Service Quality 3	1	5	3.55	0.888	-0.253	-0.087
Service Quality 4	1	5	3.68	0.791	-0.482	0.638
Service Quality 5	1	5	3.63	0.829	-0.392	0.248
Service Quality 6	1	5	3.71	0.741	-0.684	1.175
Environment 1	1	5	3.90	1.007	-0.590	-0.486
Environment 2	1	5	3.79	0.796	-0.574	0.718
Environment 3	1	5	3.72	0.880	-0.286	-0.250
Environment 4	1	5	3.81	0.799	-0.606	0.354
Satisfaction 1	1	5	3.87	1.131	-0.587	-0.813
Satisfaction 2	1	5	3.79	0.790	-0.507	0.341
Satisfaction 3	1	5	3.60	0.837	-0.019	-0.260
Satisfaction 4	1	5	3.79	0.755	-0.779	1.351
Trust 1	1	5	3.49	1.032	-0.193	-0.541
Trust 2	1	5	3.59	0.868	-0.484	0.301
Trust 3	1	5	3.69	0.905	-0.427	-0.067
Trust 4	1	5	3.71	0.838	-0.689	0.459
Loyalty 1	1	5	3.23	1.275	-0.135	-1.010
Loyalty 2	1	5	3.21	1.076	-0.290	-0.585
Loyalty 3	1	5	3.12	1.090	-0.319	-0.591
Loyalty 4	1	5	3.24	1.084	-0.579	-0.502
Price 1	1	5	4.10	1.100	-1.058	0.156
Price 2	1	5	3.97	0.879	-0.734	0.413
Price 3	1	5	3.97	0.906	-0.618	-0.066
Price 4	1	5	4.00	0.807	-0.773	0.846
Location 1	1	5	3.67	1.080	-0.488	-0.510
Location 2	1	5	3.66	0.908	-0.368	-0.081
Location 3	1	5	3.73	0.904	-0.431	-0.039
Location 4	1	5	3.77	0.886	-0.637	0.390

Descriptive Statistics

From the Table 1, The mean, standard deviation, kurtosis and skewness were estimated as discussed. The maximum skewness observed is -1.458 and the minimum skewness is -0.037. The skewness value obtained does not pose much issue, as they value below to the range of +/-2. This can be inferred that the data does not the issue of non-normality.

The existence of Univariate normality in the data does not ensure a multivariate normality and above that, the multivariate statistical tool proposed is Partial Least Square Structural Equation Modelling (PLS-SEM) which is suitable for non-

normal data. The maximum kurtosis value obtained is 1.490 and the minimum is -0.066 and the peakedness of the distribution (Kurtosis) do not pose the problem, as the range is within the interval of +/- 2. The mean values of the measures are above three except one; suggest that the respondents have taken position on the questions.

Table 2: Inter-construct correlations

Constructs	1	2	3	4	5	6	7	8
1. Environment	1.00							
2. Food Quality	0.52	1.00						
3. Location	0.45	0.49	1.00					
4. Loyalty	0.43	0.41	0.46	1.00				
5. Price	0.41	0.49	0.45	0.30	1.00			
6. Service Quality	0.57	0.66	0.52	0.52	0.47	1.00		
7. Satisfaction	0.54	0.53	0.48	0.54	0.49	0.57	1.00	
8. Trust	0.55	0.50	0.53	0.59	0.50	0.60	0.72	1.00
9. WOM	0.44	0.42	0.50	0.74	0.27	0.52	0.51	0.52

From the Table 2, The inter-construct correlations among constructs are calculated; the maximum correlation is 0.72, the minimum is 0.27 and the correlation values are positive.

Measurement Assessment

Partial Least Square Structural Equation Modelling (PLS-SEM)

The relationship between the latent variable and their indicators is measurement model. A large segment of management research in recent years uses SEM as an analytical approach that combines the multiple regressions and factor analysis for theory testing as researched by Willaims *et al.,*.

SEM has become the quasi-standard in marketing research as it allows researchers to complete theories and concepts. Researchers appreciate the SEM ability to evaluate the latent variable at the observation level and test relationship between latent variables. SEM based approaches provide the researcher with the flexibility of performing the following tests such as Model prediction with multiple predictors and criterion variables; Construct unobserved latent variable; Model errors in measurement for observed variables and Statistically test a priori theory.

SEM has two approaches, i.e., the covariance and components based SEM. The other name for components based SEM is Partial least Square SEM. Even though the covariance SEM dominates during the early stage, the PLS-SEM has begun particularly in the marketing domain. A line of argument in favour of PLS; useful for small sample size, complex models, less distributional assumptions

and use for formative index containing models. The PLS SEM algorithm is based on re-sampling method like bootstrapping and the number of bootstrap samples is 2000. PLS can be a powerful statistical tool because of the minimal demand on measurement scale and can use for theory confirmation. The model identification is not a serious problem for a recursive model. For estimating the models, the study used PLS-SEM and the software is Smart PLS 3.2.3. The reason for choosing the PLS-SEM in this study is due to non-normal data and complex models. One advantage of PLS analysis is that both measurement and structural can be performed with the same software.

Reliability and Validity

A core requirement of theory building and testing is reliability and validity. Classical test theory suggests that for a construct to have psychometric properties should possess validity and reliability. The classical test theory suggest that the reliability has observed score X as made up of two independent components: true score (O) and Error score (E) and, therefore reliability = Variance of observed score (X)/variance of true score (O) and the value of reliability, will in the range of 0 to 1. The reliability is assessed using Cronbach alpha and the reliability of constructs have value which is above the cut-off 0.7 and thus, the constructs possess reliability.

Heterotrait-Monotrait Ratio (HTMT)

Composite Reliability
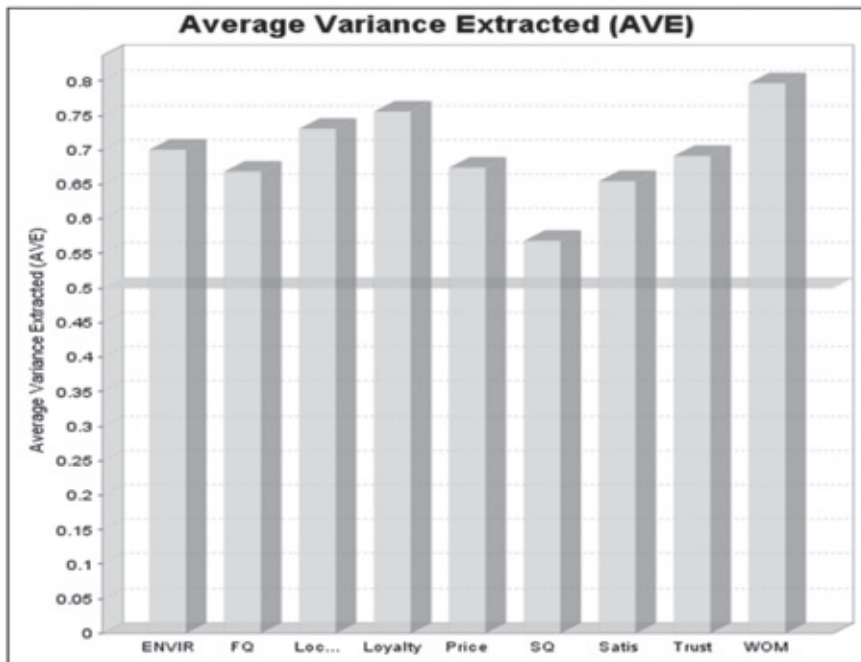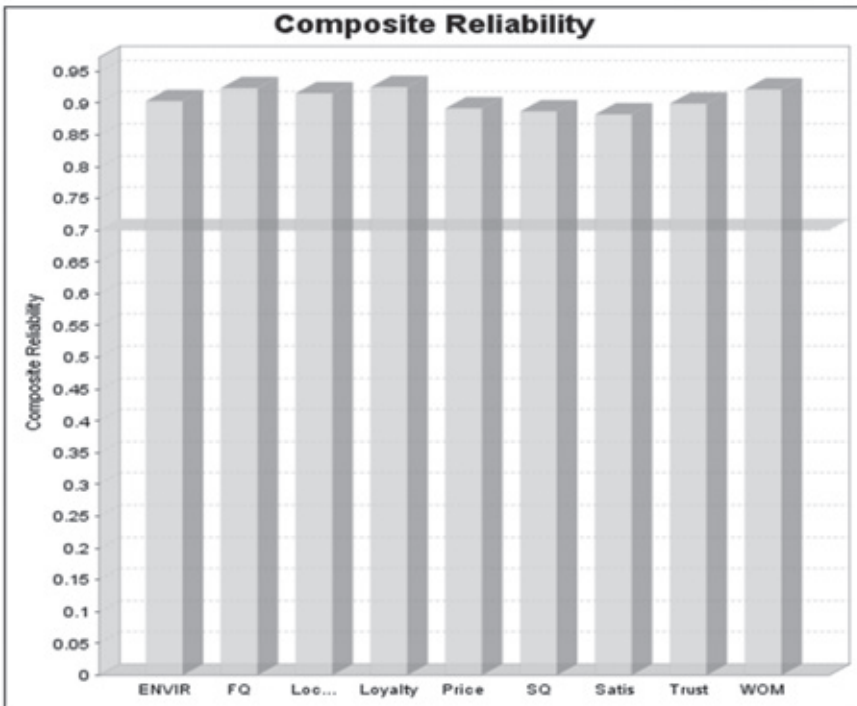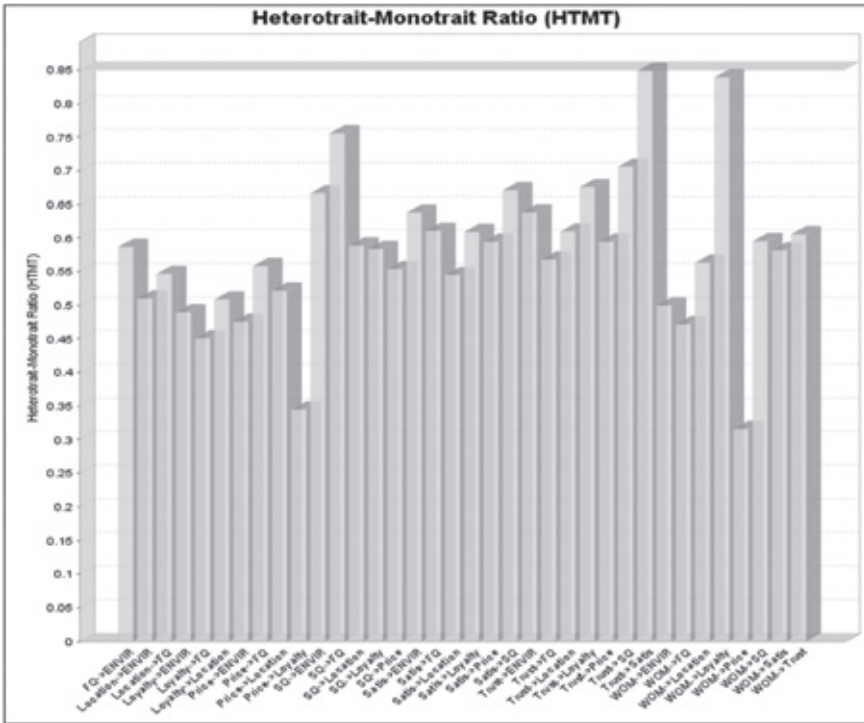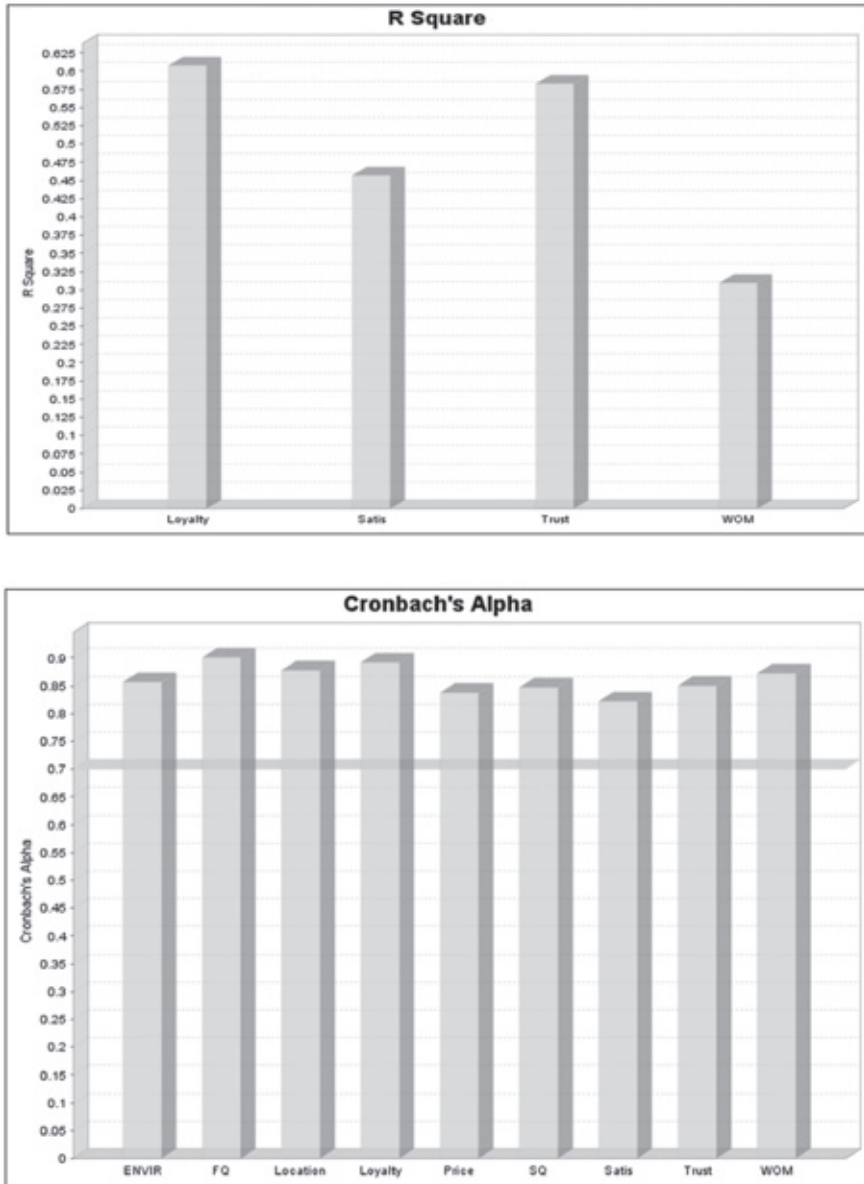
Figure 2

