

Study of consumer based retailer equity in Indian context

Iman Gholizadeh Meidani*, Dr. Shailesh Kasande**

**PhD Scholar in Marketing Management, Savitribai Phule Pune University,*

Email-iman_a1@yahoo.com

*** Research Guide, Director of Vishwakarma Institute of Management,*

Email - director@vim.ac.in

Abstract:

Retail has been one of the growth areas in the global economy. It has witnessed a High growth rate in the developed countries and is poised for an exponential growth in the emerging economies. Along with the rapid growth, retailing scenario has also been characterized by increasing competition and emergence of increasingly new retailing Formats. With an overlap of Merchandise being offered across different formats, the competition has become intense and unpredictable in terms of the direction where it is coming from.

Driven by changing lifestyles, strong income growth and favourable demographic patterns, Indian retail is expanding at a rapid pace.

This research extends the consumer-based brand equity measurement approach to the measurement of the equity associated with retailers. The information that a retailer's name communicates to consumers can be a source of competitive advantage for many retailers. Indeed, retailers develop a kind of brand equity, which we refer to as "retailer equity." The lack of a universal definition and lack of empirical evidence for the structural similarity between brand and retailer equity of consumer based retailer equity guided the aims for this research,

We conceptualise retailer equity as a four-dimensional construct comprising retailer awareness, retailer associations, perceived retailer quality, and retailer loyalty. In order to properly structure the research, it is felt that greater understanding of Indian consumer attitudes towards specific retail formats (Hypermarket stores) is necessary, and that qualitative and study would be the most effective way of gaining this knowledge. For conducting this research secondary source as well the primary sources are utilized to maximum extent through available published and online data bases. The paper reports the result of a pilot study of a hypermarket store sample of 61 shopping mall consumers at Pune city.

Keywords: retailing, retail formats, retailer equity, consumer based retailer equity, retailer awareness, retailer associations, perceived retailer quality, and retailer loyalty

Introduction

Historically, the Indian retail sector has been dominated by small independent players such as traditional, small grocery stores and others. Recently organized, multi-outlet retail concept has gained acceptance and has since then accelerated. Driven by changing lifestyles, strong income growth and favourable demographic patterns, Indian retail is expanding at a rapid pace. Mall space, from a meagre one million square feet in 2002, has reached to touch 40 million square feet by end-2007 and 60 million square feet by end-2008, says Jones Lang LaSalle's third annual Retailer Sentiment Survey-Asia.

Buoyed by this strong growth potential, India has become a hotbed of investment in the retail sector. This has seen a significant increase in the competition as more and more national and international players are embarking upon plans to enter the Indian retail market. Retailers have more ambitious expansion plans than they did just a few years ago. Most retailers plan to expand by increasing store outlets and augmenting product ranges/ services. Retailers who are looking to the world's emerging markets to drive the success of their businesses in the future identify India as the most sought-after market. India is particularly considered attractive because of the size of its market and the low presence of international retailers. With foreign ownership rules, being gradually relaxed, foreign investment is also now possible, allowing single-brand retailers to own up to 51 % of their India operations.

Globally, India is the fifth largest retail market in the world. After Vietnam, India is also the most attractive destination for retail investment A.T.Kearney (2008). The retail industry overall is estimated at \$511 billion and at the 2008 rate of growth, will reach \$830 billion by 2013. In 2007, retail contributed 8–10% to the country's GDP and contributed up to 20% by 2010. It is expected that modernizing retail will generate employment for 15 million people in different activities.

India has witnessed a frenetic pace of retail development over the past five years. Goldman Sachs has estimated that the Indian Economic growth could actually exceed that of China by 2015. It is believed that the Country has potential to deliver the faster growth over the next 50 years (Bijapurkar, 2003).

Retail formats, types and definitions:

The ever changing consumer's psychographic variables like activities, interests, opinions, values and life styles have also completely changed the retail formats in India. In the post-liberalization, consumer buying behaviour and lifestyles in India too are changing and the concept of "value for money" and "value for time" is fast catching on in Indian retailing. Thus, it is imperative to understand the modern formats (a) Convenience Stores. (b) Supermarkets (c) Hypermarkets and (d) Department stores.

The different demographic and socio economic factors can affect the format choice and the store choice in two different ways. One is that these factors directly affect the format and the store choice. The other way is that, these affect the shopping basket, and the timing of the

shopping trip, and therefore indirectly affect the format choice (Tripathi and Sinha, 2008), Demographic and socio economic factors can be: family size and composition, income level of the family, Employment status of the family members.

Review of Literature:

Retailer equity

What is retailer equity? This question has been the focus of various research endeavours. There is an underlying assumption in the current research that the retailer equity dimensional structure parallels that of brand equity. Collectively, brand equity consists of four dimensions: brand loyalty, brand awareness, perceived quality of brand, and brand associations, as proposed by Aaker (1991, 1996) and (Keller (1993)).

