

## Analyzing the Factors Influencing Store Image from Customer's Perspective-An Empirical Study in India

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**Abstract:** In recent times retail Industries in India has emerged as very important sector in India contributing significantly to GDP and fuelling the economic growth. Over the years, many researches have been carried out to understand the consumer's perceptions on various types of retailers and their image. The review of literature indicates a gap in such studies in Indian context. This paper tries to construct a measure for store image in Indian context. A total of 32 variables were considered for the study and their relative importance from customers' point of view are identified. The study is carried out in eight major cities representing four major states of the eastern region of India. RIDIT analysis is used to identify the prioritization pattern that customers assign to different variables. The result shows that cleanliness and tidiness of the store is very important for attracting the customers and gives a positive image about the store. Next important factor is décor of the store and layout of the store making movements easier for the customers.

**Key words:** Store % Store Image % Retail % India % RIDIT % Subjective % Value % Distinct

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### INTRODUCTION

Retailing is a significant business required for modernizing India and for smoothening in the process of economic growth. In the existing scenario, it is experiencing exceptional consumption boom because of remarkable advancement in the consumer income, changing life style of the youth and expenditure patterns in turn providing new employment opportunities. All these are pushing the retail growth trajectory to high level. However, the journey for the organised retailers full of bumps because of the cut throat competition in the organized retail industry. So, one of the success mantras is to have a distinct image for the retail shop or retail chain.

The role of image in economic activities and other areas of man's interest were discussed by Boulding in the mid 1950's [1]. He theorized that behaviour of human is not directed by mere knowledge and information but the product of the image that a man perceives. He argues that we function or react not in response to what is true but to what we believe to be true. He asserts further that we use

subjective values and knowledge to mediate between ourselves and the world around us. In addition Boulding states that the human mind can handle only a certain number of complex situations and stimuli; therefore it attempts to oversimplify circumstances and thus abstracts such as "Joh Bull" (England) or "Uncle Sam" (United States). These simple symbolic images are used to summarize a vast complexity of values and meanings. By personalizing these symbols or objects we allow ourselves an avenue for interaction with them. Hence grounds are found by humans to continue to either like or dislike these symbols in a manner similar to liking or disliking of a person.

The concept of image is an important variable in the functioning of human behaviour. Therefore acceptance of this position in the field of marketing has been pervasive. Marketers are concerned with the images consumers have of such entities as their products, services, the corporation itself and the retail point of consumer contacts. Now retailers are seriously involved with image research themselves-both store image and departmental stores.

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The retail image may be defined as the perception of customers and others about a retail outlet. A retail outlet may be viewed by consumers as up-market or down market, specialized or broad based, service oriented or price oriented, modern or traditional etc. A retail outlet attempts to create a desired image through its positioning strategy. Positioning may be defined as the act of designing a retailer's offering so as to occupy a distinct image in the mind of the target consumers. A carefully crafted positioning strategy leads to formation of desired image in the target consumer's mind [2].

Retail Image refers to how a retailer is perceived by customers and others; and positioning refers to a firm's devising its strategy in a way that projects an image with regards to its retail category and its competitors and the elicits consumer response to this image [3]. To succeed, a firm must communicate a distinctive, clear and consistent image. Once its image is established in consumer's minds, a retailer is placed in a niche relative to competitors. It is rather difficult to break out of that niche if it is firmly implanted in people's mind. It is also challenging to convey a consistent image globally, given the different background and expectations of consumers around the world.

Therefore, in addition to positioning strategy the retail image creation takes place as a result of the contribution by all components of retail mix, namely product assortment and procurement, service offered, price charged, promotional campaigns, retail outlet atmosphere, location advantages and other factors such as dedication towards ethical practices and zeal to undertake corporate social responsibility.

All the above mentioned factors may be utilized to create and convey a categorical, distinct, consistent and enduring image that the target market can relate to. The retail image should not be confused with retail identity. Identity is the way a retail outlet aims to identify or position it or the products it sells. On the contrary, image is the way the public perceives a retail outlet and the products it offers.