Construct validity is "the degree to which instruments truly measure the constructs which they are intended to measure". The construct validity commonly split into two forms of validity namely convergent and discriminant validity. The convergence is measurement and differentiation in constructs and the measurement occurs when items used to measure a construct are "highly inter-correlated among themselves and uniform". The convergent validity is examined by estimating the Average Variance Extracted (AVE) and with the minimum cut-off value of 0.5. The study constructs have AVE, which is above 0.5, suggests that the constructs

have convergent validity. The factor loadings of the items are close to 0.7 and above 0.7 imply that the construct has sufficient convergent validity. Discriminant validity is the extent to which the measure is indeed novel and not simply the reflection of some variable. The discriminant validity is calculated using Hetero Trait MonoTrait (HTMT) ratio used recently in PLS-SEM or variance based SEM. HTMT can be defined as a ratio of the average correlations between constructs to the geometric mean of the average correlations between items of the same construct, and the cut-off value is 0.85. The HTMT ratio of 0.85 is ideal and the constructs in the study have less than 0.85 indicate that the constructs form the study possess discriminant validity.

Table 3: Hypothesised Path Results

Paths	Original Sample (O)	Sample Mean (M)	Standard Deviation	t Statistics	P Values	Hypotheses Accepted
Food Quality ⇒ Satisfaction (H$_1$)	0.121	0.121	0.047	2.574	0.010	Accepted
Service Quality ⇒ Satisfaction (H$_2$)	0.207	0.209	0.047	4.413	0.000	Accepted
Price ⇒ Satisfaction (H$_3$)	0.190	0.191	0.043	4.465	0.000	Accepted
Location ⇒ Satisfaction (H$_4$)	0.121	0.122	0.037	3.234	0.001	Accepted
Environment ⇒ Satisfaction (H$_5$)	0.228	0.226	0.043	5.356	0.000	Accepted
Food Quality ⇒ Trust (H$_6$)	-0.002	-0.002	0.040	0.052	0.958	Not accepted
Service Quality ⇒ Trust (H$_7$)	0.253	0.254	0.041	6.173	0.000	Accepted
Price ⇒ Trust (H$_8$)	0.133	0.134	0.034	3.947	0.000	Accepted
Satisfaction ⇒ Trust (H$_9$)	0.508	0.507	0.034	15.156	0.000	Accepted
Satisfaction ⇒ Loyalty (H$_{10}$)	0.080	0.081	0.039	2.051	0.040	Accepted
Trust ⇒ Loyalty (H$_{11}$)	0.328	0.329	0.052	6.335	0.000	Accepted

From the Table 3, All the paths proposed in the hypothesised model are significant as the p values are less than 0.05, except for one. Since PLS do not have a comprehensive model fit analysis unlike the covariance-based SEM, we rely on Standardised Root Mean Square Residual (SRMR), R2 and effect size. The SRMR for the PLS analysis uses composite model. The SRMR is defined as the difference between the observed correlation and the predicted correlation and the value of SRMR should be < 0.08, which indicates good fit. The value of SRMR of the study model is 0.04 indicate excellent model fit with the data.

Figure 3: Beta Value and T Value in the Model as per the hypothesised path:
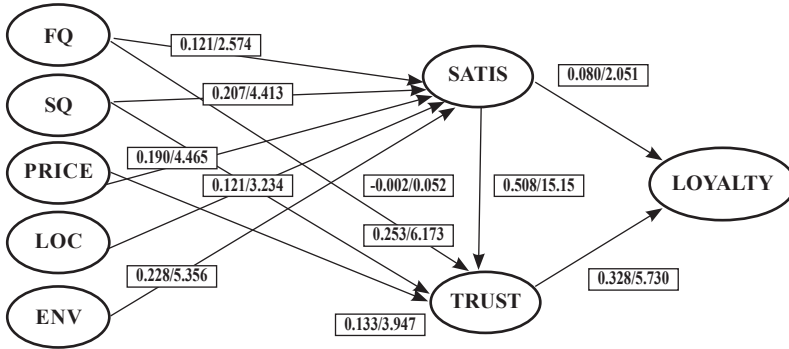
Predictive Relevance (Q²): The predictive relevance of the manifest variables to its latent construct was assessed through Q^2 measure. The predictive relevance values are above zero ($Q^2>0$) which you can find in Table 4. Therefore, the endogenous constructs in the model have predictive relevance.

Table 4: Predictive Relevance

Constructs	SSO	SSE	Predictive relevance
Environment	2,372.00	2,372.00	
Food Quality	3,558.00	3,558.00	
Location	2,372.00	2,372.00	
Loyalty	2,372.00	1,288.60	0.457
Price	2,372.00	2,372.00	
Service Quality	3,558.00	3,558.00	
Satisfaction	2,372.00	1,672.77	0.295
Trust	2,372.00	1,420.04	0.401
Word of Mouth Communication	1,779.00	1,343.12	0.245

Common Method Bias (CMB): The self-report is a common practice in management and organizational research and it has some pitfall. Common Method Variance (CMV) has shown to bring in the systematic bias into the study by artificially increasing or decreasing the correlations and thus affect the final conclusions of the study. To avoid, it will be difficult, but the best possible way is to minimise the threat due to self-reporting. This bias is due to methods adopted in the research and it is called as common method bias. There are two possible ways to treat the CMB, the pre-hoc and the post hoc. The strategies adopted during the pre hoc are mixing the questions in the questionnaire; so that the questions are arranged randomly. The post hoc strategies are statistical tools employed to understand the extent and to control the effect due to common method bias. One of the widely used statistically tests is Harman's single factor test to address the common method variance. All the items of the study are loaded into a single

factor, with no rotation and examining the results of exploratory factor analysis using SPSS 21. The basic premises of the technique are that substantial amount of variance will be present with a single factor, or a general factor will account for majority of the variances. However with these limitations, this technique can be used as diagnostic tool to assess the CMV. The total variance extracted is much below the cut-off of 50%, i.e., 38% and imply that the CMB is not a threat to this study.

Table 5 : Harman's Single Factor Test (Total Variance Explained)

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumula-tive %
I	15.401	38.503	38.503	15.401	38.503	38.503
2	3.078	7.696	46.199			

Model Fit: The Global Goodness of fit (GOF) is estimated as the geometric mean of the average communality and average R^2 for endogenous variables. The global goodness of fit for this model is 0.605and is much above the cut-off 0.336 (GoF$_{Small}$=0: 10, GoF$_{Medium}$=0: 25, GoF$_{Large}$=0: 36). $GoF = \sqrt{AVE} \times \sqrt{R^2} = 0.605$

Multi Group Analysis (MGA)

Researchers are often interested in comparing PLS path models across more than two groups to check whether different parameter estimate occurs for each group. This is called as multi-group analysis, equivalence or invariance analysis. Heterogeneity exists when two or more groups of respondents exhibit significant differences in their model relationships.

The MGA is particularly useful when a measuring instrument operates equivalently across different populations, theoretical construct equivalent across populations and certain path in a specified casual structure equivalent across populations. Though PLS assumes the homogeneity; but heterogeneity is a reality.

The respondents are selected from four chains of restaurants in Tamil Nadu with adequate samples from each restaurant and this prompt to test the model values changes across the groups. The multi-group analysis performed in the study and the following are the group names and the sample size for each group is given in Table 6 and the sample size is sufficient for PLS analysis. The finite mixture is an established method in PLS when there is an established heterogeneity and wants to find an existence of a group difference or the heterogeneity; the multi-group analysis can be useful analytical technique.

Table 6: Multi Group Analysis

S No	Restaurant (Group) name	Sample size	Coded as
I	Saravana Bhavan	150	I
2	Vasanth Bhavan	148	2
3	Hot Chips	145	3
4	Sangeetha	150	4

Table 7: Group Analysis between Saravana Bhavan and Vasanth Bhavan

Hypothesized Paths	Path Coefficients-difference	P value	Significant / Not Significant
Environment -> Satisfaction	0.047	0.339	Significant
Food Quality -> Satisfaction	0.266	0.978	Non-Significant
Food Quality -> Trust	0.036	0.620	Significant
Location -> Satisfaction	0.029	0.612	Significant
Price -> Satisfaction	0.137	0.108	Significant
Price -> Trust	0.094	0.828	Significant
Service Quality -> Satisfaction	0.150	0.123	Significant
Service Quality -> Trust	0.144	0.119	Significant
Satisfaction -> Loyalty	0.092	0.772	Significant
Satisfaction -> Trust	0.035	0.657	Significant
Trust -> Loyalty	0.149	0.122	Significant

Most of the path-coefficients of hypothesized path in the model for two groups i.e., Saravana Bhavan and Vasanth Bhavan are same. It means they are significant, except for two paths whose p values are above 0.95, are non-significant, as shown in the Table 7. The path between "food quality and satisfaction" is non-significant, clearly imply that these chains of restaurants are different on these two casual paths. The "food quality and satisfaction" is not same for these two restaurants, which is possible due to the different food quality.