For example, Keller (1998), who was the first to provide a comprehensive discussion on ways retailers can enhance their equity, also refers to retailer equity as ‘retailer brand equity’. Boonghe Yoo and Donthu (2001) suggest that brand equity measurement methods could also be used for measuring retailer equity. More recently, Arnett et al. (2003) have argued that the structure of retailer equity is similar to that of brand equity. As a result, the concept of retailer equity has recently emerged in the marketing literature, with practitioners (e.g., Kramer, 1999) and marketing researchers (e.g., Keller, 1998) suggesting that, similar to brands, retailers possess equity.

Arnett et al. (2003) define retailer equity as a set of brand assets and liabilities linked to a store brand, its name and symbol that add to or subtract from the perceived value of the store brand by its customers. According to Arnett et al. (2003) retailer equity is a multi-dimensional construct comprising of the dimensions: name awareness, retailer associations, service quality and store loyalty. In other words, retailer equity is the value associated with the retailer brand names that can be obtained by consumer and reflects the utility that retailer bring to customer.

Pappu and Quester (2006) apply the model of customer-based brand equity to the field of retailer brand equity, and confirm that the dimensions of retailer brand equity consists of retailer awareness, retailer association, perceived retailer quality and retailer loyalty. It can clearly be seen that retailer brand equity is a comprehensive evaluation system including cognitive, emotional and behavioural factors, and reflect the consumers’ psychological and behavioural aspects. The four dimensions are also the important basis for the evaluation of overall retailer brand equity.

In particular, our measure is developed using the brand equity dimensions that Aaker (1991, 1996) and Keller (1993) suggest, which have been popularly accepted as valid and comprehensive. That is, we agree with Keller (1998) and Boonghe Yoo and Donthu (2001) that retailer equity is conceptually similar to brand equity. Similar to Boonghe Yoo and Donthu (2001), Arnett et al. (2003) and Pappu et al. (2005) we conceptualise retailer equity as a multi-dimensional construct, from a consumer perspective. Retailer equity provides value to customers by enhancing their interpretation and processing of information,

confidence in the purchase decision, and satisfaction. Retailer equity also provides value to the firm by enhancing efficiency and effectiveness of marketing programs, prices and profits, brand extensions, trade leverage, and competitive advantage.

Brand equity has been referred to as consumer-based brand equity (e.g. Pappu et al., 2005; Yoo and Donthu, 2001), from a consumer or marketing perspective, we refer to the equity consumers associate with a retail brand as consumer-based retailer equity. Retailer equity is therefore referred to as consumer-based retailer equity and defined as the value consumers associate with retailer, as reflected in the dimensions of retailer awareness, retailer associations, retailer perceived quality and retailer loyalty.

In the following sections, we first examine the brand equity construct and identify its relevant dimensions as proposed by (1991) and Keller (1993). Next, we discuss the procedures used to generate and select scale items in the pilot and main studies. Then, we assess internal consistency and validity. Finally, we discuss the implications of the final scale to both practitioners and researchers.

Dimensions of consumer based retailer equity

Retailer awareness

This refers to the strength of a Retailer in consumers' minds. Retailer awareness is an important component of Retailer equity (Aaker, 1991; Keller, 1993). Retailer awareness can be broadly defined as: A measure of marketing effectiveness measured by the ability of a customer to recognize and/or recall a name, image or other mark associated with a particular retail. Aaker mentioned several levels of Retailer awareness, ranging from mere recognition of the Retailer to dominance, which refers to the condition where the Retailer involved is the only Retailer recalled by a consumer.

Rossiter and Percy (1987) defined Retailer awareness as the consumers' ability to identify or recognise the Retailer, whereas Keller conceptualised Retailer awareness as consisting of both Retailer recognition and Retailer recall. According to Keller, Retailer recall refers to consumers' ability to retrieve the Retailer from memory, for example, when the product category or the needs fulfilled by the category are mentioned. Keller (1993, p. 3) argued that "Retailer recognition may be more important to the extent that product decisions are made in the store". Hence, in the present study, Retailer awareness is conceptualised as consisting of both Retailer recognition and Retailer recall. As per Aaker, we define retailer awareness as "the ability of a potential buyer to recognize or recall that a retailer is a member of a certain retail brand.

Retailer associations

We define a retail association as "anything linked to the memory of a retailer" (Aaker, 1991, p. 109). Retailer associations are defined as anything linked to the memory of a retailer (Pappu and Quester, 2006a, b). Retailer associations, similar with brand associations, are "complicated and connected to one other, and consist of multiple ideas, episodes, instances

and facts that establish a solid network of retail brand knowledge (Yoo et al., 2000). The associations are stronger when they are based on many experiences or exposures to communications, rather than a few (Aaker, 1991; Alba and Hutchinson, 1987). Retailer associations are attributes and benefits linked to the name of the retailer, in the consumer's mind (Keller, 1993).

Retailer perceived quality

Perceived quality is defined as the “customer's perception of the overall quality or superiority of a product or service with respect to its intended purpose relative to alternatives” in this study, as per Aaker (1991, p. 85). According to Aaker, perceived quality is not just another brand association but an association that is elevated to the status of a separate dimension of brand equity.

