

THE DECISION MAKING PROCESS OF SMALL SPECIALTY
STORE BUYERS AS RELATED TO SELECTION
CRITERIA, INFORMATION SOURCES,
AND STORE PERFORMANCE

By

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C O P Y R I G H T

by

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CHAPTER I

INTRODUCTION

Various models of industrial buying behavior and consumer buying behavior have been advanced in marketing literature during the past decade, but recently researchers have begun to focus on how retailers select merchandise and make purchase decisions. Retailers are like neither producers nor consumers, though they are an integral entity in the vertical flow of goods from the producer to the ultimate consumer (Sheth, 1981).

Retail buyers differ from industrial buyers in at least three marked ways. Industrial buyers often purchase by committee, buy staple and/or complex products, and are not concerned with resale (Hirschman, 1981a). Sheth (1981) suggested that there are similarities as well. A retail establishment is a business entity with corporate objectives, legal and financial constraints, and multiple stakeholders to whom it is accountable; Sheth concluded that retailers are more likely to document their merchandise-buying process and manage their buying function similarly to a producer.

On the other hand, the retailer in some respects is more like a consumer than a producer, as pointed out by Sheth (1981). Retailers' purchases are finished products rather than raw materials or components. Working-capital requirements of retailers and consumer households are also similar in that both need a large assortment of products and their

purchasing planning cycles are relatively short term and highly volatile. In summary, retailers are more like consumers in what they buy (content) and more like producers in how they buy their merchandise (process). They hold a unique position in the sequential process of providing goods and services for individual consumption. A theory of retail-buying behavior must take into consideration this uniqueness as well as the similarities to other areas of buying behavior (Sheth, 1981).

Two models of retail merchandise-buying behavior have been presented in current marketing literature, one by Cravens and Finn (1983) and one by Sheth (1981). Both models address the distinctiveness of the retail selection process. The decision situation, product/service, and the type of buying organization are identified as major factors that influence evaluation criteria used by buyers. The Sheth model approaches the merchandise-buying process from the standpoint of a retail organization. The Cravens and Finn model is more appropriately applied to individual buyers in either large or small firms. Several authors have expressed a need for a theory of retail buying (Cravens & Finn, 1983; Cravens & Hoffman, 1977; Ettenson & Wagner, 1986; Francis & Brown, 1985; Hirschman, 1981a, 1981b; Sheth, 1981; Stone, 1987). However, only one research study (Stone) was located in which either of the models served as a theoretical framework. She selected the Sheth model of merchandise-buying behavior to guide her research.

Research studies of retail buying have not only been few, but these have tended to concentrate on large retail establishments. Small, independently owned businesses are an integral part of the economic structure of the United States, contributing almost one-half of the gross national product (Christy & Jones, 1982). Further, retail

organizations make up the largest group of small businesses in the United States economy (Clayton, 1981). In spite of the economic importance of this segment, it has been generally ignored by researchers.

Apparel and accessories is a significant classification among the small businesses. Dun's Census of American Business indicates that there are approximately 112,600 apparel and/or accessory stores in the United States with annual sales under one million dollars. Over half of these stores have sales under \$250,000 and have fewer than five employees (Dun & Bradstreet, 1988).

Women's and children's apparel stores are important subclassifications within this segment. There are approximately 85,970 women's ready-to-wear establishments in the United States, 33,636 men's and boys' clothing stores, and 6,385 children's wear stores. The majority of women's ready-to-wear, men's and boys' clothing, and children's wear stores have fewer than five employees. Over half of the women's and children's stores have an annual sales volume less than \$249,000, whereas the majority of men's and boys' stores fall into the under \$500,000 annual sales category (Dun & Bradstreet, 1988).

This study differs from previous research in two ways. First, the Cravens and Finn (1983) model was used to guide research in the retail sector. Second, the buying behavior of buyers for small, independently owned retail stores was explored.

Purpose of Study

The purpose of the study was to investigate the decision-making process of buyers for small apparel stores. Selection criteria and information sources used by these buyers were identified. The

relationship of store size and store performance to certain selection factors was also determined.

