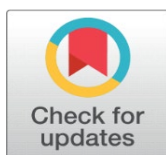
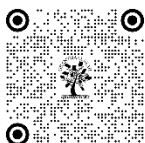


RELEVANCE OF STATUS NEEDS FOR ENCOURAGING CUSTOMERS RESPONSE: A STUDY FROM RETAILER'S PERSPECTIVES

Judith Gomes ¹, Namrata Gain ²

¹ Department of Management, Bhilai Institute of Technology, Durg, Chhattisgarh, India

² Department of Management, Bharti Vishwavidyalaya, Durg, Chhattisgarh, India



Corresponding Author

Judith Gomes,
judith.gomes@bitdurg.ac.in

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ABSTRACT

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

Keywords: Survival, Shopping Environment, Customer Records, Retailers, Motivation, Etc.

1. INTRODUCTION

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

According to Pinder (1998), motivation is the behavior that willingly affects direction, intensiveness and determination of individual within themselves. Direction is the manner of putting effort by people. This shows effort of people

depends upon their choice. Similarly, Intensity is termed as people's effort linked to each goal. Therefore, the level where people involve themselves to complete task is intensiveness.

Determination refers to the element representing the effort made for a time period. However, Challenge for management is to find out behaviour of people individually and in group for managed effort in work place as well as to understand its effect on various motivation systems. As per Tordes et al, "Motivation doesn't depend upon techniques but on its ability to manage it". Motives refer to individual's consciousness of mind towards their goal achievement by referring their needs, wants or desires and constraints or decisions. (Hersey and Blanchard, 1977).

Sub consciousness in Motivation depends upon people mental ability when they don't know what they want, which shows the significance of sub consciousness, discovered by Freud. Only money does not motivate employees, there are some other factors based on behavior and attitudes of employees also (Dickson, 1973). Objective of research is draw attention to the significance of different factors in motivating consumers in retailing unit.

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

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

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

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

2. CATEGORIZATION AND MODEL DEVELOPMENT FOR MOTIVATION TECHNIQUES USED BY RETAILERS

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

This study summarizes two objectives, mainly:

- 1) To classify needs, according to the major needs, various types of services provided by retailers.

- 2) To validate the Research Model using empirical data of the retailer consumer's selections of motivational services.

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

Table 1

| Table 1 Mapping of Motivating Variables | |
|---|----------------------------------|
| Retailer Needs | Motivating Variables of Retailer |
| Status Needs | Social Reciprocity |
| | Shopping Enjoyment |

3. STATUS NEEDS FOR RETAILERS

Status needs refers to level of security, belonging, and respect. Social Reciprocity in behavior and enjoyment while shopping are key factors associated to relatedness needs to study consumer behavior.

- **Social Reciprocity**

Societal reciprocity is essential to work with others, stated in Social Exchange theory. To get future reciprocity returns people engage themselves socially with feelings of getting obliged, appreciation and trustworthiness. Chiu, C. et al (1872-88), Bock, G. W. et al (2005), Kankanhalli et al. and Wasko, M. M., and Faraj, S. (2000) they all explains that reciprocity is a vital motivator that is compliance to individual for flexibility, knowledge, reciprocal relationship management and sharing of knowledge. Various researches also recommends that individuals involves in such activities reciprocate growth they gathered and carry forward it to others, the feelings of joy and satisfaction (Lin, H.F(2007), Wasko, M. M., and Faraj, S (2000) and Wasko, M.M. and Faraj, S (2005)). Hence, we can estimate that reciprocity in retailing store can increase consumer buying behavior by maintaining relations, taking feedback and better after sales services.