Retailer perceived quality is defined as consumer's judgment about a retailer's overall excellence or superiority on the perception of goods and services (Pappu and Quester, 2006a, b, Aaker and Jacobson, 1994). This definition adapted from definition of perceived quality emphasizes consumer perceptions over the actual or objective quality of the retailer. Perceived quality is believed to be a type of association warranting elevation to the status of a separate dimension of a retailer's (or brand's) equity (see Aaker, 1991). Excellent perceived quality means that, through the long-term experience related to the brand, consumers recognize the differentiation and superiority of the brand (Yoo et al., 2000). High retailer perceived quality would drive a consumer to choose the retailer rather than other competing retailers, which induces the tendency to be loyal to a retailer, as demonstrated by the intention to purchase from the retailer as a primary choice. Therefore, to the extent that retailer quality is perceived by consumers, retailer loyalty will increase.

Retailer loyalty

Loyalty has been defined similarly in both measurement approaches. For example, Yoo and Donthu (2001, p. 3) defined ‘brand loyalty’ as “the tendency to be loyal to a focal brand, which is demonstrated by the intention to buy the brand as a primary choice”. Arnett et al. (2003, p. 163) defined ‘store loyalty’, consistent with Oliver (1997), p. 392, as “a deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future”. This definition was similar to the definition of ‘brand loyalty’ adopted in the marketing literature. That is, the concept of ‘brand loyalty’ has simply been extended to ‘store loyalty’ (Cunningham, 1961; Koo, 2003).

Retailer loyalty is also conceptualized as one of the dimensions of retailer equity. Loyalty has been defined both behaviourally (e.g. Bloemer and Odekerken-Schroder, 2002; Oliver, 1997; Tranberg and Hansen, 1986) and attitudinally (e.g. Chaudhuri and Holbrook, 2001; Yang and Peterson, 2004; Yoo and Donthu, 2001). Both conceptualizations of loyalty have attracted criticism and some researchers have argued that loyalty should be measured as a combination of both behavioural and attitudinal measures (e.g. Day, 1969; Dick and Basu, 1994). Given that retailer equity has been conceptualized in the present research based on consumer

perceptions, we define retailer loyalty as “the tendency to be loyal to a retailer, as demonstrated by the intention to purchase from the retailer as a primary choice”. This definition was adapted from Yoo and Donthu (2001, p. 3), and is akin to what (Javalgi and Moberg (1997)) called “latent” loyalty.

However, whereas Aaker treated brand loyalty as a behavioural dimension, we conceptualize it as an attitudinal dimension and define it as “the tendency to be loyal to a focal brand, which is demonstrated by the intention to buy the brand as a primary choice” (Yoo and Donthu, 2001, p. 3).

Research Questions:

In response to the extensive literature review and literature gap, the current study is designed in an attempt to investigate the construct of customer-based brand equity in the Indian context and assess its dimensionality. Although several studies have identified the meaning and benefits of brand image in other industries, studies are required to understand how consumers perceive the retail image of a certain chain retail formats in the competitive retail industry.

Research methods – Instrument and Sampling

The self-report survey used in this study had two parts. Customer characteristic variables of gender, age, marital status, education, occupation, income level, shopping frequency, spending amount, and purchase experiences of Indian customers were measured by Part 1, *Customers Characteristic Profile*, developed by the researcher. Part 2, measured the *Customer-Based Retailer Equity* construct. Two locations of one hypermarket store, namely, Reliance Mart in Pune city, were chosen for this study on the basis of size, variety of merchandise and relative popularity of these stores among the shoppers in Pune city.

Prior research has supported the use of multi-item Likert measures for measuring dimensions of *Customer-Based Retailer Equity*, which enabled scores to be summed to produce an overall value for a particular concept Alreck and Settle (1995). Having opted to use Likert scales it was necessary to identify the appropriate number of points for the scales. Much methodological debate concerns the use of a middle category (e. g. 4 neither agree nor disagree) and although offering a neutral option may result in a clustering of responses in that position, this may in itself be an interesting finding as it is indicative of the intensity of respondent attitudes Sudman and Bradburn (1982).

In the light of the objectives of the study, the survey population was identified as people aged 20 and older and less than 60, who have purchased products from Reliance Mart as a hypermarket store format, in the last six months. The data were collected during different days of the week as well as weekend in order to improve the representative of sample.

The survey concludes with a list of some classification questions, such as gender, marital status, age, frequency of shopping, total household monthly income, amount of spending money each time in the store, education level, and occupation.

Respondent Profile

Figure 1 shows gender diversity of the research sample. Total sample size was 61 with 25 (%41.0) men and 36 (%59.0) women.