Table 8: Group Analysis between Saravana Bhavan and Hot Chips

Hypothesized Paths	Path Coefficients-difference	p value	Significant / Not Significant
Environment -> Satisfaction	0.078	0.730	Significant
Food Quality -> Satisfaction	0.054	0.662	Significant
Food Quality -> Trust	0.049	0.653	Significant
Location -> Satisfaction	0.069	0.257	Significant
Price -> Satisfaction	0.176	0.035	Significant
Price -> Trust	0.058	0.292	Significant
Service Quality -> Satisfaction	0.034	0.597	Significant
Service Quality -> Trust	0.136	0.859	Significant
Satisfaction -> Loyalty	0.035	0.614	Significant
Satisfaction -> Trust	0.175	0.051	Significant
Trust -> Loyalty	0.050	0.650	Significant

The MGA results show that all only the paths are significant (refer Table 12). This signifies that these constructs are same between these chains of restaurants.

Table 9: Group Analysis between Saravana Bhavan and Sangeetha Veg Restaurant

Hypothesized Paths	Path Coefficients-difference	p value	Significant / Not Significant
Environment -> Satisfaction	0.095	0.210	Significant
Food Quality -> Satisfaction	0.054	0.652	Significant
Food Quality -> Trust	0.012	0.457	Significant
Location -> Satisfaction	0.091	0.824	Significant
Price -> Satisfaction	0.186	0.045	Significant
Price -> Trust	0.170	0.964	Significant
Service Quality -> Satisfaction	0.071	0.305	Significant
Service Quality -> Trust	0.092	0.222	Significant
Satisfaction -> Loyalty	0.213	0.940	Significant
Satisfaction -> Trust	0.039	0.396	Significant
Trust -> Loyalty	0.073	0.321	Significant

From the Table 8 & 9, The MGA results show that all only the paths are significant. This signifies that these constructs are same between these chains of restaurants.

Table 10: Group Analysis between Vasanth Bhavan and Hot Chips

Hypothesized Paths	Path Coefficients-difference	p value	Significant / Not Significant
Environment -> Satisfaction	0.125	0.843	Significant
Food Quality -> Satisfaction	0.212	0.053	Significant
Food Quality -> Trust	0.013	0.542	Significant
Location -> Satisfaction	0.098	0.172	Significant
Price -> Satisfaction	0.039	0.366	Significant
Price -> Trust	0.152	0.076	Significant
Service Quality -> Satisfaction	0.184	0.890	Significant
Service Quality -> Trust	0.280	0.990	Non-Significant
Satisfaction -> Loyalty	0.057	0.321	Significant
Satisfaction -> Trust	0.210	0.026	Significant
Trust -> Loyalty	0.199	0.949	Significant

From the Table 10, These two restaurants are significant with seven paths in the models. This suggests that the chains of restaurants almost remain the same with respect to those paths. However, the path between "service quality and trust" is non-significant. This path is non-significant for these two chains of restaurants. It means they are different for these two chains of restaurants.

Table 11: Group Analysis between Vasanth Bhavan and Sangeetha Veg Restaurant

Hypothesized Paths	Path Coefficients-difference	p value	Significant / Not Significant
Environment -> Satisfaction	0.048	0.336	Significant
Food Quality -> Satisfaction	0.212	0.069	Significant
Food Quality -> Trust	0.048	0.333	Significant
Location -> Satisfaction	0.062	0.744	Significant
Price -> Satisfaction	0.049	0.353	Significant
Price -> Trust	0.076	0.789	Significant
Service Quality -> Satisfaction	0.079	0.725	Significant
Service Quality -> Trust	0.053	0.675	Significant
Satisfaction -> Loyalty	0.121	0.830	Significant
Satisfaction -> Trust	0.074	0.279	Significant
Trust -> Loyalty	0.076	0.727	Significant

In Table 11, The path difference coefficients are significant for all the paths, this means that the variables act the same way for both these chains of restaurants.

Table 12: Group Analysis between Hot Chips and Sangeetha Veg Restaurant

Hypothesized Paths	Path Coefficients-difference	p value	Significant / Not Significant
Environment -> Satisfaction	0.173	0.089	Significant
Food Quality -> Satisfaction	0.000	0.502	Significant
Food Quality -> Trust	0.061	0.304	Significant
Location -> Satisfaction	0.159	0.943	Significant
Price -> Satisfaction	0.010	0.472	Significant
Price -> Trust	0.228	0.989	Non-Significant
Service Quality -> Satisfaction	0.105	0.246	Significant
Service Quality -> Trust	0.227	0.028	Significant
Satisfaction -> Loyalty	0.178	0.913	Significant
Satisfaction -> Trust	0.136	0.847	Significant
Trust -> Loyalty	0.123	0.197	Significant

In Table 12, The path difference coefficients are significant for all paths, but for the path on price to trust is not significant. This infers that the path of price to trust is different for these two chains of restaurants.

Conclusion

This study evaluates the relationship among the following constructs in the chain of restaurants: (1) Service Quality and Customer Satisfaction, (2) Relationship Quality with Food quality, Service Quality, Price, Location and Environment, (3) Trust with Service Quality, Price, Location and Environment, (4) Relationship between Customer Satisfaction, Trust and Customer Loyalty.

This study establishes a positive relationship with each other except for one construct Food quality with Trust. The overall result indicates a positive significant relation between the customer satisfaction and trust with customer loyalty. It is also found that all the five basic constructs add to the customer satisfaction. It is proven both theoretically as well as empirically. Hence, there is a positive relation between customer trust and the behavioral intentions.

The correlation values between the constructs depicted a positive value. The Composite Reliability (CR) and Average Variance Extracted (AVE) also fall above the cut-off value of 0.5. The HTMT ratio falls above the cut-off value of 0.8 which indicates that the study has discriminant validity. In the Exploratory Factor Analysis, most of the factor loadings showed above 0.7 except for two variables which also lie well above 0.6 hence none of the variables were deleted from the study. The hypothesized path also showed significant result for all the paths except for the path between food quality and trust. With regard to the model fit the SRMR have been considered and the value of it is 0.04 which is well below the threshold of 0.08 and hence, the model fits with the data collected. The R Square value also proves the model fit of the data. The mediation analysis also suggests that there is mediation effect of relationship quality between customer behavior and customer loyalty.

Multi-Group Analysis is performed on the data set. This showed that the chain of restaurants showed insignificance when the constructs showed individuality for that particular chain of restaurant. It is not the same for all the chains of restaurants. The chains of restaurants need to address to their area of weakness and strengthen those constructs which might affect the loyalty of the customer. Only then the chains of restaurants can succeed in this competitive scenario by creating more loyal customers.

Limitations: The study has considered a theoretical perspective and every perspective is a perspective which cannot complete. The judgment sampling method was used albeit there are better methods available. Customers of only four chains of restaurants have been considered from the state of Tamil Nadu, India. If all the chains of restaurants have been considered may be the result may not be the same as arrived. May be many number of chains of restaurants considered all over India would give a detailed study in this country as a whole. Since the data is self-reporting, common method bias could be a problem. However the study performed the Harman's single factor test and found it is not a threat.

Managerial Implications: It is crystal clear that all the constructs are essential to achieve a satisfied customer. It is only when a customer is highly satisfied the trust develops and the positive word of mouth improves. All these lead to enhancing customer loyalty. This solves the most crucial question in the chains of restaurants: "How to retain the customers?" The management has to be cautious about the food quality, service quality, pricing, location and environment as these are the important areas to concentrate on the improvement of the customer satisfaction, trust, positive word of mouth. Only then the customer loyalty will be improving.

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The Antecedents of Category Management towards Customer Enhanced Services and Effects on Customer Satisfaction in Pharmaceutical Retailing – A Study with special reference to Medical Shops (Drug Stores) at Kanchipuram Town

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Abstract

Category Planning and Management is the vital strategic part of retailing. It is the instrument for differentiated customer service and customer satisfaction. The cause of category planning and management induce the effect on retention of customers in competitive retailing environment. The present study focuses to understand the antecedents of category planning and management among the pharmaceutical retailing by considering the product mix dealing of healthcare, oral care, skin care, personal care and homecare products and its line dealt by the drug stores for the enhanced service to customers on customer satisfaction as well retention at Kanchipuram Town. The category management process undertaken by the medical shop retailers in the study area comprises product assortment, availability, pricing, promotion and reachability as important constructs with identified sub items through previous studies. The empirical data required for the study were collected from the customers during the time of purchase in different retail formats of pharmaceutical shops belong to brand and unbranded retailers in the study area. The conceptual theoretical background on retail category management model influence on enhanced customer service and customer satisfaction was tested through structural equation model (SEM-covariance) with the help of AMOS 17.0. The major observations of the study proclaims that the category management aspects have direct influence on enhanced customer service and no direct influence on customer satisfaction but at the same time the effect of enhanced customer service is high on customer satisfaction.

Keywords: Category Planning, Category Management, Enhanced Customer Service, Customer Satisfaction, Product Assortment, Product Availability, Product Promotion, Product Pricing, Product Reachability and Customer Retention

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Introduction

Retailing is the enhanced value chain in the ultimate consumption of every consumer. Retailing is the activity where in which both manufacturer and consumers interact with each other and undergoing the process of exchange of products or services for money value. The retailers are the prominent brand promoter for every manufacturer brand by assuming the trade leverage for assorting the products or services of producers and delivery to the ultimate consumers on their need of consumption. In order to perform the retailing activity by any form of retailer need to employ strategic retailing activities ranging from identifying the right supplier and their vending process, keeping the right place for selling, collecting the products or services from different manufacturers and delivering through add on value for ultimate consumers. Retailers have adopted shopper marketing strategies which involve the execution of all marketing activities in which retailers may indulge to influence the shoppers purchases ranging from the stage of motivation to buy, purchase and post purchase. Shopper marketing strategies are only successful when there is a win-win situation for the trio of retailers, manufacturers and shoppers. (Kaufman-Scarborough, 2009)[1] Retailers are the predominant source of network for every supplier or manufacturer to promote their product as well as brand value to ultimate consumers. But the changing scenario of retailing in the world market has fierce unprecedented competition among the retail entities in terms of formats, assortment management, promotion, display and as well speedy delivery. The growth of consumerism, market liberalization, digitized marketing and retailing activities invoke the retailing houses to scrambled merchandising as well vertical retailing activities. Category purchase frequency and hedonic nature of category. Out of these four it is the in store display category and the hedonic nature of category that increase the frequency of unplanned decisions. Moving to customer characteristics we have gender, household size, store familiarity and shopping with others that factor towards making unplanned decisions. (J. Jeffrey, 2007)[2]