A carefully crafted positioning strategy leads to formation of desired image in the target consumer's mind. An appropriate image serves a retail outlet in two very useful ways: consumer friendly value proposition and perceptual mapping in relation to competitors [2].

**Consumer Friendly Value Proposition:** There are two diametrically opposite concepts in practice-mass merchandise and niche retailer. A mass merchandise

positioning strategy leads to an image of a value oriented, large retail store offering limited service but wide and deep product assortment at an optimum price. On the other hand, a niche retailer positioning approach creates an image of a focused, up market retail outlets offering a narrow but deep product assortment supported by customer friendly service. Retail outlets may have an image somewhere in between the two extremes. A retailer must choose a positioning strategy that would create an image which is in synchronisation with the other components of retail mix. This is important since, it is the image which helps the retail outlet in connecting with its customers. The retail image should be consistent with the expectations of the target market to facilitate association between retail outlet and target customers.

**Perceptual Mapping in Relation to Competition:** A retailer can not exist by itself in the consumer's perception independent of competing retail outlets. Depending upon its image, each retail outlet occupies a point in the consumer's mind in relation to other retail outlets. As a result, a perceptual map is created in the mind of the consumer in which different retail outlets are stationed at separate coordinates on the basis of their respective retail image. Thus, a retail image enables a retailer to differentiate it from other competing retail outlets by reflecting the essence of the retailer in terms of the functional and non-functional benefits it offers to its target customers.

So, the way a store looks goes beyond its fixture, lighting, carpeting and decor treatment. It is the result of a vision from men and women charged with translating the message behind the merchandise or the brand into a format that will draw the customer. That is not easy in today's overstored, competitive market place. Architects, store planners and designers are under great pressure to create winning environments that not only sell merchandise but also attract and entertain people. Such designs take the retail experience beyond buying and selling transactions-evoking a mood, an image, or an attitude to keep busy shoppers coming back for more.

In the above backdrop, if we look into the operation of Indian retailers, basically the unorganised sector, more than 12 million street corner mom and pop stores have been in operation. These unorganised retail outlets contribute 8 percent of the GDP and 12 percent of the work force. These retail outlets are engulfed with problems like operational inefficiency, shortage of capital, untrained manpower, poor selection of merchandise,

low quality merchandise, inadequate product line, poor selection of location, poor retail environment, shabby design, unethical practices and lack of proper services etc. As a result the retailers in the unorganized sector hardly establish a winning environment and retail image to differentiate it from the competitors.

With the introduction of the liberal policy regime in general and opening of the retail sector to multinational companies and domestic corporate houses in particular, competition has further increased for the retailers in the unorganized sector. The competition is both at the objective (functional) and subjective (psychological) level. Psychological satisfaction and connection to the customer need along with functional satisfaction guarantee differentiation and success and results in retail image. So, it is important to create positive retail image for success and to compete with the multinational retail chains and Indian corporate retail houses.

It is important to realize that management cannot be effective unless it has some understanding of the way retail consumers make decision and act in relation to the consumption of retail products. In order to satisfy customer needs the retailer must have a scrupulous understanding of how customers make store choice and purchase decisions. It is important to realize the purchase of products involves motivational, social, psychological and economic factors [4]. Retail image plays key role in all the above mentioned four factors in the choice of retail store, merchandise and ultimately consumer behaviour.

Market places have become very matured and competitive. There is the need to rise above the mass and confusion of competing offers. Retail image, if managed properly, confers individuality-something different among the crowd. Retail image provides an edge or conviction which helps to identify the promise of a particular retail offer or service and helps to distinguish it from competing offers in the process of consumer choice and behaviour. Retail image helps the customer in selection of merchandise, to identify retail stores having commitment towards service, following ethical practices and supports the psychology of customers.

Perception is one of the essential determinants of customer behaviour and consequently it influences the opportunities open to retailers. Consumers use such cues as product characteristics, store image, brand names and prices to differentiate among products and to form impressions of their quality. Cues that are not perceived cannot influence consumer decision process [5]. Differences in perceptions lead to different in-store decision and buying behaviour [5].