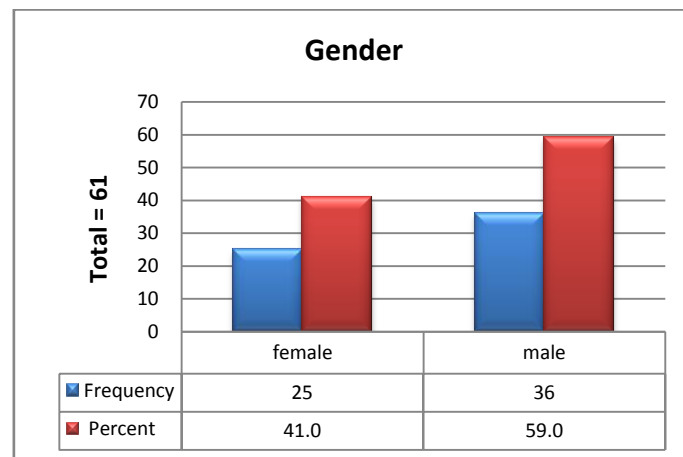


Figure 1

Total sample size was 61 with 8 (%13.1) single and 53 (%86.9) married (Figure 2).

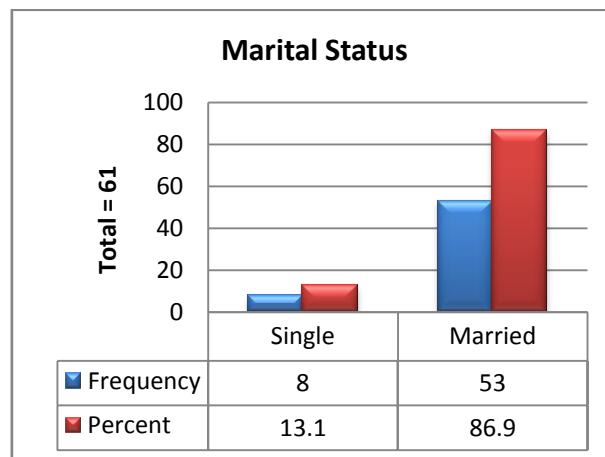


Figure 2

Analysis of age of participants shown in figure 3, shows that 12 participants were 20-30 years old (19.7% of participants), 36 participants were 31- 40 years old (59.0%), 13 participants were 41-50 years old (21.3%). According to these outcomes the largest age group of participants was 31-40 (59.0%) which is an expected result as normally this group consist of married people and this group of people is expected to have larger family size and buy more frequently.

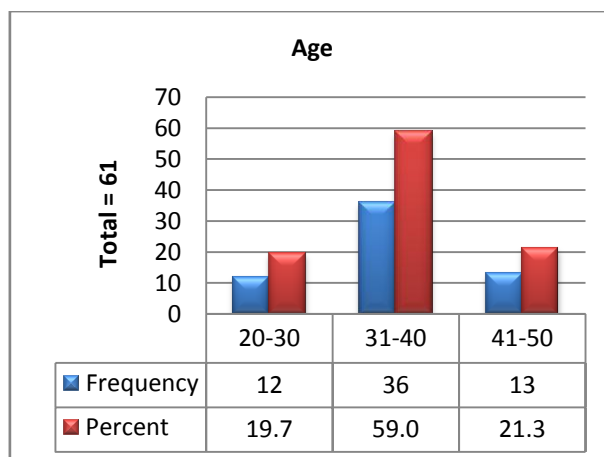


Figure 3

Analysis of frequency of shopping of participants shown in figure 4, shows that 17 participants (27.9%) were purchasing merchandises from Reliance Mart in monthly basis fortnightly, 44 participants (72.1%) were purchasing merchandises from Reliance Mart in monthly basis.

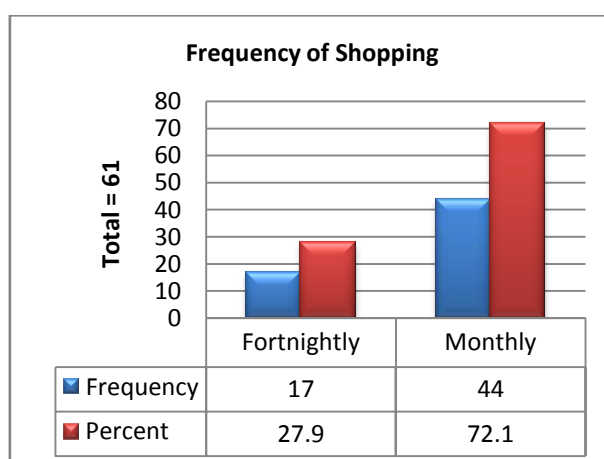


Figure 4

Analysis of total household monthly income of participants shown in figure 5, shows that 3 participants (4.9%) had income level 10000 Rs or less, 27 participants (44.3%) had income level 10001 Rs – 20000 Rs, 19 participants (31.1.0%) had income level 20001 Rs – 30000 Rs, 8 participants (13.1%) had income level 30001 Rs – 40000 Rs, 3 participants (4.9%) had income level 40001 Rs – 50000 Rs, 1 participants (1.6%) had income level 500001 Rs or more. This figure shows that participants with average household monthly income level 10001 – 30000 Rs were coming for shopping more frequent than the other income category.