The study was designed to extend four recent studies in which decision criteria used by retail buyers were explored (Ettenson & Wagner, 1986; Francis & Brown, 1985; Hirschman, 1981a; Hirschman & Mazursky, 1982; Stone, 1987). The major focus of the research was the identification of criteria for selection of merchandise and vendors across store classifications and merchandise types, as well as the determination of information sources used by buyers in the selection process. The study expands the existing body of knowledge to include selection criteria used by buyers for small, independently owned apparel stores. These buyers differ from buyers for large retail organizations in that they are often responsible for all functions of the business operation. They organize, operate, and assume the risk for the entire business venture and are entrepreneurs in the truest sense of the word (Morris, 1984).

Objectives of the Study

The objectives of the study were to:

1. Identify the criteria and information sources used by buyers for small, independently owned apparel stores when they make merchandise and vendor selections and to establish the relative importance of these criteria and information sources in the selection process.
2. Analyze the relationship of perceived store performance to selection criteria and information sources.

Research Questions and Hypotheses

To accomplish the objectives of this study the research was designed to answer two research questions and test two hypotheses. The research questions and hypotheses were formulated from the perspective of previous research findings. The research questions were:

1) What is the relative importance of merchandise and vendor selection criteria used by buyers for small, independently owned apparel stores?

2) What is the relative importance of the information sources used by buyers for small, independently owned apparel stores?

The hypotheses were:

H1: Satisfaction with store performance is related to the relative importance placed on various selection criteria.

H2: Satisfaction with store performance is related to the relative importance placed on various information sources.

Research questions one and two are descriptive in nature (Babbie, 1982). The relative importance of the various merchandise and vendor selection variables and information sources has been the focus of previous research in which the apparel buyers represented, for the most part, large retail organizations (Ettenson & Wagner, 1986; Hirschman, 1981a; Miler, 1987; Stone, 1987) for fashion and nonfashion merchandise (Francis & Brown, 1985). The study extends the knowledge base to include the selection criteria of buyers for small apparel stores.

Research questions one and two were based on research findings of Francis and Brown (1985), Hirschman and Mazursky (1982), Stone (1987), and Upah (1983), all of whom explored the use of information sources by retail buyers in various situations and with various backgrounds. These

studies indicated that complexity of the product (Upah), store classification, and merchandise type (Francis & Brown; Hirschman & Mazursky; Stone) affect the relative importance of information sources. The data were expected to reveal that the importance placed on information sources does vary between apparel buyers for small apparel stores and the buyers in previous studies who, for the most part, represented large retail organizations.

Hypotheses one and two addressed the financial performance of small apparel stores as it relates to the selection criteria and information sources used by retail buyers. Cravens and Finn (1983) suggested that financial performance is an integral part of the buying organization and may be an important factor in patronage decision situations. Two studies revealed an apparent association between store and/or product performance (in terms of sales) and buyer characteristics (Martin, 1973) and buyers' versus consumers' choices (Taylor, 1985). The researchers proposed that the perceived importance of both buying criteria and information sources can be related to the perceived satisfaction with the performance of a small apparel store.

Limitations

Several factors limited the scope of the study. They were as follows:

- 1) The sample was limited to retail store owner/buyers who attended activities provided by the Center for Apparel Marketing and Merchandising at Oklahoma State University (workshops, seminars, teleconferences, and/or consultations).

- 2) The participants in the study were limited to buyers for small apparel stores.

3) The participant selection process resulted in a disproportionate geographic representation of the small retail apparel store population.

4) The data concerning large retail operations came from marketing literature and therefore cannot be quantified or statistically analyzed. These data were used only for a general comparison of buying practices.

Definition of Terms

The following terms are defined as they were used in the study:

Buying - The purchase of consumer goods in relatively large or wholesale quantities for subsequent resale in smaller (retail) lots to the ultimate consumer (Bohlinger, 1983).

Children's Specialty Store - A retail store offering children's apparel and related items. Apparel sizes may range from infants to size 14, and merchandise includes garments for both boys and girls. The merchandise mix may include accessories, furniture, and gift items as well as apparel. For the purposes of this study children's specialty store is synonymous with children's wear store.

Manufacturer - An individual or firm that engages in the assembling or "putting together" of goods for use by the ultimate consumer (Bohlinger, 1983). For the purposes of this study manufacturer is synonymous with producer.

Manufacturer's Representative - The individual who acts as an agent of a vendor, displaying and taking orders for the manufacturer's merchandise either in a showroom and/or by personally visiting stores (Shuch, 1988).

Men's Specialty Store - A retail store offering men's apparel and related items. The merchandise mix may include accessories and gift

items in addition to wearing apparel. For the purposes of this study men's specialty store is synonymous with men's apparel store.