The retailing sector today encounter two dimension of retail- market structure namely cross competitions as well customer management issues. The growth of manufacturing era, introduction of new product and services, expanded product lines as well as product assortments evoke retailers to deal their existing customers effectively with enhanced product and delivery services as well as customer loyalty programmes. The magnitude of customer retention for the commercial viability retailing business today need to employ strategic plans effectively in terms of location management, product assortment process and well as category deployment. Globalization has accelerated the pace with which retailing has evolved over the years. These changes over recent years have drastically affected both retailers and consumers. Due to the seeping effects of globalization there has been an increase in awareness amongst consumers and the need for increased variety calls upon retailers to offer wider category assortments under one roof hence the shift of retailers from single format to multi format retailing strategies. A lot of these changes are as a consequence of globalization in retailing. More specifically, as firms globalize they pose challenges for retailers such as vertical integration of the products, globalization has resulted in emergence of hyper stores and large super markets where small retailers are at loss both in more developed and less developed countries. (Werner Reinartz, 2011)[3]

It is strongly observed in various forms of studies both theoretically as well empirical background that, the well planned category management leads to effective customer service, customer satisfaction, customer trust and belief as well customer retention. Category management is the comprehensive strategic retailing process in which planning, organizing, communication, coordinating, control and feedback mechanisms are very crucial in terms of supplier relationship, sourcing, vendor selection, procurement and exhibition. In addition to that, the category management process initiates its activities from customer base by understanding the needs and wants of customer in terms of product version from the retail shop, collecting customers' opinion on assorting the products on its lines, width as well as depth. In addition to every retailer after procuring the products as well as services from manufacturers need to assort it at selling space effectively for the easy reachability and accessibility among consumers. It is also important for every retailers to stock and sell those categories with affordable pricing and attractive promotion to consumers. In this aspect, the category management by every retailer is very important in present day retail situations. The emerging issue in retailing takes into account the effects of satisfaction on patronage. Satisfaction doesn't guarantee patronage which is crucial to the profitability and image of the retail stores. To achieve this, the store should continuously find new ways to 'surprise' its clients and delight them with augmentations that make their experiences less stressful, more convenient and/or more fun. (Taher, 1996)[4].

Category Management is a concept that was introduced at the beginning of the 1990's together with Efficient Consumer Response in the US retailing industry to stop the decrease of customers and profitability. Categories are managed as Strategic Business Units (SBUs). Further, the concept improves business results by focusing on delivering the consumer higher value (Lange & Wahlund, 2001)[5]. Category Management is an element of Efficient Consumer Response, which is a strategy to make manufacturers and retailers work together to offer quick and efficient response to consumers' needs. Category Management focuses on the profitability based on the whole category instead of the profitability of just a single product. The products are grouped into categories from the view of the consumers (Arkader & Frossard Ferreira, 2003)[6]. *Category Management is a process for managing product categories as business units and customizing them store-by-store, so as to meet consumers' needs*" (ACNielsen, 1992, p. 9)[7]. Since Category Management is the subject of this dissertation, the whole work will try to define what Category Management is. A category is a distinct, manageable group of products that consumers perceive to be interrelated and/or substitutable in meeting consumers' needs (The Partnering Group, Inc, 1995)[8]. Efficient Consumer Response (ECR) was developed within the grocery industry at the beginning of the 1990's. One of the reasons for introducing ECR was an increase of consumers demanding more quality, variety and service. At the same time the consumers wanted to spend less money and time on shopping groceries. Further they wished to have less complexity in the information they need to make a good choice. Category Management is one part within ECR and to understand the concept, it is helpful to get familiar with the basic strategies within ECR (Coopers & Lybrand, 1996, p.11)[9]. category management is normally practiced by the retailers through important components like Store Assortments, Efficient Replenishment, Efficient Promotion and Efficient Product Introductions (Prof. Miller, G.A.,

2004)[10.] Category Management the retailers provide the manufacturers with better information about what they and the consumers respectively want on the shelves. This information enables the manufacturer to introduce products more efficiently. However in order to achieve such cooperation between manufacturers and retailers a high level of trust between both parties is needed (Coopers & Lybrand, 1996)[11]. The profitability of the business can be measured after the categories and resources can be allocated in form of shop space, number of staff and amount of capital. (Movement Research & Consulting, 2002)[12]. On a market with hard competition the consumers have many products to choose among. Therefore it is important for the retailers to focus their effort on attracting and keeping consumers. A way to do this is to create long term consumer value. Research shows that consumers usually buy certain products from certain shops. Findings of this kind show that consumers look for offers in certain categories and often select the retailer with the best availability of such offers. The pressure increases on retailers to differentiate them. They need the consumers to associate their shop with shopping products from a certain category (ACNielsen, 1992)[13].

Background Issue of the Study

In some recent studies, some researchers have examined price sensitivity as independent variable with regard to services (Lee & Ng, 2001)[14] and prescription drugs (Gonul, Carter, Petrova, & Srinivasan, 2001)[15]. Bundled pricing also makes the partitioned components more important than when the prices are not bundled (Chakravarti *et al.,* 2002)[16]. The pharmaceutical products generally belong to routine purchase to occasional purchase. The consumer involvements on buying drug products are based on dissonance buying attitude and where consumers give importance for more product values as well product education. The nature and type of pharmaceutical market in the world is dealt through retail shops and where in which the direct contact between manufacturers to ultimate consumers are very negligible except medical instrument products. The generic medicines sold by manufacturer through retailers are high in this market. The buying processes of consumers towards pharmaceutical products are more on prescriptive rather than self selection.

`But the delivery chain processes of pharmaceutical retailing in present day market situations are highly competitive. The emergence of different formats of retailing like independent retail stores, traditional drug stores, flea market (hospital cum pharmaceutical shops), chain stores, super market and departmental store formats beneath huge competition among the retailers. In addition to that, the entry of organized retailers like manufacture cum retailing (own factory outlet), global pharma retailers also given due impetus in the practice of retailing in drug industry. The prevailing competition in the retailing sphere as well need of consumer patronage need the pharmaceutical or drug retailers to deal with prolonged categories, product lines with huge width and depth. In addition to that in order to retain the customer and serve with enhanced product availability the drug stores are also dealing with related and unrelated product categories like body care, skin care, personal care, fitness related and oral care items. The needs of scrambled merchandise process by drug stores need to deploy effective category planning and management across the product category for effective business management purposes. The balanced approach on cost management, product

portfolio management by retailers and customer service, satisfaction as well as customer retention aspects from the background of customers involves on category management strategies by drug retailers. Vyas, H. Preeta (2005)[17] attempted to study consumer preferences with respect to sales promotion in pharmaceutical products are related to category. It was found that sales promotion offers which is unique, which offers immediate incentive preferably of price-cut nature is likely to appeal to all consumer segments.

In addition to that the growth of manufacturers brand, brand extension as well as line extension also need the drug retailers to rework of category management in terms of procurement cost, inventory carrying cost, inventory turnover, stock management, stock dealing strategies, pricing, promotion management. The growth of in store brands among the branded drug retailers also gives impetus for effective category management activities.

As far as drug retailers are concerned in terms of category management need to give weight age on product assortment, product availability on stock, inventory and display, product pricing and re-pricing, product promotion and product reachability. The outcome of effective category management gives enhanced customer service and in turn thus affects customer satisfaction, trust, belief and retention. The overall outcome of category management by drug retailers adds retail brand image as well as manufacturers brand equity. Keeping this view, the present study examines the antecedents of category management practices by drug retailers on customer enhanced services and satisfaction. Kanchipuram Town is the growing landmark for industrialization in recent years due its industrial hub empowerment with leading manufacturing houses, multinational companies and economic processing zones. It is a traditional commercial centre for silk weaving, designing and retailing. The tourism viability of this place also enlarges its population density in recent decades. The growth and expansion of IT hubs in and around Chennai manifested around kanchipuram town. The leveraged commercial viability of this place also earmarked the development of prominent service industry like education and healthcare. The leading indigenous health care brands and hospitals are located in and around kanchipuram District. The leading branded hospitals and health care centers prefer kanchipuram town for its commercial landmarks. In this connection, the landmark of kanchipuram town encompassed with traditional and modern drug stores. In addition to that the world renowned branded drug retailers and chain stress like Apollo, MetLife and so on also housed their retail drug stores in Kanchipuram Town. The emergence of differentiated drug retail formats in Kanchipuram needs the retailers to employ effective category management practices for enhanced customer service and customer satisfaction.

Literature Background

Category management is defined "as the distributor supplier process of managing product categories as strategic business units, producing enhanced business results by focusing on delivering better customer value" (Hogarth-Scott and Dapiran, 1997)[18]. Category management means that retailers seek to optimize category profits overall rather than managing manufacturer brands independently within the category (Zenor, 1994)[19]. TIn much of the retail buying literature the role of the brand is either not included or only indirectly assessed using surrogate measures such as product uniqueness and product quality (Montgomery, 1975)[20].

The findings from the few studies that have included brand effects are mixed with respect to the influence of brand on retailers Cravens and Binder, (2003)[21]. However, some empirical studies have addressed the effects of manufacturer brands on retailer relationships. Biong (1993)[22] and Schellhase, Hardock and Ohlwein (1999)[23] found that the supplier merchandise attributes in retailer buying are multi-dimensional in nature and affect retailer satisfaction, trust and loyalty. Previous research has also confirmed the multi-dimensional nature of channel member satisfaction (Ruekert and Churchill, 1984)[24]. Satisfaction has also been shown to be a strong predictor of loyalty and repurchase intentions (Ravald and Gronroos, 1996)[25]. The strategic outcomes of category management for retailers are better retailer differentiation from competitors and increased loyalty of the retailer's customer (Dupre and Gruen, 2004)[26]. Retail customers are able to find their preferred brands from one retail outlet at a fair price. For brand managers the implication is that pricing is coordinated across the category rather than by brand in order to optimize category profits. Brand manufacturers provide market trends and information for retailers and also have the opportunity to influence their position within the category (Glynn *et al.,* 2007)[27]. Dhar, Hoch and Kumar (2001)[28] investigated differences between categories and found that categories have different roles within the store environment. These roles depend on whether the brand has a high or low purchase frequency and a high or low household penetration. Their research found that differences in brand share affected the performance of the variety enhancer categories such as pickles (low frequency, high penetration) and fill-in categories (e.g. cake mixes - low frequency, low penetration) but not for staples (high frequency, high penetration) and niche categories (high frequency, low penetration). Much of the research into category management has focused on pricing and category performance (Dewsnap and Hart, 2004)[29]. There is also a research stream that has examined category roles and the retailer product assortment. However research has been more limited as to the role of brands within category management. Dewsnap and Hart (2004[29] did examine brand preferences within a fashion category but this was from an end-customer perspective. Furthermore, this stream of research does not address the impact of category types on retailers' perceptions of brands (Gajanan *et al.,* 2007)[30] and retailer relationship outcomes.

Product Assortment

Assortment is traditionally defined as the number of SKUs offered within a single product category. Broniarczyk, Hoyer and McAlister (1998)31 reported that assortment perceptions were influenced by three factors: (1) the number of unique SKUs offered, (2) the heuristic of the total space devoted to the category and (3) the availability of a consumer's favorite SKU.

Product Availability

Product availability in retail stores is often described and analyzed through out-of stock problem (Ettouzani *et al.,* .2012)[32], where the OOS rate was also most frequently used as its basic indicator. According to Trautrims *et al.,* (2009)[33], customer service for retail consumers is manifested by product availability as the fundamental performance indicator of the entire supply chain. Securing the adequate availability level also raises the service quality level in retail stores.