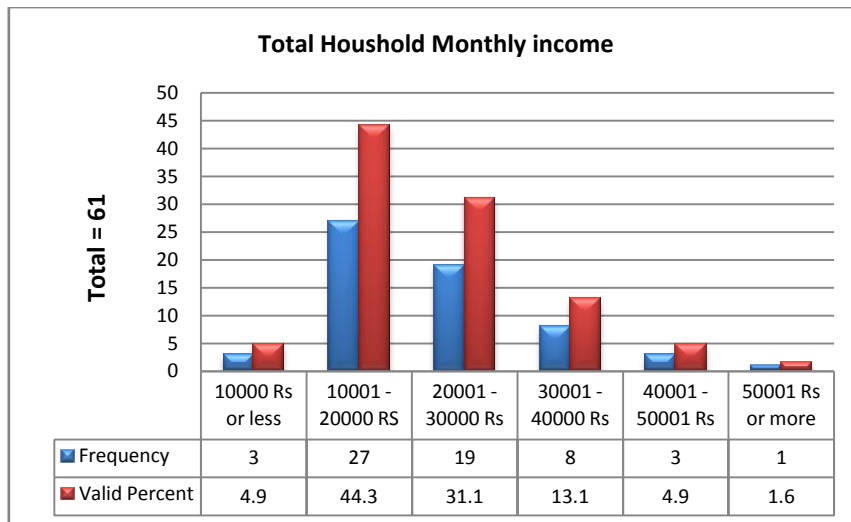


Figure 5

Analysis of amount of spending money in store of participants shown in figure 6, shows that 24 participants (8%) had income level 10000 Rs or less, 12 participants (20.3%) had income level 10001 Rs – 20000 Rs, 13 participants (22.0%) had income level 20001 Rs – 30000 Rs, 12 participants (20.3%) had income level 30001 Rs – 40000 Rs, 8 participants (13.6%) had income level 40001 Rs – 50000 Rs, 9 participants (15.3%) had income level 500001 Rs or more.

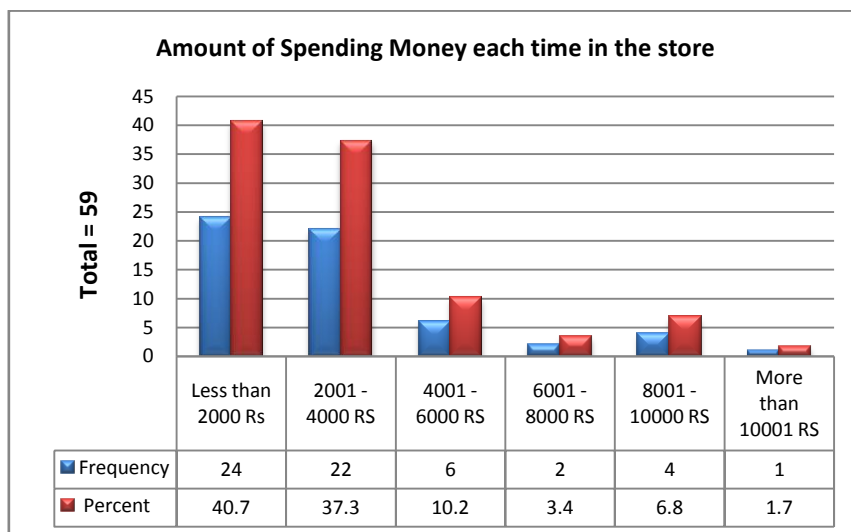


Figure 6

Analysis of educational level of participants shown in figure 7, shows that 29 participants (47.6%) had degree lower than Graduation 24 participants (39.7 %) had Graduation and higher degree graduation, 8 participants (13.1%) were remained on other category which means they didn't want to respond or they were illiterate.

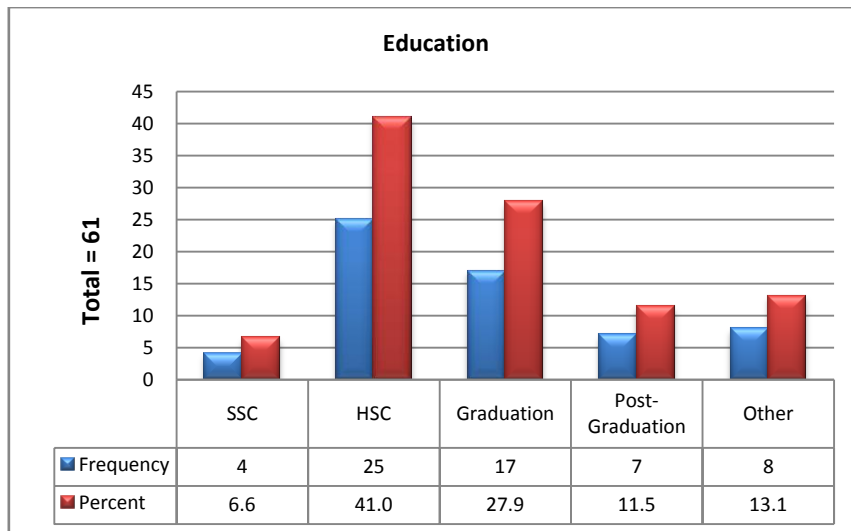


Figure 7

Analysis of occupation of participants shown in figure 8, shows that 4 participants (43.3%) had in Government service, 25 participants (41.0%) had in private service, 17 participants (27.9%) had in self-employed, 7 participants (11.5%) had student and 8 participants (13.1%) had in other occupation.