- **Shopping Enjoyment**

According to Wells & Tigert (1971), People are interested in areas related to their job, family, fashion, home, culture, food, achievements and media. Consumers those shop frequently enjoy social events and keep their family and friends in touch, as per Crask and Reynolds (1978). They visit museums, art galleries and exhibitions to show their interests in cultures. Crask & Reynolds, (1978) explains that, people enjoy by reading magazines related to fashion, to listen music and get informed themselves about western cultures. Customers in departmental stores are more concerned to hygiene, visual effect and health. According to Wells & Tigert, (1971), Activities refers to socially associated events, hobbies and interest, work, entertainment, membership clubs, vacation, societal associations, sports, and shopping. Researchers found that consumers had participated in sports events, entertained their friends, went on vacations frequently and participated on societal projects (Crask and Reynolds (1978)). Those people who are attached with their societies emotionally shop locally, founded by Miller, Schofield-Tomschin, and Kim (1998). Bellenger et al., (1976), Female consumers participate more actively in

organizations related to social, society, clubs, somewhat organizations related to business. It was founded that those are not enjoying shopping they indulge themselves in other activities like sewing, cooking food and reading (Bellenger, Robertson, and Greenberg (1977)). Bellenger et al., (1977) said that various researches featured that in spare time consumers enjoy shopping and entertain guests in their home.

Figure 1

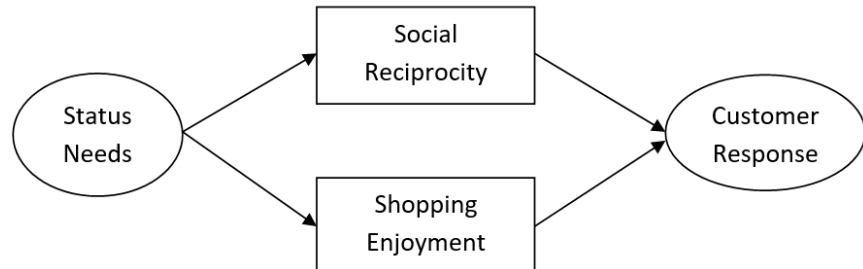


Figure 1 Proposed Model of Retailer's Survival

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

4. METHODOLOGY

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

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

Data Analysis with Descriptive Statistics

The study is organized with 2 factors and 9 scale items. Each of the scale items are agreement statements on a 5-point likert scale. The scale items of the identified factors are analyzed with the descriptive statistics of mean, standard deviation, skewness and kurtosis to test the normality of collected data. For testing of normality of the collected data, the study considered standard deviation to be < 1 and (Slove, 2012), and skewness and kurtosis to be +2 to -2 (Garson, 2011). The descriptive statistics of measurement items construct-wise are discussed below.

- **Social Reciprocity**

Social Reciprocity refers to the social behavior of unorganized retailers with consumers. It measures reciprocity made by retailers in their retail outlet.

Table 2

| Table 2 Descriptive Statistics for Social Reciprocity Scale Items | | | | | | | | |
|---|----------------|--|------|------|------|-----------|----------|----------|
| SI. NO. | Scale Item No. | Scale Items | Min. | Max. | Mean | Std Devi. | Skewness | Kurtosis |
| 1 | 3.1 | I always respond to my customers politely and calmly. | 1 | 5 | 2.10 | 1.100 | 1.186 | .941 |
| 2 | 3.2 | Both retailer and consumer is responsible for social exchange theory - (i.e; what you give that you receive) | 1 | 5 | 2.25 | .810 | .040 | .083 |
| 3 | 3.3 | I don't believe in cultural expectation that people get what they deserve | 1 | 5 | 3.28 | 1.168 | .3360 | -1.366 |
| 4 | 3.4 | Social exchange is only a cultural mandate in which who do not comply are punished | 2 | 5 | 3.32 | .754 | .1320 | -.057 |

Social Reciprocity variable is measured using four statements (Table 2). The means and corresponding standard deviations for these statements varied from 2.10 to 3.32 and 0.754 to 1.100 respectively. The skewness and kurtosis varied from 0.132 to 1.186 and -1.366 to 0.941 respectively. The data for store loyalty are not normally distributed.