Product Pricing

Price image influences both consumer beliefs and consumer behavior (R. Hamilton & Chernev, 2013)[34]. It will affect how consumers perceive the retailer's price level and how fair prices are. It will also affect store choice, whether the consumer makes a purchase in the store or decides to postpone it in order to check on prices and deals at other stores, as well as the size of the basket on each visit to the store

Product Presentation

Joseph A Weisher (2011)[35] denotes that more merchandise is sold as a result of in-store presentation than all other forms of marketing and advertising. Visual merchandising is governed by the common principles of design, balance, emphasis, proportion, rhythm and harmony. It works on attracting the attention of the customer, creating an interest for the product/service and creating a desire to own the product and then, initiate the decision to make the purchase. The role of visual merchandise largely depends on the type of retail organization and the importance accorded to the role of visual merchandising.

Product Promotion

One implication of this is the strategic need for retailers to adapt to changing consumer preferences, (Corstjens and Doyle, 1983)[36]. In practical terms, a decision not to stock a new range based on initial hostile consumer perceptions may be premature. Retailers may need to use a combination of cues to evaluate the feasibility of a new range such as targeted promotional activity to encourage trial purchase.

Customer Service

Customer service quality is variously described as consisting of friendliness, knowledge of goods sold, ability to give advice, respect and responsiveness without being 'pushy' [Darian, Tucci and Wiman, 2001; Leo and Philippe, 2002)[37]. For the purposes of this study, these last four components are summarized as 'helpfulness'.

Customer Satisfaction

The customer experience concept is growing in importance and relevance, due to its reported influence on customer satisfaction and future consumer behaviour. Prior to 2009, the academic coverage of customer experience literature was sporadic. However, a special issue of the Journal of Retailing (Verhoef *et al.,* 2009)[38] sought to remedy this gap by conceptualizing the customer experience in a retail setting. Other articles develop key characteristics of customer experience, emotions and particularly the relevance of the customer journey (Pullman and Gross, 2004)[39] incorporating cues or touch points (Berry, Carbone and Haeckel, 2002)[40].

Objectives and Hypotheses

The research paper aims to address the following research objectives

To understand the role of category management practices on customer service and customer satisfaction.

To learn the direct influence of category management components on enhanced customer service.

To view the significant influence of enhanced customer service on customer satisfaction.

To know the demographic background of consumers buy from different retail formats during the time of study.

To learn the major categories purchased by consumers in different format of drug stores in the study location.

Hypothesis 1

Product assortment refers to the variety of products that a retailer presents to the consumer. In determining the optimal product assortment, retailers need to decide on product line, breath – the number of product lines or variety offered by the firm – as well s product line depth, the number of categories within a specific product line. The product assortment strategies like number of product lines, width and depth made available to consumers on their demand.

In Hypothesis 1 it is going to be tested that

There is a significant relationship between product assortment strategies on customer service (direct) and satisfaction (indirect)

Hypothesis 2

Product availability in retail stores is often described and analyzed through out-of stock problem (Ettouzani *et al.,* 2012)[41], where the OOS rate was also most frequently used as its basic indicator. Securing the optimum retail product availability rates creates the basic prerequisite for its sale, i.e. for achieving the desired transaction with the customer. Directly affecting sale (Dubelaar *et al.,* 2001)[42]

The hypothesis 2 aims to test that

There is a significant relationship between product availability directly on customer service and indirectly on customer satisfaction

Hypothesis 3

Product presentation evaluates the comfort of locating shopping items, nature of shelf displays and ease of mobility within the store. In addition, shelf space was a key determinant of how retailers present categories because footage is one of the few constants in retailing. It is tested in the following hypothesis

There is a positive and significant relationship between product presentation as category management towards customer service directly and customer satisfaction indirectly

Hypothesis 4

Product Pricing assesses the basket value and application of EDLP tactics within store environment. Largely, retailers frame their pricing strategies on two perspectives:

There is a positive and significant relationship between product pricing on service directly and customer satisfaction indirectly.

Hypothesis 5

Product Promotion – considered different types of promotions, their frequency and their impact on building customer traffic. Promotions are fast becoming quick fixes that excite consumers, but may weaken a retailer's long-term retailing strategy.

There is a positive and significant relationship between product promotion on service directly and customer satisfaction indirectly.

Hypothesis 6

Customer service is any contact between a customer and a retailer before, during and after purchase and is not limited to human interface. From the retailer perspective, it is a process aimed at enabling it to constantly and consistently meet or surpass its customers' needs and expectations at each step – from the time of entering the store (maybe even prior to that through marketing) to the entire process and experience of buying, queuing, billing, after sales service/ returns handling, loyalty programs etc.

There is positive and significant direct relationship between customer services on customer satisfaction.

Kotler *et al.,* (2013)[43], defined customer satisfaction as a person"s feeling of pressure or disappointment that result from comparing a product"s perceived performance or outcome to the expectation. Esmaeili, Manesh, & Golshan, (2013)[44] argues that customer satisfaction as a state of mind where the customers think that the product features are compatible with their personal expectations.

Methodology

This empirical research study based on descriptive research design was undertaken to understand the antecedents of category management practices on enhanced customer services and customer satisfaction among the drug stores at Kanchipuram Town. For this study purpose the drug stores belong to the background of traditional, chain stores, hospital supported drug stores and organized formats were chosen at Kanchipuram Town. The sampling unit for the study was taken from the population of customers who buy from different retail formats of drug stores at kanchipuram town. The sample size 342 was chosen through convenience based. A structured questionnaire was administrated for the study purpose. The questionnaire comprised of two parts. The first part of the questionnaire comprised question about the demographic background of respondents like their age, gender, educational background, occupation and part two comprised questions of type of drug store, frequency of buying and type of medicine and items purchased. The third part of questionnaire comprised questions about category management practices like product assortment, product availability, product pricing, product presentation, product promotion, customer service and customer satisfaction. The questions were made with likert scale from strongly disagree (1), disagree (2), neither disagree nor agree (3), agree (4) and strongly agree (5).

Questionnaire Design

This research paper adopted the questionnaire for the collection of primary data from the consumers based on survey. The aspects like product assortment, product availability, product pricing, product presentation, product promotion, customer service and customer satisfaction (based on 5-pt Likert Scale) where included in the questionnaire. The 5-pt scale was divided into strongly disagree (1), Disagree (2), Neither Agree nor disagree (3), Agree (4) and strongly agree (5). The aspect related category management practices (product assortment, product availability,

product pricing, product presentation and product promotion) were taken as exogenous variables in order to measure the enhance service and customer satisfaction for this study work.

Research Model

This research paper tested a tentative model which consist of three variables namely category management practices (product assortment, product availability, product pricing, product presentation and product promotion), customer service and customer satisfaction. The category management practices related aspects were taken as exogenous constructs with measured items. Customer service and customer satisfaction were taken as endogenous constructs with measured items. The following fig (1) depicts the tentative theoretical model tested.

Category Management Attributes

Fig (1): Research Model
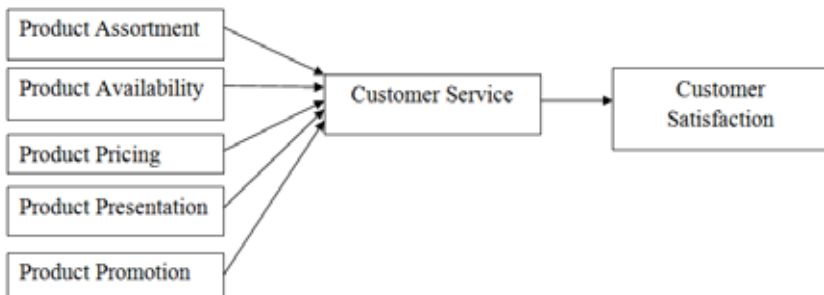
Measurement Method

The purpose of this study was to test and explore the relationship among category management practices, customer service and customer satisfaction in drug stores at Kanchipuram Town. In order to fulfill this goal, it applied quantitative analysis through Structural Equation Modeling. The data analysis process consists of three part including (1) item generation and selection, (2) item reduction and dimensionality, (3) testing the structural model. The aim of stage one is to generate scaled items for the dimensionality of category management practices, customer service and customer satisfaction. In this study, all of the items were conducted with items in previous study having cronbach alpha more than 0.7. Category management practices have five dimensions using items including (a) product assortment (b) product availability (c) product presentation (d) product pricing and (e) product promotion. Variables of customer service and customer satisfaction were measured by multiple items respectively. To sum up, this study used items in questionnaire. In the second stage, all items will be checked by using validity and reliability analyses. If there any items with scores of corrected item correlation <0.6 and Cronbach Alpha <0.7, they should be deleted. For the last stage, all variables are tested using AMOS 17.0 version to confirm a tentative model. In order to analyze GOF of this model, this study applied Kline's (1998)[45], Hu and Bentler (1999)[46] and McDonald and Ho (2002)[47] recommendation including CFI,

IFI, NNFI and SRMR. It also applied summated scales for each dimension where the separated variables are summed and then their average scores are for analysis (Hair *et al.*, 2006)[48]

Measures

The purpose of the reliability testing was to examine the properties of measurement scales and the items in order to obtain the overall index of internal consistency of the scales [Hair *et al.,* (2006)][48.] Cronbach's alpha is the most common measure of internal consistency ("reliability") .It is most commonly used when multiple Likert questions are used in the survey questionnaire that form a scale and to determine if the scale is reliable.

SEM, a combination of statistical techniques including factor analysis, regression and path analysis, was employed because of its distinct capacity in estimating error variances from complicated measurement components and their structures, ideal for theory testing and development as a whole. SEM was used to test the measurement and structural models of all hypothesized relations among constructs. The causal relationships among the constructs would be determined after the hypothesis testing by using SEM. Evaluation for goodness-of-fit of the hypothesized model involved examining the following criteria: absolute fit measurement, incremental fit measurement and parsimonious fit measurement .The hypothesized model comprising four exogenous variables (Product assortment, product availability, product pricing, product presentation and product promotion) and two endogenous variables (customer service and customer satisfaction) were tested by Structural Equation Modeling using AMOS 17.

Structural Equation Model

As a series of interrelationship (between category management practices by drug store retailers, customer service and customer satisfaction) were to be explored and tested, SEM was treated as an appropriate data analysis tool. In connection to that, the primary research objective was to explore and test the magnitude of category management related attributes (product assortment, availability, pricing, promotion, presentation), customer service and customer satisfaction. According to Hair *et al.,* SEM is a suitable statistical technique for establishing and understanding type of relationship between exogenous construct and endogenous construct.

Table 1: Descriptive Statistics, Reliability and Correlation Matrix

CON-STRUCTS	MEAN	S.D	CRON-BACH'S α	PAS	PAL	PP	PR	PPR	CS	CST
PAS	3.7368	1.02412	.919	I	-	-	-	-	-	-
PAL	3.8070	.93576	.869	-.021	I	-	-	-	-	
pp	3.3840	.95893	.845	-.004	.044	I	-	-	-	-
PR	3.4776	.92183	.923	-.035	-.031	.103**	I	-	-	-
PPR	3.7244	.94141	.886	.129***	-.042	-.013	.020	I	-	-
CS	3.8406	.91871	.933	-.016	.082	.064	-.003	.276***	I	-
CST	3.8173	.94952	.937	.472***	.007	-.076	-.050	.073	.013	I

Results and Discussions

Table 2: Demographic Background of Respondents

Sl. No	Attribute	Category	No. of Respondents	Percentage to Total
1		BELOW 25	34	9.94
2		26-35	65	19
3		36-45	77	22.51
4	Age	46-55	80	23.39
5		56 & ABOVE	86	25.14
1	Gender	Male	212	61.99
2		Female	130	38.01
1		Below Graduation	76	22.22
2		Graduation	54	15.78
	Educational Background	Post Graduation	49	14.33
		Others	163	47.67
1		Local	290	84.79
2	Status of Residence	Non Local	40	11.69
3		Others	12	3.51
1		BELOW 20000	181	52.92
2		21000-30000	54	15.78
3	Monthly income	31000-40000	75	21.93
4		ABOVE 40000	32	9.356
		Govt. Employment	72	21.05
	Occupational Background	Private Employment	97	28.36
		Business/Trade	64	18.71
		Others	109	31.87
	Total		**342**	**100**

Source: Computed Primary Data

Table 2 describes the personal profile of respondents. The respondents who shared their responses for the study shows that 25.14 percent of them are above the age background of 56 and 61.99 percent are male. In terms of their educational background 22.22 percent of below graduation level participated in the study. 84.79 percent of local buyers have considered for the study and almost 12 percent of participants are non local (visitors, tourist and so on). The income of category of below Rs.20,000/- around 52.92 percent were major participants in the study. In terms of occupational background away from employed background 31.87 percent of others like housewives, students, self employed are given major participation.