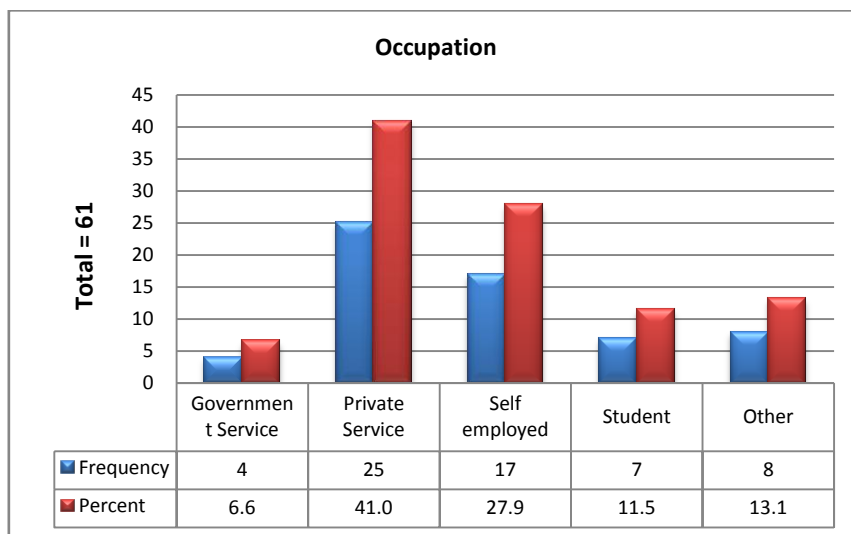


Figure 8

Reliability of measures used:

As explained before the reliabilities of multi-item scales used to estimate each latent variable are presented in table Generally, If the Cronbach's alpha value is higher than 0.6, it implies that construct reliability (Cronbach's alpha) is acceptable with a high degree of internal consistency (Fornell and Bookstein, 1982).

For multi item questions of the questionnaire Cronbach's alpha was conducted. Outcomes are presented.

Reliability of Dimensions Generated

Total Cronbach's alpha =.927
Retailer Awareness
Cronbach's alpha = .816
Number of questions = 4
Retailer Association
Cronbach's alpha = .884
Number of questions = 11
Retailer Perceived Quality
Cronbach's alpha = .834
Number of questions = 4
Retailer Loyalty
Cronbach's alpha = .907
Number of questions = 6

Table 1

Factor analysis attempts to identify underlying variables, or **factors**, that explain the pattern of correlations within a set of observed variables. Factor analysis is often used in data reduction to identify a small number of factors that explain most of the variance that is observed in a much larger number of manifest variables. Factor analysis can also be used to generate hypotheses regarding causal mechanisms or to screen variables for subsequent analysis (for example, to identify collinearity prior to performing a linear regression analysis).

Hence a Common factor analysis on all variables was carried out using Principal Component Analysis. The Common factor analysis was done because the data was expected to have many Error variances through the use of 7-point Likert scales. In other words, this analysis was executed in order to examine whether the individual items were loaded on their appropriate factors as intended. In other words, factor analysis, which is a class of procedures primarily used for data reduction and summarization (Malhotra and Birks, 1999, p. 760), is used to examine discriminant validity.

Principal Components Analysis is a factor extraction method used to form uncorrelated linear combinations of the observed variables. The first component has maximum variance. Successive components explain progressively smaller portions of the variance and are all uncorrelated with each other. Principal components analysis is used to obtain the initial factor solution. It can be used when a correlation matrix is singular.

In factor analysis in the part of descriptive and correlation section we did KMO and Bartlett's test of sphericity. The Kaiser-Meyer-Olkin measure of sampling adequacy tests whether the partial correlations among variables are small. Bartlett's test of sphericity tests whether the

correlation matrix is an identity matrix, which would indicate that the factor model is inappropriate.

In factor analysis Promax with Kaiser Normalization Rotation technique was carried out on all the items, and as intended four distinct factors were found. At the end the cumulative variance of all the six factors was satisfactory with 74.607 %.

The value of factor loadings indicates the strength of the relationship between the item and the factor. The minimum requirements for the value of factor loadings is 0,3; one should take into account all factor loadings with the value above 0,4 as important, while those which have the value above 0,5 are considered significant (Sharma, 1996, p. 111). Therefore, higher the factor loading, the claim that the item is represented by the factor which is assigned to it, is more reliable. Hence At first for available 25 questions. Factor analysis was performed. Rotation converged in 7 iterations Extraction and result of sum of squared loadings was with variance 4.03% and cumulative 78.825.