**Literature Survey:** The image of a store consists of the way it is perceived by consumers. An individual's view is important to the retail manager because it can ultimately influence the patronage behaviour; yet identifying a store's particular image can be problematic [6]. It is generally acknowledged that over the course of time consumers form image of the store, products and brands in their environment and that these images are capable of exerting a strong impact on their shopping and patronage behaviour [7].

According to behavioral approach, image may be defined as "discriminative stimuli for an action's expected reinforcement" [8]. Within this context, retail store image may be viewed as the total conceptualized or expected reinforcement that a person associates with shopping at a particular store [9]. Store image is the personality the store presents to the public or a complex of meaning and relationships serving to characterize the store to the populace [10]. Consumers perceive stores on a number of dimensions, usually called components, which collectively make up store image.

A critical aspect of retailers' ability to maintain their market position is in the development and management of a favourable store image [11, 12]. Store image may be defined as the overall attitude towards the store, based upon the perception of relevant store attributes [13-17]. Image considerations are important aspects in the development of an integrated marketing strategy for individual stores, store chains and shopping centers. Store image has been found to be related to such key concepts of retail success as store patronage [16, 18] store loyalty [19] and share of household budget spent in the store [20]. Stores that have a favourable image can draw customers from large distances and thus mitigate possible locational inconveniences [18]. A unique store image is one of the retailers' most valuable marketing assets, creating a competitive advantage that is not easily duplicated by other retailers [21].

Pierre Martineau [22] offers the following descriptions of store image. It is ... the way in which the store is defined in the shoppers mind, partly by its functional qualities and partly by an aura of psychological attributes.

Martineau [22] uses two phrases in characterizing image. The first is "functional qualities." "Functional" refers to such store elements as merchandise selection, price ranges, credit policies, store layout and other such qualities that can be more or less objectively compared with those of competitors. "Qualities" through its plurality

implies that more than one such functional descriptor may be operating and further that the use of this term may be visualized on a good-bad scale with respect to each of the functional descriptors. Referring to the second key phrase, "psychological attributes," one would consider such things as a sense of belonging, the feeling of warmth or friendliness, or possibly a feeling of excitement or interest. "Attributes" is also used in the plural and one could interpret this to mean that more than one such dimensions at work. The definition implies that consumers form a store image on both a functional plane and on a psychological or emotional plane simultaneously.

Arons [10] offered a definition of store image in conjunction with his study of how television viewing influences perceived store image and shopping frequency. He stated that image was a complex of meanings and relationships serving to characterize the store for people.

Here the phrase, "a complex of meanings and relationships" is most appropriate for consideration. As the reader will remember, Boulding [1] argued that people take a complex of factors and reduces them to manageable proportions. This assertion is clearly consistent with the Arons [10] definition. "Meaning" implies factors or attributes or dimensions—a reinforcement of the plurality of dimensions implied by Martineau. The word "relationship" implies structure of some sort that is tying together the dimensions that are at work.

The following definition of the brand image has been offered by [23] in his work on motivation research and marketing management. He states, "Broadly speaking, the brand image consists of everything people associate with the brand."

One could easily substitute the word "store" for the word "brand" in the above definition. While the definition is broad, its simplicity highlights the association of attributes or features with the image concept.

Kunkel and Berry conducted a research project on behavioral concepts and their relationships to store image. Image, they say, "may be defined as discriminative stimuli for an action's expected reinforcement. Specifically, retail store image is the total conceptualized or expected reinforcement that a person associates with shopping at a particular store." They go on to say that "an image is acquired through experience and is thus learned."

According to Lindquist [24] the idea of image development through experience is certainly important and this concept points the way towards continuing image modification over time by the consumer based upon the level of reinforcement of his image criteria or dimensions.

In summary, all the literature reviewed emphasized that store image is complex by nature and consist of a combination of tangible of functional factors and intangible or psychological that a consumer perceives to be present.