Table 3: Buying Background

Sl. No	Attribute	Category	No. of Respondents	Percentage to Total
1		Daily	21	6.140
2		Weekly	85	24.85
3	Frequency of Buying	Monthly	96	28.07
4		On Requirement	140	40.93
1		Neighborhood shops	117	34.21
2	Place of Buying	Reputed Drug Stores	156	45.61
3		Drug stores attached with hospitals	45	13.15
4		Organized shops (Branded shops)_	24	7.02
1		Only Drugs	165	48.24
2		Drugs and personal care items	42	12.28
3	Buying Categories	Only personal care and health care items	53	15.49
4		Drugs, health care and personal care items	64	18.71
5		All the above	18	5.263
1		Cash Purchase	56	16.37
2		Credit Purchase	37	10.82
3	Mode of Buying	Purchase through cards	105	30.70
4		Purchase through loyalty points	92	26.90
5		All the above	52	15.20
		Total	**342**	**100**

Source : Computed Primary Data

Table 3 portraits buying background of buyers/customers/users. In terms of frequency of buying, according to their respondents it is understood that 40.93 percent do purchase on requirements compare to 6.14 percent of daily purchase. 45.61 percent do purchases in the reputed shops compare to 7.02 percent of organized retail shops (branded shops like Apollo, metplus, health and glow and so on). Regarding the items or categories do they buy shows that 48.24 percent purchases only drugs against 5.263 percent buys all the categories includes drugs and care items. Regarding the mode of buying, 26.90 percent induces to buy through credit point schemes and 10.82 prefers credit/debit card purchases.

Confirming the Measurement Model Using CFA

After validation of the measurement instrument was satisfied, the results of the Confirmatory Factor Analysis (CFA) using AMOS 17 was used to evaluate the model fit of the measurement model to confirm the hypothesized structure.

Measurement Model

The measurement model shown in figure 2 comprises of five factors. Each factor is measured by a minimum of three to a maximum of five observed variables, the reliability of which is influenced by random measurement error, as indicated by the associated error term. Each of these observed variables is regressed into its respective factor. Finally all the five factors are shown to be inter-correlated.
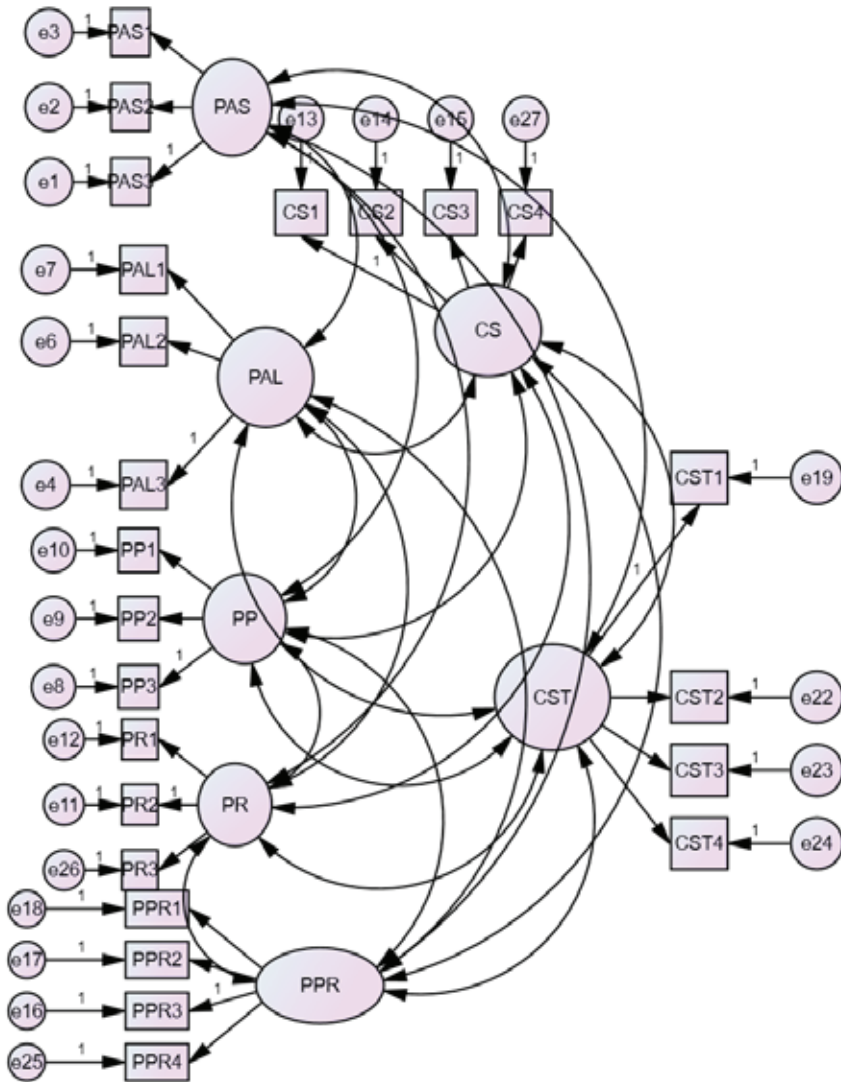
Figure 2

Table 4: Computation of Degrees of Freedom

Number of distinct sample moments	300
Number of distinct parameters to be estimated	69
Degrees of freedom (300-69)	231

The proposed model in this study is an over-identified model with positive degrees of freedom () as shown in Table 3 drawn from the AMOS output. In this model there are distinct sample moments (i.e., pieces of information) from which to compute the estimates of the default model and 54 distinct parameters to be estimated, leaving degrees of freedom, which is positive (greater than zero). Hence the model is an over identified one.

Table 5: Fit Indices of the Measurement Model

Fit Statistic	Recommended	Obtained
x^2	-	438.125
Df	-	231
x^2 significance	$p \leq 0.05$	.000
x^2/df	$\leq 2- 5.0$	1.897
GFI	≥ 0.90	.912
AGFI	>0.80	.885
NFI	≥ 0.90	.919
RFI	≥ 0.90	.903
CFI	≥ 0.95	.963
TLI	≥ 0.90	.956
RMSEA	≤ 0.08	.047

Source: Hair *et al.,* (1998, 2010), Hu and Bentler (1999), Byrne (2001, 2010) and Ernest *et al.,* (2008).

Goodness of Fit attributes (GFI) obtained is 0.912 as against the recommended value of above 0.90. Adjusted Goodness of Fit attributes (AGFI) obtained is 0.885 as against the recommended value of above 0.80. The Normed fit Attributes (NFI), Comparative Fit attributes (CFI), Tucker Lewis Attributes (TLI) are respectively as .919,.963,.956 against the recommended level of above 0.90.

RMSEA is below the recommended limit of 0.08 at 0.050. This can be interpreted as meaning that the model explains the correlation to within an average error of 0.050 (Stieger, 1990)[49]. Hence the model shows an overall acceptable fit. The model is an over identified model.

The confirmatory factor analysis showed an acceptable overall model fit and hence, the theorized model fit well with the observed data**.** It can be concluded that the hypothesized five factor CFA model fits the sample data very well.

Structural Equation Modeling

In SEM Exogenous are correlated each other. There are three exogenous variable namely product assortment, availability, pricing, promotion and presentation. There are two endogenous variables in the path diagram namely customer service and customer satisfaction. In SEM Endogenous variable should have error terms. So there are two error terms namely 29 and 30. Endogenous variable are influenced by the exogenous variables in the model, either directly or indirectly.

Analysis of Structural Model

The results of the theoretical structural model indicated that the chi-square of with degree of freedom was statistically significant at p<0.05, indicating an inappropriate fit. However, it has been stated that the chi square is highly sensitive to sample size and usually suggests a poor fit with large sample sizes (Byrne, 2001). Other fit statistics were within the acceptable values (χ^2/df =1.755; GFI=.912; AGFI=.885; NFI=.919; CFI=.963; TLI=.956; RFI=; RMSEA =.047). Overall, the fit statistics indicated a high fit between the data and the theoretical model.