The 15 items obtained from the exploratory factor analysis of the original pool of 25 retailer equity measures served as variables subsequent reliability analysis.

Reliability of Dimensions Generated

Total Cronbach's alpha =.841
Retailer Awareness
Cronbach's alpha = .816
Number of questions = 4
Retailer Association
Cronbach's alpha = .795
Number of questions = 3
Retailer Perceived Quality
Cronbach's alpha = .858
Number of questions = 5
Retailer Loyalty
Cronbach's alpha = .845
Number of questions = 3

Table 2

Then after omitting the loaded factors again factor analysis were done. Finally rotation converged in 5 iterations. And the result of Extraction sum of squared loadings was with variance 6.32% and cumulative 74.607.in other words, Factor loadings were obtained using SPSS factor analysis procedure in order to create constructs.

The presented items in this study questionnaire were as follows:

- 1- **Retailer awareness:** Q1. Awareness about store, Q2. Store Recognition, Q3. Imaging store, Q4. Characteristic of store.
- 2- **Retailer Association:** Q5. Trust store as a supplier of products, Q6. Convenience of shopping, Q7. Store atmosphere, Q8. Good facilities, Q9. Customer service, Q10. After sells service, Q11. Store popularity, Q12. Proud to shop, Q13. Merchandise offers value for money, Q14. Convenient facilities, Q15. Variety of products
- 3- **Retailer Perceived Quality:** Q.16. Performs service, Q17. Reliable products, Q18. Products quality, Q19. Consistent quality
- 4- **Retailer Loyalty:** Q20. Make it as a first choice for shop, Q21. Loyalty, Q22. Continue to shop even in case of mark up, Q23. Recommend the shop to others, Q24. Preferred choice, Q25. Not buy products from other retailers, if the person can buy the same item, from so called retail out let.

Table 3

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.725
Bartlett's Test of Sphericity	Approx. Chi-Square	942.261
	df	300
	Sig.	.000

Table 4

Pattern Matrix ^a							
	Component						
	1	2	3	4	5	6	7
CBRQ_15	.951				.408		
CBRQ_14	.947						
CBRQ_19	.854						
CBRQ_13	.800						.335
CBRQ_12	.535	.332					
CBRQ_18	.391				.369		
CBRQ_22		.987					
CBRQ_24		.961					
CBRQ_25		.693			.590		
CBRQ_21		.642					
CBRQ_23	.340	.488	.316				
CBRQ_20	.399	.434			.315		
CBRQ_6			.890				
CBRQ_7			.888				

CBRQ_11			.466				
CBRQ_1				.865			
CBRQ_2				.823		.346	
CBRQ_4				.771			
CBRE_3				.729		-.350	
CBRQ_8			.497		.685		
CBRQ_16					.667		
CBRQ_17	.338					.739	
CBRQ_10					.407	.738	
CBRQ_5			.419			.654	
CBRQ_9							.711
Extraction Method: Principal Component Analysis.							
Rotation Method: Promax with Kaiser Normalization. ^a							
a. Rotation converged in 7 iterations							
b. Extraction sum of squared loadings: variance 4.03% and cumulative 78.825							

Table 5

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.711
Bartlett's Test of Sphericity	Approx. Chi-Square	837.077
	df	280
	Sig.	.000

Table 6

		Pattern Matrix ^a			
		Component			
		1	2	3	4
Retailer Perceived Quality	CBRQ_14	.885			
	CBRQ_13	.858			
	CBRQ_15	.825			
	CBRQ_19	.813			
	CBRQ_17	.672			
Retailer awareness	CBRQ_1		.818		
	CBRQ_2		.804		
	CBRQ_4		.791		
	CBRE_3		.756		
Retailer loyalty	CBRQ_25			.909	
	CBRQ_24			.833	
	CBRQ_22			.821	

Retailer	CBRQ_6				.957
Association	CBRQ_7				.907
	CBRQ_8				.613
Extraction Method: Principal Component Analysis.					
Rotation Method: Promax with Kaiser Normalization.					
a. Rotation converged in 5 iterations.					
b. Extraction sum of squared loadings: variance					
6.32% and cumulative 74.607					

Factor 1 is consisted of: Convenient facilities, Variety of products Merchandise offers value for money, Consistent quality, Reliable products. **Factor 2 is consisted of:** Awareness about store, Store Recognition, Characteristic of store, Imaging store. **Factor 3 is consisted of:** Not buy products from other retailers, if the person can buy the same item, from so called retail out let, Preferred choice, Continue to shop even in case of mark up. **Factor 4 consisted of:** Convenience of shopping, Store atmosphere, Good facilities,

To analyze the logic of the combinations we look at the variables with the highest loading (largest absolute size).that is why we suppressed loading less than 0.30.factor 1 seems to be related to retailer perceived quality, factor 2 related to retailer awareness, factor 3 related to retailer loyalty and factor 4 related to retailer association. Thus we have developed a four factor solution that accounts for a substantial amount of variance and shows logic in the combination of the original 15 variables with this four-factor solution instead of having to think about 15 variables, to develop marketing strategies it can be now thought about only four variables, Retailer Perceived Quality, Retailer awareness, Retailer loyalty, Retailer Association

Discussion

How does consumer-based brand equity theory translate to the retailer context?