Retail Buyer - A member of a retail organization designated to produce "salable," "profitable" products to meet the needs and wants of the ultimate consumer (Taylor, 1981).

Retailer - A member of the marketing channel who sells products or services to ultimate consumers for their personal or household consumption (Beisel, 1987). For the purposes of this study retailer is synonymous with retail establishment/firm/store.

Small Retail Store - A store which is individually owned and operated, is not dominant in its field of operation, and employs a limited number of employees (Clayton, 1981; Peterson, Kozmetsky & Ridgway, 1983; Walker & Petty, 1978).

Store Performance - The operating and economic achievement of a retail store. For the purposes of this study store performance is synonymous with productivity.

Vendor - Wholesaler (jobber), importer, or commission merchant from whom merchandise is purchased (Rogers & Gamans, 1983). For the purposes of this study vendor is synonymous with supplier.

Women's Specialty Store - A retail store offering women's apparel and related items. The apparel classifications may include junior and/or misses. The merchandise mix may include accessories and gift items in addition to wearing apparel. For the purposes of this study women's specialty store is synonymous with ladies' apparel store.

Organization of the Study

The organization of the study follows a non-traditional pattern.

Chapter II reports the review of literature. Methods and procedures used in the study are described in Chapter III. Chapter IV consists of a manuscript in which research questions one and two are discussed. Hypotheses one and two are discussed in another manuscript in Chapter V. Each of the manuscripts in these chapters is written to conform to the guidelines for publication in the specific journal for which it was developed. Chapter VI includes a summary of the major research findings, discussion, and suggestions for further study.

CHAPTER II

REVIEW OF LITERATURE

A review of marketing literature revealed little research in the area of retail buyer's decision-making criteria with regard to product and vendor selection. Due to the limited research and lack of theory or conceptual framework, theoretical development of retail-buying behavior has been slow to evolve. However, it appears that retailing is beginning to emerge as an area worthy of its own distinct identity in the business/marketing arena since two models of retail-buying behavior have been advanced in current marketing literature.

Recent research studies, though limited, have addressed the relative importance of various buying criteria between store classifications (department and chain), among departments within a store, between store types (fashion and nonfashion), and across channel types with varying degrees of centralized buying. Additional researchers have explored the behavioral and demographic characteristics of individual retail store buyers as they related to store profitability and buying judgments. Articles concerning information sources used by retail buyers have also been researched in relation to store type, merchandise classification, and perceived risk associated with product complexity. No study focusing specifically on the buying behavior of the small retail store buyer was found.

The literature related to the study is organized into the following sections: Retailing and the Role of the Retail Buyer, The Gatekeeping Function of Retailers in the Marketplace, Theoretical Framework, Selection Criteria Used by Retail Buyers, Information Source Utilization, The Effects of Merchandise Classification and Store Types on Selection Criteria, and Store Performance.

Retailing and the Role of the Retail Buyer

Retailing is most commonly described as the activities involved in the sale of goods to ultimate consumers (Duncan & Hollander, 1977). Paramount among the retail activities is the merchandise-buying process. Bohlinger (1983) defined retail buying as the decision-making process through which the retail buyer identifies, evaluates, and selects merchandise for resale to the customer. Taylor (1985) suggests that a retail buyer takes open-to-buy monies, analyzes the current inventory needs, weighs the risk of making an unprofitable decision, and then places an order which he or she believes will result in a profit-making purchase.

Buying the right kinds of merchandise from the right vendors, at the right price and at the right time, is indeed challenging. When the volatile element of fashion is introduced, the buying process becomes highly complex with intuitive overtones and shrouded by an aura of mystery (Ettenson & Wagner, 1986; Hirsch, 1972; Rosenbloom & Shiffman, 1981).

The intricacies of fashion buying are addressed in the following statement:

Fashion apparel buying is particularly demanding because it mandates response to seasonality, to psychologically based

purchase motivation, and to the need to recognize and prepare adequately for the peaks and valleys of consumer wants. (Packard & Guerreiro, 1979, p. vii)

The Gatekeeping Function of Retailers in the Marketplace

Hirschman and Stampfl (1980) investigated retailing from a cultural and sociological perspective. The authors proposed that retailing creates certain new social institutions (e.g., discount stores, shopping centers) and acts as a functionary through which the products of the manufacturing sector pass into the consumer sector; thus retailers perform a variety of roles salient to the diffusion of popular culture.