Figure 3
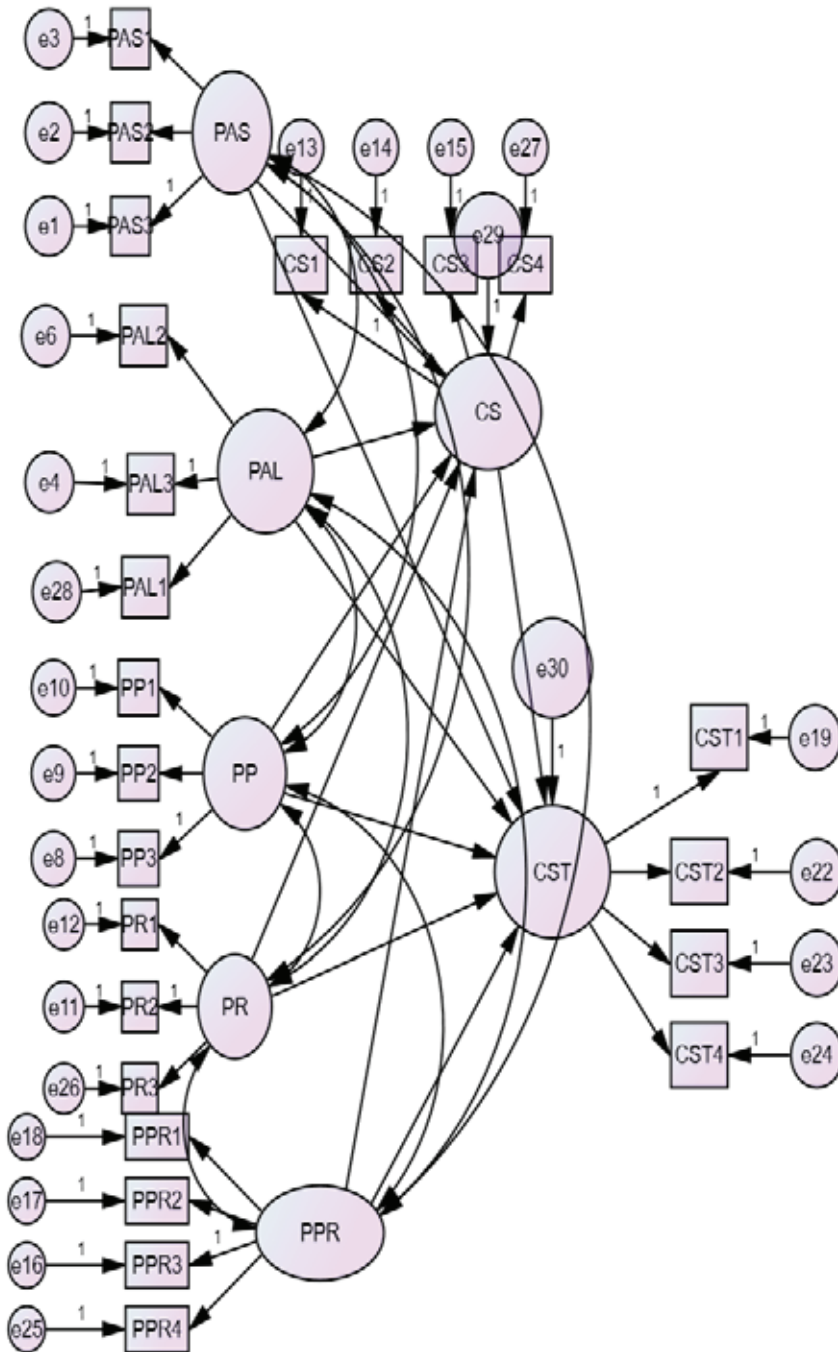
Table 6

Hypotheses	Paths	Standard-ized (β)	S.e	C.r. (t)	P	Result
H_1 : There is a significant direct effect of product assortment on customer service	CS←PAS	-.039	.053	-.722	.470	Not Supported
H_2 : There is a significant direct effect of product availability on customer service	CS←PAL	.108	0.60	1.802	**	Supported
H_3 : There is a significant direct effect of product pricing on customer service	CS←PP	.073	.071	1.027	.304	Not Supported
H_4 : There is a significant direct effect of product presentation on customer service	CS←PR	-.028	.079	-.352	.725	Not Supported
H_5 : There is a significant direct effect of product promotion on customer service	CS←PPR	.377	.068	5.509	***	Supported
H6 : There is a significant indirect effect of product assortment on customer satisfaction	CST←PAS	.433	.051	8.452	***	Supported
$H7_7$: There is a significant indirect effect of product availability on customer satisfaction	CST←PAL	.011	.053	.211	.833	Not Supported
H8: There is a significant indirect effect of product pricing on customer satisfaction	CST←PP	-.117	.063	-1.852	**	Supported
H9: There is a significant indirect effect of product presentation on customer satisfaction	CST←PR	-.013	.069	-.194	.846	Not Supported
H10: There is a significant indirect effect of product promotion on customer satisfaction	CST←PPR	.006	.060	.093	.926	Not Supported
H11: There is a significant direct effect of customer service on customer satisfaction	CST←CS	1.031	.100	10.259	***	Supported

***Effect are significant at p<0.05
**Effect are significant at p<0.1

Conclusion

Category management is the strategically dominated process in present day retailing scenario. It is the tool employed by retailers as the part of merchandise planning and management. The growth of retailing formats and thrive competition of digital retailing stimulus the retailers to effectively manage and execute category planning to enhance its service domain to the customer for their satisfaction and retention. In this aspect, this paper examined the influence of category management on customer enhanced services and customer satisfaction. The outcome of study reveals that in the pharmaceutical retailing, the influence of product availability and product promotion under category management influence the customer service directly and it is also concluded that the indirect effect of product assort, availability and pricing on customer satisfaction are significant. The study also inclines that the direct effect of customer service on customer satisfaction is significant in pharmaceutical retailing.

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Sales Leadership Styles and Sales Performance

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Abstract

Sales Leadership style is a prime factor of predicting the performance of the sales people. This study investigates the effect of various sales leadership styles on sales performance, based on previous conceptual and empirical research developments. The objective of the study is to synthesise the studies on effect of different sales leadership styles on sales performance and to suggest a model for effective sales leadership. The methodology of this study is by reviewing the empirical and conceptual studies on various sales leadership styles and its effect on sales performance. The literature provides support that while the leadership qualities like fair reward structure, charisma, intellectual stimulation, individualized consideration, genuineness and trust, sincere concern for welfare of subordinates, efficient structural patterns of distributed leadership within teams and moreover, the selection and application of the suitable leadership approach in a suitable situation, significantly influence the better sales performance, withdrawal behaviour, role ambiguity, unfair reward structure, avoidant and less rational in their decision making, high task and low relationship of situational leadership approach influence negatively on sales performance.

Keywords: Leadership, Sales Leadership, Sales Performance

Introduction

There has been an everlasting growing interest in leadership(Bernard M. Bass, 1997). Every day the world discuss the instances of successful leadership, as well as substantial failure of leadership. Changing business environments, customer requirements, fast shifting technology, globalization of competitors and complex nature of business require intensive marketing strategies which can be fulfilled by developing perfect sales management strategies. Effective sales force is the key factor in the long term success of any organization. As selling teams are the crucial requisite for executing business strategy, the sales leadership also has emerged as a critical factor to the effectiveness of sales force as sales managers can intensively influence on their sales subordinates. Based upon the leadership approach, sales

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managers can have a dramatic and encouraging effect on salesperson's job related responses like sales performance, job satisfaction, motivation and commitment. Most of the firms are trying to develop effective sales strategies and focus on increasing the sales performance. Despite these efforts, many of the companies are regularly reported fail to achieve the targets on long term race. Developing effective sales mangers is especially important in today's sales environment. Some sales organizations see the sales leadership and manager – subordinates relationship as a key factor for performance and survival. Research evidence also suggest the importance of leadership training and assuring the effective relationships with sales persons. Thus, an emphasis on sales management and leadership can help sales organizations increase the performance and generate profits, maintain long term relationships among various partners in the sales process.

The purpose of this study is to present a model and discuss important strategies for developing sales leadership for optimizing the performance of salespeople. This study focuses on the effect of various sales leadership approaches on performance of sales persons. After synthesizing previous sales leadership and sale performance research, a conceptual model is introduced and its major constructs and relationships discussed. This study is concluded with the suggestions for future research and important managerial implications for sales organizations regarding leadership and sales performance.

Research Methodology

The objectives of the study are to synthesis the literature on effect of different leadership styles on sales performance and to reflect on and develop a theoretical model of effective leadership approach for sales performance. This study was drawn upon extensive review of both conceptual and empirical research developments on leadership and sales performance. A wealth of theoretical studies (Buzzotta & Lefton, 1982; Yammarino & Francis, 2016; Churchill, Ford, & Walker, 1979; Doyle, Pignatelli & Florman, 1985; B. M. Bass, 1991; Sliter, Sliter & Jex, 2012; Ahearne, Mathieu & Rapp, 2005; Bernard M. Bass & Steidlmeier, 1999) and empirical evidence (Busch, 1980; Butler & Reese, 1991; Hite & Bellizzi, 1986; Tanner & Castleberry, 1990; Hampton, Dubinsky & Skinner, 1986; Teas, 1983; Tyagi, 1982; Ramaswami, Agarwal & Bhargava, 1993; Jaworski & Kohli, 1991; Futrell, Lamb & Swan, 1977; Dubinsky, Childers, Skinner & Gencturk, 1988; Childers, Dubinsky & Skinner, 1990; McCall Morgan W., 1986; Bernard M. Bass, 1997; Gardner, Avolio, Luthans, May & Walumbwa, 2005) supports the important role of leadership in sales management. Based on the analysis of the literature, the study suggests the best leadership approaches which offers sustainable sales performance and managerial implications for effective management of the sales force.

Overview of the Theoretical Model

The authors suggest that sales performance which has the antecedents like role conflict, role ambiguity, role overload, burnout, dispositional traits, personal concerns, cognitive aptitude, interpersonal degree of adaptiveness, selling related knowledge, cognitive choice, goal orientation, motivated behaviours, biographical, external environment, internal environment and supervisory leadership,

is significantly influenced by leadership approaches like transformational, transactional, laissez faire, situational, servant, distributed and authentic leadership styles. We propose that sales leaders – who possess a deep understanding of their leadership skills, desirable leadership approach according to the sales context and have dynamic skill to lead with desirable leadership qualities and behave according to the expectation of the sales people-will be able to influence the sales people for assuring increased sales performance, than who possess a single leadership style. The theoretical model presents that although conceptually distinct, the leadership styles are not mutually exclusive and the inclusive approach of applying most desirable qualities of various leadership styles can influence the sales force to make sustainable sales performance.

Leadership Approaches

Leadership involves the ability and capacity to influence others (Bass 1990). The research on leadership has evolved through several phases from trait theory to contingent and authentic leadership theories. The early leadership theory was based on trait approach which focused the physical traits and characteristics of leaders. Later the focus was shifted toward the differences in behavioural approaches and styles of leaders, rather than focusing on personal characteristics. The latest researchers suggested that the outcome of leadership is contingent on the situation that the situational variables moderate the effectiveness of the leadership styles.

The researches on leadership styles can be distinguished as task oriented leadership style which is defined as the prime focus of the leader is on accomplishing the assigned job and interpersonally oriented style which is defined as the prime concern of the leader is on assuring welfare and morale of the subordinates to maintain interpersonal relationships (Hemphill & Coons, 1957). Followed the earlier studies, Vroom & Jago (1978) distinguished the leadership approach based on the participation of the subordinates in decision making as democratic / participative approach who permits subordinates to involve in decision making and autocratic/directive who discourages subordinates to involve in decision making. Further research on leadership advanced to find out new styles of leadership namely; transformational, transactional and laissez faire(House & Howell, 1992 ;B. M Bass, 1985). Transformational leaders have a long-term perspective than focusing on short term merits of employees or organizations. Transformational leadership is comprised of three components; charisma, intellectual stimulation, and individualized consideration. B. M Bass(1985), Gardner & Avolio (1998) and Yammarino, Dionne, Schriesheim & Dansereau (2008)juxtaposed the transformational leadership with transactional leadership which identify and elucidate to followers their tasks and clarify them the process for successful completion of the tasks to receive desirable rewards. Transactional leadership has two components; management by exception and the endowment of rewards or punishments according the performance of the subordinate to maximize the performance of the follower. In contrast to both approaches, Laissez-faire leadership style was also identified by researchers (B. M Bass, 1985; Walumbwa, Avolio, Gardner, Wernsing & Peterson, 2008) in which leaders allow group members to make the decisions and to act accordingly. Usually, Laissez faire leader is relatively insignificant, unconcerned, often absent, and non-persuasive (B. M. Bass, 1991).

The contemporary leadership theories include contingency leadership theory which was developed by researchers like Fiedler (1978); Podsakoff, Todor, & Skov(1982) & Hickson, Hinings, Lee, Schneck, & Pennings (1971), which claims that there is no best way to lead and to make decisions; Instead, the best way of act is contingent upon the internal and external situation and applying effectively the appropriate approach according to the right situation. Greenleaf *et. al.,* (1977) developed the servant leadership approach in which, in contrast to other leader – follower relationship approaches, the leader exists to serve the people. The servant leadership includes three prime priorities; developing subordinates, team building and achieving goal, three main principles; serve, persuade and empower and three main practices; listening, delegating and connecting subordinates to objectives (Hu & Liden, 2011). Other major leadership theories are shared leadership theory and authentic leadership theory. Shared leadership theory allocates leadership responsibility among the group members, such that people within a team and organization lead each other, and has been related to horizontal leadership, distributed leadership, and collective leadership and is contrasted with vertical leadership that focuses on concentration of power in individuals (Yukl, 1989). Authentic leadership is a pattern of leader behaviour that draws upon and promotes both positive psychological capacities and a positive ethical climate, to foster greater self-awareness, an internalized moral perspective, balanced processing of information, and relational transparency on the part of leaders working with followers, fostering positive self-development (Walumbwa *et. al.,* 2008), and the concept of authentic leadership includes four dimensions; namely Balanced processing, internalized moral perspective, relational transparency, and self-awareness (Walumbwa *et. al.,* 2008).