- **Shopping Enjoyment**

In store entertainment and enjoyment arrangement necessity and requirement point of view of retailers to motivate consumers is a construct measured in this. This measures the perception of the retailer towards entertainment and enjoyment facilities to attract and motivate consumers.

In shopping enjoyment measurement involves four statements whose mean and standard deviation varied from 2.30 to 2.96 and 0.982 to 1.289 respectively, as shown in Table 3. In this Skewness and kurtosis range -.009 to 0.810 and from -1.580 to 0.078, respectively. These measurements reveal the normality shopping enjoyment construct.

Table 3

| Table 3 Descriptive Statistics for Entertainment and Enjoyment Scale Items | | | | | | | | |
|--|----------------|---|------|------|------|-----------|----------|----------|
| SI. NO. | Scale Item No. | Scale Items | Min. | Max. | Mean | Std Devi. | Skewness | Kurtosis |
| 1 | 4.1 | Entertainment and Enjoyment to consumers doesn't attract consumers much | 1 | 4 | 2.89 | .982 | .009 | -1.580 |
| 2 | 4.2 | The background music in the store make shopping pleasant | 1 | 5 | 2.57 | 1.137 | .418 | -.461 |
| 3 | 4.3 | Appealing and sensational store can create good image among consumers | 1 | 5 | 2.96 | 1.289 | .034 | -.999 |
| 4 | 4.4 | Use of measures like television, children playing units, etc. to attract cannot influence customers | 1 | 5 | 2.30 | 1.173 | 0.81 | .078 |

5. SCALE RELIABILITIES FOR MOTIVATION MEASURES

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

6. ITEM RELIABILITIES

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

Table 4

| Table 4 Item Reliabilities for Survival Measures | | |
|--|------------|------------------------------|
| Factors | Constructs | Squared Multiple Correlation |
| Social Reciprocity | 1.1 | .893 |
| | 1.2 | .831 |
| | 1.3 | .958 |
| | 1.4 | .911 |
| | 1.5 | .811 |
| Shopping Enjoyment | 2.1 | .91 |
| | 2.2 | .87 |
| | 2.3 | .883 |

7. FACTOR ANALYSIS ON SURVIVAL MEASURES

Retailer's motivation techniques were measured using twenty-seven statements in the context of Indian food and grocery retailing. Factor analysis was conducted to reduce the number of variables for various factors in Survival Needs. Factor models were selected based on KMO (Kaiser-Meyer- Olkin) measures of sampling adequacy criteria (should be as near 1 as possible) which is a goodness of fit coefficient, Bartlett's test of sphericity (should be as close to 0 as possible) which is a badness of fit test, the Eigen values greater than 1 and amount of variance explained by the model. Each model was estimated using principal components analysis as the extraction method. Varimax with Kaiser Normalization rotation method assisted in interpreting the data for Survival factors. Factors were labeled based on salient loadings.

A total of 8 statements concerning status needs such as social reciprocity (4 statements) and Shopping Enjoyment (4 statements) were put to factor analysis. The statements were reduced to four factors with Eigen value greater than 1 and accounted for 79.951 percent variance and revealed that factors are related at significance level of 0.000. Further emerged factors were labeled as per variance explained are Shopping Enjoyment, Entertainment, Social exchange and Interaction. Results of individual loadings and variance explained with factor labels for activities were summarized in Table 5.

Table 5

| Table 5 Status Needs Factor Analysis | | | |
|--------------------------------------|---|-----------------|----------|
| Factor label | Statements | Factor Loadings | Variance |
| Shopping Entertainment and Enjoyment | Both retailer and consumer is responsible for social exchange theory -(i.e; what you give that you receive) | -.851 | 25.178 |

| | | | |
|--------------------|---|-------|--------|
| | Entertainment and Enjoyment to consumers doesn't attract consumers much | .704 | |
| | Use of measures like television, children playing units, etc. to attract cannot influence customers | .669 | |
| | The background music in the store makes shopping pleasant. | .873 | 21.102 |
| | Appealing and sensational store can create good image among consumers | 0.853 | |
| Social Reciprocity | I don't believe in cultural expectation that people get what they deserve | -.919 | 18.788 |
| | Social exchange is only a cultural mandate in which who do not comply are punished | .706 | |
| | I always respond to my customers politely and calmly. | .957 | 14.883 |

a. Extract Method: Principle Components Analysis, Rotation Method: Varimax with Kaiser Normalisation, variance explained 79.951%, p=0.000

Hypothesis Testing

H1: There is a relation between 'Status needs' and customer response in a retailing store.

