Conneting Retail Marketing Mix and Trust in Store with Purchase Behavior in Developing Country: A Mediated Role of Purchase Intention.

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Research Highlights

In the retail industry of Pakistan the marketing practices are not settled. Retailers practices to use marketing for strengthening their position in the competition is still clustered around the target areas. However, the current study had explored the link of marketing efforts to the purchase behavior. More importantly, this study had explored the link between purchase intention and purchase behavior.

This study had two main hypothesis. First, exploring the mediated role of purchase intention between retail marketing mix and purchase behavior. Second, exploring the mediated link of purchase intention between trust in store and purchase behavior. Results had indicated that partial mediation exist between the two main hypothesis. Retail marketing mix in developing country was partially intervened with purchase intention to purchase behavior. On other hand, Trust in store was found to strengthen the purchase behavior in Pakistan with partial intervention of purchase behavior.

Graphical Abstract

Following figure summarises the result of current study.
Research Objectives

Purpose: The study was to evaluate the marketing practice in the retail sector of a developing country and the trust effect on purchase decision making.

Objectives: This study had two main objectives. Foremost was the investigation of the impact of marketing mix efforts of retail towards the purchase process. Secondly, the investigation of trust in store towards purchase behavior.

Significance: This study had provided insight for intention behavior gap (Sheeran and Webb, 2016). It had also added to a rarely explored field of retail in developing countries.

Methodology

Quantitative research methodology was adopted with noncontrived sample technique. Structural equation modeling method was used to analyze the data and interpret the results.

Sample was collected from eight different retail stores in three cities at different times to make the sample as more representative. The data was collected online with the help of smartphones (Lefever et al., 2007a). This technique enabled the collection of data from multiple sites simultaneously and with precision. The data was put in an Excel sheet and it was transferred to SPSS for making structural model on AMOS and evaluation with different criteria (Amos et al., n.d.). The questionnaire was made in two languages, English and local language, so that the respondent was able to understand and respond accurately (Chidlow et al., 2014). The data was collected between a period of two months and ten days.

The aims and objectives of the research were explained to each respondent before the filling of the questionnaire. Data anonymity and exclusivity of the respondent opinion for the current research were also told to each respondent.

The data was collected at the point of sale, when customers were waiting on the check out counters for their turn. This point was more appropriate because the customers had the fresh memories of the purchase perceptions and they were able to respond better (Lefever et al., 2007b).
Results

Table 1. The Mediating roles

<table>
<thead>
<tr>
<th>Description of Paths</th>
<th>Direct Effect</th>
<th>Direct With Mediator</th>
<th>Indirect Effect</th>
<th>Mediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Marketing Mix → Purchase Intention → Purchase Behavior</td>
<td>0.476**</td>
<td>0.032*</td>
<td>0.413**</td>
<td>Partial</td>
</tr>
<tr>
<td>Trust store → Purchase Intention → Purchase Behavior</td>
<td>0.373**</td>
<td>0.007*</td>
<td>0.531**</td>
<td>Partial</td>
</tr>
</tbody>
</table>

**p<0.01, * p< 0.05

The above table mediated effect of purchase intention among retail marketing mix in store and purchase behavior for urban consumers was displayed. The straight effect of retail marketing mix store with purchase behavior was found as significant with an size of 0.476. After the introduction of purchase intention as the mediator, the significance level is decreased and the effect size is also changed (0.032 at p<.05 and 0.413**). This change had indicated partial intervention of purchase intention for retail marketing mix and purchase behavior of the customers (Frazier et al., 2004).

Moreover, for the explanation of second objective, stating the mediated connection of purchase intention for trust in store and purchase behavior in urban consumers from the above table. The direct effect of trust in store with purchase behavior was found as significant with an effect of 0.373 from above table . The effect of changed when purchase intention was introduced as mediator. The the significance level was decreased and the effect size also changed after the mediator (0.07 at p<.05 and 0.531**). This change indicates partial mediation of purchase intention between retail trust in store and purchase behavior of the retail customers (Frazier et al., 2004).

Findings

The retail industry in Pakistan is in transition and different retailers are practicing different marketing techniques. According to the results of this study, trust plays a very significant role in the purchase decision making of the urban retail customers. The customer choice of retailer remains constant for a considerable period of time, until another retailer influences the trust of the customer through its marketing techniques. The customers in Pakistan are exploring different organized retail. That means visiting them for grocery shopping (Aman and Hopkinson, 2010). Most of the customer want to visit the retail center offering better retail marketing mix an an approachable distance (Sulehri and Ahmed, 2017).
With the addition of more product range, retail and non retail tenants organised retailers had started creating an image to their customers. But the marketing techniques are limited to the retail space and are targeting geographically narrow segment of one city only.

In the coming years, the retail landscape would change and new national and international players will enter in the local retail industry.

References