**Methodology:** The study is carried out in the eastern part of India. Seven major cities of the eastern region of the country are identified for the study. The identified cities are-Kolkata, Patna, Jamshedpur, Ranchi, Bhubaneswar, Cuttack and Rourkela. These cities are considered based on their business importance and represent four major states of the eastern region of India. Seven major stores are considered for the study and many of them have their presence in the locations under study. A structured questionnaire is used to collect data from the field. A total of 650 customers were contacted and the overall response rate was 84.92% with 552 completed, usable responses. The questionnaire contained thirty two statements and the respondents are asked to indicate their response on a five-point scale. The thirty two items covers various aspects of store image. Representative sample having different demographic profile were selected based on stratified random sampling method from each city. The RIDIT ('Relative to an Identified Distribution) is used to find out the relative importance of scaled items.

In many of the social science research we use Likert scales to collect data on various attributes like values, image, intentions etc. Many statistical analyses are possible on the data collected on such scales. Many of these analyses are not suitable for arranging scaled items in ascending or descending order. RIDIT analysis can be applied to Likert scale data analysis and can be used to order scaled items and explore the relationships among them [25]. The below sub-section gives an overview of RIDIT analysis.

**Overview of the RIDIT:** RIDIT analysis was first proposed by Bross [26] makes no assumption about the distribution of the population under study and hence distribution free. Beder and Robert [27] developed exact variance and asymptotic distribution of the average ridit, including the

cases in which the reference group is sampled or the comparison group is finite. The algorithm for RIDIT Analysis [25] is described below.

Suppose that there are  $m$  items and  $n$  ordered categories listed from the most favoured to the least favoured in the scale and then RIDIT analysis goes as follows.

Step1. Compute ridits for the reference data set.

(a) Select a population to serve as a reference data set. For a Likert scale survey, the reference data set can be the total responses of the survey, if the population cannot be easily identified.

(b) Compute frequency  $f_j$  for each category of responses, where  $j=1, \dots, n$

© Compute mid-point accumulated frequency  $F_j$  for each category of responses.

$$F_j = \frac{1}{2} f_j$$

$$F_j = \frac{1}{2} f_j + \sum_{k=1}^{j-1} f_k \text{ where } j = 2, \dots, n$$

(d) Compute ridit value  $R_j$  for each category of responses in the reference data set.

$$R_j = \frac{F_j}{N} \text{ where } j = 1, \dots, n$$

$N$  is the total number of responses from the Likert scale survey of interest. By definition, the expected value of  $R$  for the reference data set is always 0.5.

Step. 2. Compute ridits and mean ridits for comparison data sets. Note that a comparison data set is comprised of the frequencies of responses for each category of a Likert scale item. Since there are  $m$  Likert scale items in this illustration, there will be  $m$  comparison data sets.

(a) Compute ridit value  $r_{ij}$  for each category of scale items.

$$r_{ij} = \frac{R_j \times p_{ij}}{N} \text{ where } j = 1, \dots, m$$

$B_{ij}$  is the frequency of category  $j$  for the  $i$ th scale item and  $B_i$  is a short form for the summation of frequencies for scale item  $i$  across all categories, i.e.

$$p_i = \sum_{k=1}^n p_{ik}$$

(b) Compute mean ridit  $Di$  for each Likert scale item.

$$r_i = \sum_{k=1}^n r_{ik}$$

© Compute confidence interval for  $Di$ . When the size of the reference data set is very large relative to that of any comparison data set, the 95% confidence interval of any  $Di$  is:

$$r \pm \frac{1}{\sqrt{3p_i}}$$

(d) Test the following hypothesis using Kruskal-Wallis statistics  $W$ .

$$\begin{cases} H_0: \forall i, r_i = 0.5 \\ H_a: \exists i, r_i \neq 0.5 \end{cases}$$

$$W = 12 \sum_{i=1}^m p_i (r_i - 0.5)^2$$

$W$  follows a  $P_2$  distribution with  $(m-1)$  degree of freedom. If  $H_0$  cannot be accepted, examine the relationships among confidence intervals of  $D$ . The general rules for interpreting the values of  $D$  are shown below.

- C A scale item with its  $Di$  value statistically deviate from 0.5 implies a significant difference in the response patterns between the reference data set and the comparison data set for the particular scale item. If the confidence interval of a  $Di$  contains 0.5, then it is accepted that the  $Di$  value is not significantly deviate from 0.5.
- C A low value of  $Di$  is preferred over a high value of  $Di$  because a low value of  $Di$  indicates a low probability of being in a negative propensity.
- C The response patterns of scale items with overlapped confidence intervals of  $D$  are considered, among the respondents, to be statistically indifferent from each other.