Among the roles that retail organizations may play in this regard is that of a gatekeeper. In this role the retail organization functions to control the flow of innovations by preselecting the merchandise offered to the consumer from the manufacturer. The retail buyers are the individuals within the organization who are primarily responsible for fulfilling the gatekeeping function. When they select merchandise for their store, they are in essence preselecting products for the consumer. The retail buyer surveys a large assortment of merchandise provided by vendors. From this selection the buyer chooses a reduced grouping of items to offer consumers. The consumers have no choice but to select from this reduced set. The selection criteria used by the retailer will determine whether the merchandise is congruent with the wants and needs of the consumer. Ideally, the products selected by the retail buyer reflect the wants and needs of the consumer, and at the same time provide a source of profit for the retail establishment (Francis & Brown, 1985; Hirschman, 1981b; Hirschman, 1981c; Hirschman & Stampfl, 1980; Stone, 1987; Taylor, 1985).

Greyser (1981) also recognized the distinctive role of retailers in the marketplace by indicating that "Retailers serve as a link between manufacturers and consumers and must listen to and work with both in order to be successful" (p. 65). The author further suggests that there are two different types of retail buyers, the consumer-oriented and the consumerist-oriented. The consumer-oriented buyer identifies and targets specific market segments and monitors the needs and wants of those segments. On the other hand, the consumerist-oriented retail buyer recognizes the importance of the consumer/retailer relationship and elicits consumer input to the decision-making process. The latter buyer approach not only increases customer satisfaction but enhances the image of the store and sets it apart from the competition.

Theoretical Framework

Two retail merchandise buying/patronage behavior models have been developed and published in current marketing literature. Cravens and Finn (1983) and Sheth (1981) recognized the need for theoretical development in the area of retail buyer patronage and offered their models as preliminary attempts to fill this need.

Cravens and Finn Model

The Cravens and Finn (1983) model of patronage decision in retail buying addresses both the evaluation process and the selection criteria (see Appendix A). The authors' premise is that the factors that impinge upon supplier selection criteria are influenced by the decision situation, the product and service, and the buying organization. The decision situation includes such factors as brand/supplier,

competitive situation, importance of the purchase, the frequency with which the purchase is made, and the extent of experience with similar decisions.

The product or service being purchased influences both the criteria used by the buyer in supplier selection and the relative importance of each criterion. Among the factors affecting the buyer patronage decision are product complexity, servicing requirements, warranty, and risk of obsolescence. The evaluative criteria will also be affected when a supplier offers differentiated brands of a product type or when the product is very responsive to changes in taste (Cravens & Finn, 1983).

The type of buying organization and its characteristics are important influences on a buyer's choice of supplier. The store classification (i.e., department, chain, or specialty) and/or the departments within a store will affect the evaluative criteria. The size of a retail organization as well as the financial aspects, such as resources and performance, will also impact the selection criteria. The capabilities and experience of management are influential factors, as are the characteristics and experience of the personnel involved in the buying decision. The role structure of the buying unit and the turnover rate, along with buyer-seller relationships, are also important elements that affect the criteria for evaluating suppliers (Cravens & Finn, 1983).

A complex myriad of factors influences the evaluative criteria which, in turn, are fed into the evaluation process. In addition, what the authors refer to as buyers' expectations influence the process of supplier evaluation. The two with the most direct impact are expectations about alternative suppliers and external information sources. The

buyers' information sources include salespeople, exhibitions and trade shows, trade news, direct mail, consultants, and word of mouth.

Experience, which is a part of the feedback loop, has a profound effect on these two facets of the evaluation process as well (Cravens & Finn, 1983).

Several other macro environmental factors may have an impact on the buying organization and the decision-making unit. The effect of social, technological, governmental, economic, and natural factors as well as the influence of competition must be considered in examining the patronage decision. These elements are not specifically depicted in the simplified model; however, they are illuminated by the authors in their explanation of the patronage decision process (Cravens & Finn, 1983).

The various factors that may influence the evaluative criteria form a complex set of interrelated variables. However, Cravens and Finn (1983) state that there are three important elements in the patronage decision: a) the group of evaluative criteria used, b) the relative importance of the criteria, and c) the judgments and expectations of buyers with regard to how alternative suppliers satisfy the important evaluative criteria. The criteria are established by the retailer and the relative importance of the criteria may be decided using any of a number of different formal or informal methods. The evaluation methods used fall into four general categories: judgmental, checklist, analytic, and modeling approaches. The subjective, judgmental mode of supplier assessment is quite common among small retail operations.