Boonghe Yoo and Donthu (2001) suggest that brand equity measurement methods could also be used for measuring retailer equity. More recently, Arnett et al. (2003) have argued that the structure of retailer equity is similar to that of brand equity. As a result, the concept of retailer equity has recently emerged in the marketing literature, with practitioners (e.g., Kramer, 1999) and marketing researchers (e.g., Keller, 1998) suggesting that, similar to brands, retailers possess equity.

DIMENSIONS:

Meaning of each dimension: Retailer brand equity can be defined as the values consumers associate with retailers on the following dimensions: Brand awareness – the consumer's ability to recognize or recall a retailer; Retailer associations – anything linked to the consumer's memory of the retailer; perceived retailer quality – the consumer's judgment about a retailer's overall excellence or superiority; and. Retailer loyalty – the tendency to be

loyal to a retailer, as demonstrated by the intention to purchase from the retailer as a primary choice.

Table 7: Correlation of independent variable (subcomponent)

	Mean	Std. Deviation	Retailer Association	Retailer loyalty	Retailer Perceived Quality	Retailer awareness
Retailer Association	5.3716	.71518	1			
Retailer loyalty	4.9672	1.36043	.508**	1		
Retailer Perceived Quality	4.4298	.72165	.406**	.297*	1	
Retailer awareness	5.7542	.67097	.222	.170	.190	1
**. Correlation is significant at the 0.01 level (2-tailed)						
* . Correlation is significant at the 0.05 level (2-tailed)						

There is moderate direct significant correlation between retailer loyalty and retailer association, ($r=0.508$, $p=0.01$). There is weak direct significant correlation between retailer perceived quality and retailer association ($r=0.406$, $p=0.01$) as well as retailer loyalty ($r=0.297$, $p=0.05$). However correlation coefficient of retailer awareness with retailer association shows a weak correlation even though it is not significant ($r=0.222$) as well as retailer awareness with retailer loyalty ($r=0.170$) and retailer awareness with retailer perceived quality ($r=0.190$).

In the following table it is revealed that retailer equity has moderate direct significant correlation with retailer awareness, retailer perceived quality ($r=0.538$ and $r=0.649$) both with ($p=0.01$), whereas this significant direct correlation is strong for retailer loyalty and retailer association ($r=0.809$ and $r=0.708$) both with ($p=0.01$).

Table 8: Correlation of independent variable (component)

	Mean	Std. Deviation	Retailer Association	Retailer loyalty	Retailer Perceived Quality	Retailer awareness
Retailer equity	5.1823	.57898	.708**	.809**	.649**	.538**
**. Correlation is significant at the 0.01 level (2-tailed)						

Conclusion and Future Research

The principal objective of the present research was to apply consumer-based brand equity measurement to the measurement of equity associated with retailers. We also aimed to examine the dimensionality of the retailer equity construct and to improve its measurement. The present study extends Aaker's (1991) framework of brand equity and Yoo and Donthu's (2001) framework of consumer- based brand equity to the domain of retailer equity. In this study, the results of the present study confirm the assumptions of several previous researchers (e.g., Yoo and Donthu, 2001) that the structure of retailer equity mirrors that of brand equity.

This study focuses on four dimensions of consumer based retailer equity, which are retailer awareness, retailer perceived quality, retailer associations, retailer loyalty and its measurements. Conceptualizing retailer equity from the consumer's perspective is useful because it suggests both specific guidelines for marketing strategies and tactics and areas where research can be useful in assisting managerial decision making. Two important points emerge from this conceptualization retailer. First, retailer should take a broad view of marketing activity for retail as a brand and recognize the various effects it has on retail brand knowledge, as well as how changes in retail brand knowledge affect more traditional outcome measures such as sales. Second, markets must realize that the long-term success of all future marketing programs for a retail as a brand is greatly affected by the knowledge about the retail brand in memory that has been established by the firm's short-term marketing efforts. In short, because the content and structure of memory for the brand will influence the effectiveness of future brand strategies, it is critical that retailer managers understand how their marketing programs affect consumer learning and thus subsequent recall for brand-related information (Keller, 1993). Derived from the analysis, this model includes four factors and 15 variables. For further study in the future, we will investigate the fitness model by using the structure equation model (SEM). Continuation of this study, the problems will be studied in the future is whether the retailer awareness, retailer associations, retailer perceived quality and retailer loyalty has a positive impact on retailer equity Due to time limitation of our study we had few sample size, which recommended reproducing this study in other establishments with larger samples.

And finally the finding and implication of this research will recommend for retailers companies a strategy for building consumer-based retailer equity in Indian market.

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