## RESULTS AND DISCUSSION

The data collected is first subjected to descriptive analysis. The analysis on the demographic profiles is tabulated in Table 1.

Table 1: Demographic Profile

Sex	Male	Female					
	322(58.3)	230(41.7)					
Marital Status	Married	Single					
	337(61.1)	215(38.9)					
Age	18-25	25 <sup>+</sup> -35	35 <sup>+</sup> -45	45 <sup>+</sup> -55	55 <sup>+</sup>		
	17(3.1)	75(13.6)	148(26.8)	200(36.2)	112(20.3)		
Educational Qualification	High School	Under Graduate	Post Graduate	Technical	Professional		
	57(10.3)	165(29.9)	199(36.1)	116(21.0)	15(2.7)		
Monthly Income	Up to 10000	10001-15000	15001-20000	20001-25000	25001-30000	30001-35000	35001-above
	49(8.9)	177(32.1)	152(27.5)	137(24.8)	35(6.3)	1(0.2)	1(0.2)

N= 552; the bracketed value indicates the percentage of response in that particular category

Table 2: Descriptive Statistics

Variable	Variable Definition	Mean	Std. Deviation
V 1	Store personnel are kind and helpful	3.37	1.099
V2	Salespeople have a good knowledge of the products	3.46	1.020
V3	The store operates an easy return policy	3.33	1.047
V4	The store offers a flexible payment system	3.39	1.018
V5	The Store provides range of services-home delivery, order on phone	3.36	1.010
V6	Number of sales personnel on the counter is adequate	3.59	0.997
V7	This store transmits a reliable image	3.70	0.876
V8	You have total confidence in this store	3.65	0.955
V9	You find this totally trustworthy	3.63	0.936
V10	This store has never let me down	3.69	0.898
V11	Advertisement made by the store is Reliable	3.65	0.978
V12	The store carries a wide selection of different kinds of products	3.71	0.884
V13	The products stocked are of a good quality	3.68	0.943
V14	The merchandise is fashionable	3.67	0.991
V15	All the brands stocked are reliable	3.49	0.920
V16	The store keeps the brand I do prefer	3.62	1.010
V17	The store is clean and tidy	3.83	0.935
V18	The store decor is attractive	3.85	0.887
V19	The store layout makes shopping easy	3.85	0.938
V20	The store atmosphere is excellent	3.71	1.011
V21	The store has adequate wash room facility	3.47	1.011
V22	The store has adequate parking facility	3.46	1.099
V23	The store has adequate payment counters	3.47	1.097
V24	This store has a conservative image	3.26	1.034
V25	This store is meant for a particular section of the society	3.25	1.107
V26	This store is world class	3.19	1.207
V27	The prices charged are fair	3.40	1.126
V28	Prices are low compared to similar stores	3.44	1.108
V29	You get good value for your money	3.72	0.900
V30	The relationship between price and quality is good	3.59	0.995
V31	Restaurant Facility is Good	3.20	1.109
V32	This store offers other services like-Gift consultant, escalators, Kid Care etc.	3.40	1.143

N=552

Table 3: RIDITS for the Reference Data Set

	VMA	A	NAND	DA	VMDA	Bi
OP1	48	286	79	98	41	552
OP2	72	239	131	92	18	552
OP3	58	225	136	108	25	552
OP4	55	248	130	96	23	552
OP5	89	278	97	68	20	552
OP6	86	261	112	79	14	552
OP7	86	278	132	50	06	552
OP8	91	262	122	67	10	552
OP9	87	258	129	72	06	552
OP10	82	286	123	51	10	552
OP11	102	246	121	75	08	552
OP12	75	314	98	56	09	552
OP13	96	266	117	65	08	552
OP14	92	287	93	61	19	552
OP15	55	255	157	73	12	552
OP16	94	263	97	86	12	552
OP17	116	305	61	62	08	552
OP18	110	308	83	41	10	552
OP19	131	281	68	70	02	552
OP20	111	268	95	60	18	552
OP21	84	243	100	97	28	552
OP22	90	221	119	96	26	552
OP23	76	263	88	94	31	552
OP24	55	203	144	132	18	552
OP25	63	211	103	151	24	552
OP26	72	190	119	113	58	552
OP27	80	235	96	110	31	552
OP28	84	233	105	102	28	552
OP29	82	304	105	49	12	552
OP30	78	278	104	74	18	552
OP31	57	195	143	117	40	552
OP32	72	251	99	84	46	552
fj	2629	8241	3506	2649	639	17664
1/2fj	1314.5	4120.5	1753	1324.5	319.5	
Fj	1314.5	6749.5	12623	15700.5	17344.5	
Rj	0.07	0.38	0.71	0.89	0.98	