Cravens and Finn (1983) suggest that their model represents a very preliminary attempt at conceptualizing the retail patronage decision

process; therefore there is a need for considerable refinement. They indicate that the state of knowledge in this area is limited due to the fact that very few researchers have used a conceptual foundation of variables and interrelationships as a premise for their studies. In order to fully develop such a model, there needs to be rigorous research focusing on conceptual framework development.

Sheth Model

Sheth's (1981) model, a Theory of Merchandise Buying Behavior, is a relative newcomer to the field of marketing. His previous work in the areas of consumer-buying behavior and industrial buying have resulted in frequently cited conceptual models, thus contributing to the theoretical development of buying behavior. The Merchandise Buying Behavior Model was the first model to appear in marketing literature that specifically addressed how retailers make merchandise selections and do their purchasing (see Appendix A).

Sheth (1981) submits that his theory of merchandise buying behavior "is less behavioral and more at a micro level in its orientation and specificity" (p. 181). The theory, therefore, describes and explains the merchandise-buying behavior of the retail organization rather than how the individual manager buys the merchandise. Five major constructs dominate the model: a) Merchandise Requirements, b) Supplier Accessibility, c) Choice Calculus, d) Ideal Supplier/Product Choice, and e) Actual Supplier/Product Choice.

Merchandise requirements encompass the needs, motives, and purchase criteria of the retailer. There are both functional and nonfunctional requirements. The functional requirements are those buying needs which

mirror what the retailer's customers want in merchandise. All other buying motives, including those based on the personal values of the retail buyer, past traditions, reciprocity arrangements with suppliers and responses to competitive forces, are reflected in nonfunctional merchandise requirements (Sheth, 1981).

Merchandise requirements will vary from one retail organization to another. Characteristics such as size, type of retail establishment, location, and management mentality will affect the merchandise requirements. In addition, the merchandise requirements will vary from one product line to another within the same retail establishment. The following determinants have been identified: type of merchandise (drygoods vs. brown goods), product positioning (private brand vs. national brand), and legal/regulator restrictions (Sheth, 1981).

The product/supplier choices available to the retailer to satisfy his merchandise requirements also influence the buying decisions. Supplier accessibility includes three distinct but related factors identified as: a) the competitive structure of the supplier industry, b) the relative marketing effort by different suppliers, and c) the corporate image of the supplier due to business practices, quality of merchandise, and/or country of origin (Sheth, 1981).

Once merchandise requirements have been identified and supplier accessibility evaluated, the next step is to match these two elements. The choice rules or heuristics practiced by different retailers are referred to as choice calculus. There are three prevalent choice rules retailers are likely to follow in matching their merchandise requirements with a supplier: a) the trade-off choice calculus by which the retailer will make trade-offs between various choice criteria, b) the

dominant choice calculus by which the retailer makes supplier and/or product choices on only one choice criterion, and c) the sequential choice calculus by which the retailer sequentially narrows down multiple criteria, based on their relative importance (Sheth, 1981).

The supplier/product choice is the outcome of the matching process between merchandise requirements and supplier accessibility using any of the three choice rules. The ideal represents what should be the choice; however, a number of ad hoc situational factors do intervene in the selection process, and the actual choice does not always mirror the ideal choice.

Business climate, business negotiations, the company's financial position, and market disturbance are the major ad hoc situational factors that influence the choice process. These determinants have a profound effect on buying decisions but cannot be anticipated, and therefore cannot be modeled (Sheth, 1981).

Sheth (1981) expressed a need for a theory of merchandise buying across all three strata of buyers' behavior: producers, retailers, and consumers. The model presented fills the need for a theory of retail buying behavior which, in turn, contributes to the development of a general theory of merchandise buying.

In summary, the two models have marked similarities as well as differences with regard to relevant variables and interrelationships. Both models recognize various characteristics and situational circumstances of a retail organization in addition to the product/merchandise as major factors affecting the buying decision.

The two most salient differences between the models are in the scope. The Cravens and Finn (1983) model includes individual decision-

making variables; Sheth (1981) deals only with the merchandise-buying behavior of the retail organization. Thus, Cravens and Finn illuminated buyer-related factors (experience, information sources, and expectations) while, in contrast, Sheth expanded the role of supplier accessibility and various company-oriented factors (business negotiations, company's financial condition, etc.). It is also important to note that the Cravens and Finn model depicts the patronage decision, focusing on the selection of a supplier, whereas Sheth models the buying behavior constructs involved in supplier and/or product choice.