Sales Leadership

Leadership and selling are both forms of influence (B. M Bass, 1985). Both have many common features like both effort for mutual satisfaction, consist of attitude of persuasion, participative discussion and a consensual decision, convincing, transaction and exchange of benefits which are mutually agreed-upon. Sales leadership are the activities of those in a sales organization that inspire others to achieve common goals for the combined worthiness of the organization (Ingram, La Forge, Locander, Mac Kenzie & Podsakoff, 2005). Even though the constructs, sales leadership and sales management are frequently used interchangeably in sale literature, they are exactly different. Sales leadership has broader perspective, long time focus and larger follower attention than sales management (Ingram et al., 2005). Sales management is more precise than sales leadership. While the sales management focuses on 'getting things done, rightly', the sales leader focus on 'choosing the right path for right things' which includes developing vision, strategic decisions, organizational culture, values and structure, dealing with internal and external environment and inspiring all participants of sales process. (Ingram, LaForge, & Schwepker, 2007).

Effect of Sales Leadership on Sales Performance

From years, the sales researchers have tried to identify the antecedents of sales performance. In a very significant study of sales research, Churchill, Ford,

Hartley, & Walker (1985)indicated the determinants of sales performance as selling-related knowledge, degree of adaptiveness, role ambiguity, cognitive aptitude and work engagement. Verbeke, Dietz & Verwaal (2010) explained those factors more elaborately as role conflict, role ambiguity, role overload, burnout, dispositional traits, personal concerns, cognitive aptitude, interpersonal degree of adaptiveness, selling related knowledge, cognitive choice, goal orientation, motivated behaviours, biographical, external environment, internal environment and supervisory leadership. A large number of research on sales leadership has investigated the relationships between different leadership styles and sales outcomes. Sales leadership researchers (Jaramillo, Grisaffe, Chonko, & Roberts, 2009; Ingram *et. al.,* 2005; MacKenzie, Podsakoff & Rich, 2001) have substantiated sales manager's actions can considerably influence sales force performance and identified directly and indirectly influencing factors on the performance of the sales people. Researchers also studied various direct effects of sales leadership on sales performance(Hampton *et. al.,* 1986; Butler Jr & Reese, 1991 ;Russ et al., 2018; Yammarino & Francis, 2016; Dubinsky, Yammarino, Jolson, William, & Taylor, 2017; Bernard M. Bass, 1997; Brown, 2014; Gang Wang, Oh, Courtright, & Colbert, 2011; Jaramillo *et. al.,* 2009; Ahearne *et. al.,* 2005; Shannahan, Bush, & Shannahan, 2013 & Flaherty, Mowen, Brown & Marshall, 2009) and indirect effects of sales leadership on sales performance like psychological climate and empowerment (Martin & Bush, 2006), trust and job satisfaction (Rich, 1997), employee creativity (Jia-Chi, Jiing-sLih, & Yaping, 2016) and fiscal outcomes (Barling, Slater & Kelloway, 2000).

Gang Wang *et. al.,* (2011)submitted that a transformational leadership style has significant impact on shaping employee attitudes and role perceptions and is highly correlated with sales performance than transactional leadership style. Martin & Bush, (2006), Dubinsky *et. al.,* (2017) & Shamir B., House R.J.(1993) opined that transformational leaders aware the subordinated the importance of the tasks which are assigned on them and provide the opportunity to learn and grow and found the transformational leaders align the efforts of sales persons with a cooperative character, increasing the intrinsic value of the work, consequently, transformational leaders stimulate psychological empowerment in their subordinates. B. M Bass (1985) suggested that transformational leaders have a strong sense of self-determination and follow innovative and creative methods for successful accomplishment of the jobs which motivates the sales persons to work with sense of freedom, role clarity and determination. As well, Futrell *et. al.,* (1977) also observed that the cooperative approach of leaders improves the sales skills and job satisfaction. In a study to investigate the importance of both the sales manager's charismatic behavoiur and the salesperson's trust in the manager in the salesperson performance, Rich (1997) observed that the effective leaders express the inspiring qualities of their behaviour and dedication towards the job to be the role models of the sales persons instead of ordering and monitoring them and proved that sales manager's role-modelling behaviour is significantly related to trust, performance and satisfaction of the sales people. Similarly, Jia-Chi et al. (2016) also found that employee learning orientation and transformational leadership were significantly related to employee creativity.

Barling *et. al.,* (2000) observed the effectiveness of training managers in transformational leadership which showed that the subordinates of managers

receiving training perceived the increased intellectual stimulation, charisma, consideration of the trained managers which positively related to the better sales person's organizational commitment and performance. Shannahan *et. al.,* (2013) found that sales performance is highest when salespeople are highly coachable, highly competitive, and under transformational leadership. Results also suggest that salesperson coachabilityfully mediates the relationship between transformational leadership and sales performance and partially mediates the relationship between salesperson trait competitiveness and sales performance. Brown (2014) developed a model which illustrates that personal/social competencies, motivation and empathy are positively related to transformational leadership style, which improves the performance of the sales persons. Even though, transactional leadership qualities like confines of rules, policies and procedures,is negatively related to motivation and charisma, the contingent-reward positively correlate to effective sales performance. Martin & Bush (2006)proposed three variables of customer oriented selling; (a) a salesperson's empowerment perceptions, (b) transformational leadership principles, (c) a sales person's psychological climate aspects of support, autonomy, and cohesion and indicated the strong impact of transformational leadership on customer-oriented selling.

A large number of sales researchers (Jaworski & Kohli, 1991 ;Teas, 1983; MacKenzie *et. al.,* 2001 & Bernard M. Bass, 1997) indicate that the qualities of transactional leadership like contingent reward behaviour and positive approach have significant effects on performance and satisfaction of the sales persons. A study of Dubinsky *et. al.,* (2017) to analyse the comparative performance of transformational and transactional leadership styles, substantiated that even though, transformational leadership was significantly related to some work outcomes like job satisfaction, commitment, role conflict, role ambiguity, job stress, burnout, salesperson extra effort and performance, this relationships don't exceed the corresponding relationships between transactional leadership and the same work outcomes. Russ *et. al.,* (2018) submitted that first level sales managers have very important role in selling and thy are the vital link between strategy makers and the sales force in the field and found that, while well performing managers shows transactional and transformational leadership qualities, poor performing managers are avoidant and less rational in their decision making. Russ *et. al.,* (2018) also explained that although there is a high level of correlation between transactional and transformational leadership and both managers may highly influence their subordinates, the transactional leaders who rewards the sales people fairly and justly without intervening in their lives unless they need the help, are better performers than the transformational leaders. Dubinsky *et. al.,* (2017) indicated that laissez-faire leadership has minimal and damaging effect on salespeople's performance, role clarity, organizational commitment and job satisfaction. Similarly, Hampton et al. (1986) found that Consideration of a sales manager who is supportive and friendly appears to be negatively associated with role conflict and ambiguity.

Mehra, Smith, Dixon & Robertson (2006) suggested that efficient structural patterns of distributed leadership within teams can make effective consequences in sales management. (Clapp-Smith, Vogelgesang & Avey, (2009) supported that authentic leadership is also significantly correlated with performance and trust of the followers who believe and trust in the genuineness of the leaders. Suggesting

the shared leadership mechanism within the organizations, Perry et al.(2018) developed a model of selling team efficiency where characteristics of members of the team, and vertical leadership, effect on shared leadership and shared leadership indirectly and directly influence selling team effectiveness. Likewise, Butler Jr & Reese (1991) too suggested that the situational leadership model which advocates suitable leadership approaches to given different situations that a leader might encounter,correlate significantly with group performance and goal attainment of sales people, although Butler & Reese (1991) noted that high task and low relationship of situational leadership behaviour influences negatively on sales performance. Jaramillo *et. al.,* (2009) supported the servant leadership style for effective sales performance that he suggested the servant leadership which focuses on sincere concern for welfare of subordinates and selfless underlying motivation, is highly effective for sales persons' motivation and performance. In his study the influence of sales leaders' initiating structure and consideration behaviour on sales persons attitudes and performance, Dubinsky *et. al.,* (1988)found that sales persons have lower role conflict and role ambiguity and higher level of satisfaction when their supervisors exhibit higher levels of consideration and initiating structure. Jaworski & Kohli (1991) found that the encouraging behaviour of the leaders providing positive feedback to their salespeople rather than stressing deficient performances improves the performance of the sales people. Similarly Teas (1983) indicated while organizational communication, leader consideration, and leader initiation of structure are significant predictors of sales force job satisfaction, withdrawal behaviour, avoidant and less rational in leader's decision making are predictors of sales force dissatisfaction and low performance.

Discussion

This study which relates the different aspects of leadership styles and its effect on sales performance is very useful for sales researchers and practitioners who are interested in links between leadership styles and sales performance. This study identifies, consistent with B. M Bass (1985) that although conceptually distinct, the leadership styles are not mutually exclusive and the inclusive approach of qualities of various leadership styles can influence the sales force to make sustainable performance. Even though most of the studies focused on any particular model, most of them suggested the need of inclusive approach of leadership qualities towards sales performance.

This study breakdowns the myth of the single leadership style for all problems, suggesting that job satisfaction, greater commitment, and improved performance are predicted by different leadership approaches based on reward structure, charisma, intellectual stimulation, individualized consideration, genuineness, sincere concern for welfare of subordinates and efficient structural patterns of distributed leadership within teams. Moreover the selection and application of the suitable leadership approach in a suitable situation is more important for assuring leadership effectiveness for optimum sales performance. This study also identifies the knockbacks of particular leadership styles towards sales performance. The adverse effects of transactional leadership like extreme time pressures, unjust performance appraisal systems, biased reward systems, unexperienced managerial applications and lack of personal relationships and role modelling behaviour negatively influence the sales performance. in particular to the context of sales

performance, few drawbacks of solely applying the transformational leadership also were noticed that sales executives are not much influenced by the charisma or role modelling aspect of transformational leadership, due the particular nature of the sales job which requires sales persons most of the time to stay away from the manager, to spend least time within the organization and is highly stimulated towards exchanges like rewards and promotions.

Managerial Implications

To manage the sales force effectively, strategies and policies have to be evolved considering the unique nature of the sales context and appraising the positive effects of various leadership approaches. Failure to accept those objectives likely will lead to conflict, hazardous to performance and working at cross purposes. In addition, sales managers need to be communicated and trained on the sales organization's goals and appropriate leadership approaches towards the sales force to assure the optimum effectiveness in the sales force performance. In addition, sales managers should be selected and promoted for complex assignments based on their skill and ability to adopt various leadership skills and approaches to identify the needs of their salespersons and to lead them to achieve valued organizational rewards. In many sales organizations, selection of sales executives to be sales managers is based on the use of sales-related criteria; a sales man's performance may predict managerial performance in some selling situations, but there is much evidence that well performed sales people failed as managers due to lack of proper training and ability to perceive the expectation of the subordinates in the sales context.

Conclusion

Our research suggests that the application the various combination of suitable leadership qualities is a predictor of sales performance than adopting any specific leadership style. Although the study has submitted an inclusive of model of various leadership approaches based conceptual validations, further research is suggested to provide empirical validation for generalizations in different situations. Furthermore, it's suggested to identify more effective leadership qualities among selected leadership qualities in order to help, select and train sales managers to be more effective sales leaders.

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