Note: VMA: very much agree. A: agree. NAND: neither agrees nor disagrees. DA: disagree. VMDA: very much disagree.

Table 5: RIDITS for the Comparison Data Sets

	VMA	A	NAND	DA	VMDA	Di	L.B	U.B
OP1	0.02	0.19	0.10	0.16	0.07	0.54	0.52	0.56
OP2	0.01	0.17	0.17	0.15	0.03	0.53	0.51	0.55
OP3	0.01	0.15	0.17	0.17	0.04	0.54	0.52	0.56
OP4	0.01	0.17	0.17	0.15	0.04	0.54	0.52	0.56
OP5	0.01	0.19	0.12	0.11	0.04	0.47	0.45	0.49
OP6	0.01	0.18	0.14	0.13	0.02	0.48	0.46	0.50
OP7	0.01	0.19	0.17	0.08	0.01	0.46	0.44	0.48
OP8	0.01	0.18	0.15	0.11	0.02	0.47	0.45	0.49
OP9	0.01	0.18	0.16	0.12	0.01	0.48	0.46	0.50
OP10	0.01	0.19	0.16	0.08	0.02	0.46	0.44	0.48
OP11	0.01	0.17	0.15	0.12	0.01	0.46	0.44	0.48
OP12	0.01	0.22	0.13	0.09	0.02	0.47	0.45	0.49
OP13	0.01	0.18	0.15	0.10	0.01	0.45	0.43	0.47
OP14	0.01	0.19	0.12	0.09	0.03	0.44	0.42	0.46
OP15	0.01	0.17	0.20	0.12	0.02	0.52	0.50	0.54

Table 5: Continue

	VMA	A	NAND	DA	VMDA	Di	L.B	U.B
OP16	0.01	0.18	0.12	0.14	0.02	0.47	0.45	0.49
OP17	0.01	0.21	0.08	0.09	0.01	0.40	0.38	0.42
OP18	0.01	0.21	0.11	0.07	0.02	0.42	0.40	0.42
OP19	0.02	0.19	0.09	0.11	0.01	0.42	0.40	0.42
OP20	0.01	0.18	0.12	0.09	0.03	0.43	0.41	0.45
OP21	0.01	0.17	0.13	0.16	0.05	0.52	0.50	0.54
OP22	0.01	0.15	0.15	0.15	0.05	0.51	0.49	0.53
OP23	0.01	0.18	0.11	0.15	0.06	0.51	0.49	0.53
OP24	0.01	0.14	0.19	0.21	0.03	0.58	0.56	0.60
OP25	0.01	0.15	0.13	0.24	0.04	0.57	0.55	0.59
OP26	0.01	0.13	0.15	0.18	0.10	0.57	0.55	0.59
OP27	0.01	0.16	0.12	0.18	0.06	0.53	0.51	0.55
OP28	0.01	0.16	0.14	0.16	0.05	0.52	0.50	0.54
OP29	0.01	0.21	0.14	0.08	0.02	0.46	0.44	0.48
OP30	0.01	0.19	0.13	0.15	0.03	0.51	0.49	0.53
OP31	0.01	0.13	0.18	0.19	0.07	0.58	0.56	0.60
OP32	0.01	0.17	0.13	0.14	0.08	0.53	0.51	0.55

Kruskal-Wallis W = 492.15

Note: L.B.: lower bound of the 95% confidence interval of mean ridit  $D_i$ . U.B.: upper bound of the 95% confidence interval of mean ridit  $D_i$ .