Selection Criteria Used by Retail Buyers

Eight research studies which addressed the selection criteria used by retail buyers were included in the review. Francis and Brown (1985), Hirschman (1981a), Hirschman and Mazursky (1982), and Stone (1987) examined the criteria used for both product and vendor selection. Heeler, Kearney, and Mehaffey (1973) and Ettenson and Wagner (1986) focused on product selection whereas Brown and Purwar (1980) researched retail vendor selection factors. Miler (1987) took a slightly different approach. She grouped the selection criteria into factors (internal and external) influencing the retail buyers' purchase decisions. A brief listing of the criteria examined in each of the apparel related studies may be found in Appendix B.

Merchandise/Product Selection Criteria

In six selected studies the merchandise selection criteria used by retail buyers differed between and among both product lines and store types (Ettenson & Wagner, 1986; Francis & Brown, 1985; Hirschman, 1981a;

Hirschman & Mazursky, 1982; Miler, 1987; Stone, 1987). The Hirschman study was a benchmark exploration into retail buying behavior across product lines (robes/loungewear, women's sportswear, and children's wear) and store types (department store and chain store). A free response interview format was used to identify the factors retail buyers consider when selecting merchandise. A total of 205 different criteria were cited and grouped into 10 categories. The five most frequently mentioned were: aesthetics, price, delivery, fashion, and quality. (See Appendix B for complete list.) The findings indicated that the participating buyers appeared to be supply rather than demand oriented since they focused on merchandise characteristics in lieu of consumer needs. Further, the buyers' primary concerns were internal (departmental and projected sales); little interest appeared to be directed toward the external environment which includes the consumer.

Hirschman and Mazursky (1982) extended the original study to a larger sample (three store types, 20 different departments) and staple or novel/untried merchandise. As in the previous study, the cited selection factors were content analyzed by independent raters who assigned them to meaningful categories. The five most frequently cited categories for selecting both novel and staple merchandise were: estimated consumer demand, anticipated margin, reputation of the product, aesthetic qualities of the product, and reliability and rapidity of merchandise delivery.

Francis and Brown (1985) examined the buying behavior associated with purchases of appliances and apparel (nonfashion and fashion goods). A forced choice questionnaire format was employed in the survey. The preselected variables were identified from those proposed by various

authors. The product variables were quality, color, position on fashion cycle, styling, distinctiveness, and brand name. In general, apparel buyers placed more emphasis on product-oriented considerations, and appliance buyers placed greater importance on economic concerns.

Stone (1987) found similarities in selection variables between women's apparel buyers and men's apparel buyers. However, women's buyers, in general, rated product variables higher than men's buyers. The eight selected product variables were reduced to three factors: a) brand name, b) product fashionability, and c) quality.

Ettenson and Wagner (1986) examined the relative importance of selected criteria used by retail buyers, assistant buyers, and fashion merchandising majors in judging the salability of a garment and the impact of training and experience on those judgments. The findings indicated that buying experience influenced the use of quantitative information among the participants. The retail buyers were more likely to include markup in their decision-making process than were the less experienced groups. On the other hand, the buyers were less likely to include advertising allowance in their evaluation. Similarities were also noted across the three groups; selling history appeared to have a considerable impact on the judgment of all participants.

The retail buyer's purchase decision was investigated from a different perspective in a recent study by Miler (1987). Rather than merchandise selection criteria, the researcher studied selected influencing factors as they related to the degree of fashion newness of a garment. Four major categories of influence (internal and external) were identified as environmental, organizational, group, and individual. These influences, as well as the degree of fashion newness, were shown

to affect the purchase decision. The 10 most important influences by rank were expected sales, quality, cost, key seasonal item, being a good buy, color(s), fiber, styling, planned retail sales, and merchandise mix.

Merchandise/Product Evaluation

Supermarket product selection was the focus of a study by Heeler, Kearney, and Mehaffey (1973). The purpose of the study was to model a choice process for new products in an effort to reduce management's appraisal time. The authors identified 13 product selection variables from sales representatives' product presentation sheets for inclusion in the study. Three alternative decision models were evaluated. The model referred to as the GLS compensatory model appeared to be the best choice for use as a product selection screening technique. The four predictor variables in the compensatory model were advertising, credit, uniqueness, and profit.