Status needs and customer response according to retailer's four significant relationships were found: D1(r= -.470; p<.05), D2(r=.325;p<.05), E1(r=.331;p<.002) and F2(r=-.235, p<.05) among which D1 and F2 are negatively correlated and others were positively correlated to customer response as per retailers. There is no relation between D3(r=.120, p>.05), E2(r=.175, p>.05), F1(r=-.104, p>.05) and G1 (r=-.022, p>.05) and customer response (see table 6). This shows these status needs factors are not relevant to customer response.

Table 6

| Factor label | Item No. | Correlation | Sign. | Result |
|-----------------------------|--------------------|-------------|-------|-------------|
| Shopping | A1 | -0.47 | .000 | Relation |
| Entertainment and Enjoyment | A2 | .325 | .002 | Relation |
| | A3 | .12 | .266 | No Relation |
| | A4 | .331 | .002 | Relation |
| | A5 | .175 | .105 | No Relation |
| | Social Reciprocity | B1 | -.104 | .338 |
| | B2 | -.235 | .028 | Relation |
| | B3 | -.022 | .842 | No Relation |

8. MEASURES USED IN CURRENT SITUATION

The analysis done to achieve this objective has resulted into preliminary stages of development of a model which consists of 2 factors and 8 scale items. The exploratory factor analysis is done to extract the final factors for further analysis. The findings of the factor analysis and hypothesis testing are summarized in this.

It is found that among various motivation theories to study techniques of motivating people, Alderfer ERG Theory of Motivation is more simply related to retailer's needs to motivate their consumers to be evaluated. Status needs are related to retailer's social status related needs. It also reveals that Alderfer's Motivation Theory, Relatedness needs and Maslow needs hierarchy theory, social needs. According to unorganized retailer's status needs factors generally doesn't

motivate consumers whereas entertainment and enjoyment and background music does motivate consumers to buy from the retailer. Betts, et. al. (1996), in light of center gatherings and primer overviews of "offer" customers, creates and tests a typology of inspirations. Presents a scientific classification of reactions to "deals", delineating elective social reactions. Closes with a model of the "state of mind issue" realized by retreat, overcapacity, abuse of the system and developing wariness with respect to purchasers. The outcomes affirm that customers who are worried about social equity are more averse to lead business with undertakings that have the notoriety of abusing both human rights and work rights. The results confirm that social justice favored consumers does not refer retailers or enterprises that having reputation of violating human and labor rights both (Schulz1 and Braekkan, 2016).

9. SUMMARY AND CONCLUSION

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

The perception among majority of unorganized retailers that features like cash credit and home delivery to its customers would help attract / retain their customers, indicates the resolve of the unorganized retailer to hold on to his strong points. It may be noted that, it is the very fact that the unorganized retailer caters for the customers in the close vicinity that enables him to resort to such services, which could not be easily emulated by organized retailers catering for mass. Further unorganized retailers are not finding any serious threat to his business. However, he is fully aware of the changing times and the requirement of adaptation. He is willing to diversify or modulate his business to meet these requirements, provided fund are available.

The findings of the study bring out certain definite way ahead for the unorganized retailer. A few them, such as, factors like entertainment and enjoyment motivate more to consumers and up gradation of the store facilities and widening the range of services provided by the retailer. It revealed motivational factors, Retail outlets attributes and consumer buying attributes the dimensions can be contributed for encouraging retail market.

CONFLICT OF INTERESTS

None.

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None.

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