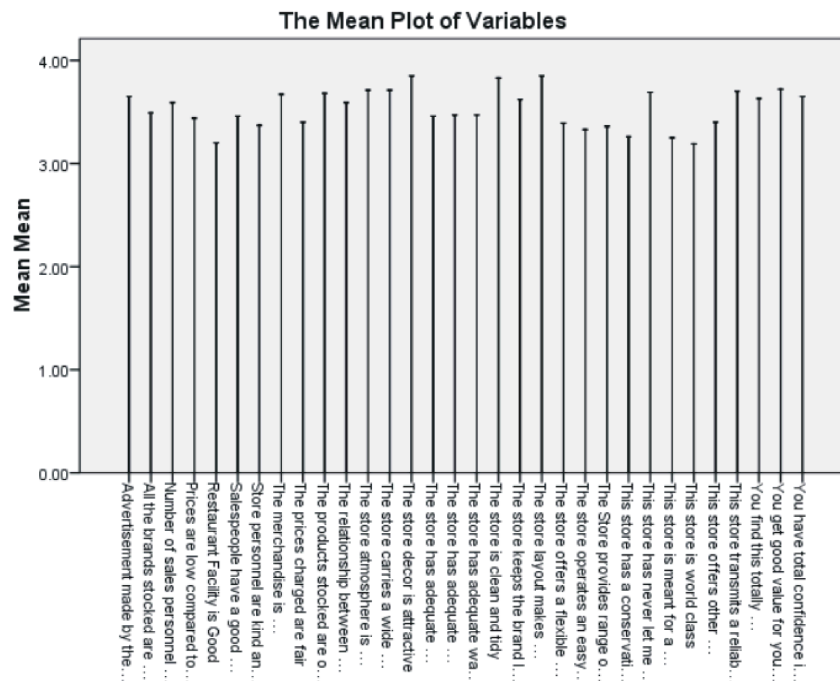


Fig. 1: Mean Plot of Variables

Table 1 shows the demographic profiling of 552 respondents who participated in the survey. In the total sample of 552 respondents 322(58.3%) were Males and 230(41.7%) were females. The sample considers 337 (61.1%) of married and 215 (38.9%) of unmarried respondents. Similarly the response from varied age group ranging from 18 to 55 and above is considered for the study. The educational qualification is classified

into five categories-High school, Graduate, Post graduate, Technical education and professional education. Various categories of monthly income starting from Rs.120 thousands per annum are considered.

Next the mean and standard deviations of the thirty two variables under study are calculated and is shown in Table 2.



From the descriptive analysis it is observed that variable store decor is attractive and layout of the shop making shopping easy are perceived as most important factor by the customers. This is followed by good value for money, store atmosphere and wide selection of products offered by the shop. These are the important factors which contribute positively towards the store image.

It is also observed that in Indian perspective the store being world class is not perceived as highly important. Similarly availability of restaurant facility, conservative image of the store, whether it is meant for a particular section of the society is perceived as least important. The following figure depicts the mean plot value of 32 variables chosen for the study.

**Application for RIDIT and Results:** First the reference set of data is identified for calculation of ridit values. Table.3 shows the ridits for the reference set. The data was collected on five point scale-Very Much Agree (VMA), Agree(A), Neither Agrees nor Disagrees (NAND), Disagree (DA), Very Much Disagree.(VMD).

Now, based on the algorithm, ridit values are calculated using the formula

Compute ridit value  $r_{ij}$  for each category of scale items.

$$r_{ij} = \frac{R_j \times p_{ij}}{p_i} \text{ where } j = , \dots, m$$

$B_{ij}$  is the frequency of category  $j$  for the  $i^{th}$  scale item and  $B_i$  is a short form for the summation of frequencies for scale item  $i$  across all categories. Then the value of  $D_i$  is calculated using the formulae  $r_i = \sum_{k=1}^n r_{ik}$ . Then the

95% confidence interval of any  $D_i$  is calculated using the formulae  $r \pm \frac{1}{\sqrt{3pi}}$ .

Now, the Kruskal-Wallis 'W' statistics is calculated to be 492.15, the Chi-Square value at 31 degrees of freedom at 5% level of significance is found to be 44.98. Comparing both the values we have,

$$W(492.15) > P2(32-1) = 44.98$$

So, it can be inferred that response among the respondents differs significantly across the scaled items. A direct sorting of mean ridits in ascending order gives the following sequence in order of importance.

$$V17 > V18 = V19 > V20 > V14 > V13 > V7 = V10 = V11 = V29 > V5 = V8 = V12 = V16 > V6 = V9 > V22 = V23 = V30 > V15 = V21 = V28 > V2 = V27 = V32 > V1 = V3 = V4 > V25 = V26 > V24 = V31$$

The above analysis reveals that Cleanliness and tidiness of the store is very important for attracting the customers and gives a positive image about the store. Next important factor is décor of the store and layout of the store making movements easier for the customers. The other factors important are store atmosphere followed by good quality product and fashionable merchandise. The conservative image of the store is perceived as the least important; it reflects the changing mindset of today's Indian consumer. Similarly the restaurant facilities attached is not taken as important factor. It is interesting to note that nature of store personnel, their knowledge about the product and the easy return policy of the stores are also not considered as highly influencing variable for the store image.

**Conclusion and Managerial Implications:** With the opening of the retail industry to multinational and corporate house, the dynamics of retail industry has changed. The changes in demographic, social and economic factors have also contributed to the changed retail dynamics. Customers today are more knowledgeable and demanding than yesterday. As a result, the retailers today operate with very low or thin margin of profit, focuses on high volume of business and increase in number of customers to the retail outlets.

Behaviour of the customer is not directed by mere knowledge and information but the product of the image that a man perceives. The customer functions or reacts not in response to what is true but what she/he believes to be true. To succeed, a firm must communicate a distinct, clear and consistent image. Market places have become very matured and competitive. There is the need to rise above the mass and confusion of competing offers. Retail Managers take various strategies like promotions, clubbing the facilities to attract the customers and providing everything under one roof. Many of these strategies may have short term implications. The store managers shall look into factors which will enhance the image of the store and shall be able to retain the existing customers and attracts new customers.

Retail image, if managed properly, confers individuality-something different among the crowd. Retail image provides an edge or conviction which helps to identify the promise of a particular retail offer or service and helps to distinguish it from competing offers in the process of consumer choice and behaviour. Retail image helps the customer in selection of merchandise, to identify retail stores having commitment towards service, following ethical practices and supports the psychology of customers.

Perception is one of the essential determinants of customer behaviour and consequently it influences the opportunities open to retailers. Consumers use such cues as product characteristics, brand names and prices to differentiate among products and to form impressions of their quality. Retailers adopt different strategies to promote product assortment, services offered, prices charged, promotional campaign, retail outlet atmosphere, location advantages and other factors such as dedication towards ethical practices and zeal to undertake corporate social responsibility. As a result, a distinct, clear and consistent retail store image.

The paper identifies thirty two variables which may influence the store image and ranks these variables in order. Retail store manager can use these variables in the image building exercise. Variables like clean and tidy, attractive decor and design of the store, store layout for easy shopping, store atmosphere, fashionable merchandise, quality of merchandise, image of the store, confidence on the store, reliable advertisement and value for money are dominant factors in the selection and purchase of the merchandise and services. So, these dominant variables may be used in retail store positioning. Promotion and advertisement by the retail store managers may use these dominant variables as cues for customers in selecting and shopping and consequent to create brand image.

The ranking of variables also suggests some key attributes like home delivery, order on phone, wide selection of merchandise, availability preferred brand, adequate number of sales persons, parking facility and adequate check-out counter may also be used as strategic considerations when retailers develop and design marketing programs for their retail stores. The study has also found some lesser important cues or peripheral cues in terms of stocking reliable brands, adequate wash room facility, knowledge on the products and brands sold by sales people, fair price mechanism, easy return policy and

other services like gift consultant, escalator and kid care center that may be helpful in supporting the dominant and key attributes in for establishing a clear, distinct and consistent store image.

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