Vendor/Supplier Selection Criteria

The vendor selection criteria, as in the merchandise selection criteria in the above mentioned articles, that focused on store needs and profitability appeared to be the major considerations (Francis & Brown, 1985; Hirschman, 1981a; Hirschman & Mazursky, 1982; Stone, 1987). In a free response situation, some of the same variables were mentioned; however, the frequency with which they were cited was found to vary between vendor and merchandise (Hirschman & Mazursky, 1982). Manufacturer's reputation headed the list followed by anticipated margin, reliability and rapidity of delivery, product reputation, and estimated

consumer demand. Hirschman's (1981a) earlier study identified a similar list of variables. A brief listing of the criteria examined in each of these studies may be found in Appendix B.

Francis and Brown (1985) and Stone (1987) identified the selection variables based on those proposed by contemporary researchers/authors. Factor analysis was used in both studies to reduce the number of variables and group them into meaningful dimensions. In both cases three factors emerged from a list of 10 vendor-related variables. Francis and Brown identified the factors as: vendor, negotiations, and supply; the Stone data, however demonstrated different factor loadings which resulted in negotiations, reputation, and price/promotion emerging as the three most important factors in terms of explained variance.

Two additional articles addressed the topic of vendor selection (Brown & Purwar, 1980; Osborne, 1979). Brown and Purwar (1980) explored the effect of the availability of alternative suppliers on the relative importance of specific selection criteria. Twenty-three criteria were rated by various convenience goods retailers who were representative of either the conventional, administered, or contractual channel type. The purpose of the study was to empirically determine whether or not the importance of retail supplier selection criteria does vary according to the degree of centralized market programming. Promotional support was the only criterion showing a significant difference across channels. The findings indicated that retailers who had no choice of supplier, as in the administered channel type, tended to rate the supplier's promotional support less important than did those retailers belonging to the other two channel types. Thus, no significant difference in the importance of suppliers' promotional support was indicated when the retailers had a choice of supplier.

Vendor/Supplier Evaluation

Arthur E. Osborne (1979), Executive Vice President of Marshall Field and Company, stresses the importance of resource selection to profitable merchandising. He lists six key areas in which a vendor's suitability should be judged: a) merchandise desirability, b) prices and terms, c) delivery, d) distribution, e) promotional aids, and f) reputation. Osborne further suggests that a formal record and analysis sheet be maintained on each supplier. Nine specific areas of rating vendor performance are outlined.

Berens (1971-1972) also addressed the retail buyers' evaluation criteria for vendor selection. It was the premise of the author that the literature of retailing provided the retailer with sets of criteria to use in vendor selection, these criteria providing a framework with which a supplier can be systematically evaluated. A paired comparison approach was used to design a systematic decision matrix for vendor selection. This mode of evaluation can eliminate much of the bias and incomplete assessment of vendors prior to selection of merchandise. Berens' suggested evaluation criteria included two customer oriented factors, whereas Osborne focused on organizational needs. The criteria identified by each author are listed in Appendix B.

Information Sources

Information sources used by retail buyers are currently under consideration by researchers interested in the buying process. Where do buyers get information concerning vendors and/or products, and what is the relative importance placed on these sources?

The Cravens and Finn (1983) model addresses the importance of information sources on the patronage decision process in retail buying. In the simplified model information sources have a direct effect on expectations about alternative suppliers which, in turn, impacts the evaluation process. The authors suggest that the information sources may also influence the evaluative criteria. Further, the model assumes that the retail buyers have some knowledge or beliefs concerning various vendors that influence the patronage decision. Experience, therefore, affects both information sources and expectations.

Hirschman and Stampfl (1980) suggest that while the retail buyer as gatekeeper must gather information regarding both available products and consumer demand characteristics, it appears that most retail buyers spend more time gathering product information than consumer demand information. Further, a priori data collection is the mode used with regard to products and a post hoc approach is used with regard to consumers. The authors contend that consumer demand information should be accomplished in an a priori manner as past sales only measure the acceptance of the products that are made available and do not reflect whether the customer's needs were satisfied.

Five research studies specifically explored the relative importance of various information sources among retail buyers (Francis & Brown, 1985; Hirschman & Mazursky, 1982; Mazursky & Hirschman, 1987; Stone, 1987; Utap, 1983). Francis and Brown identified six information sources through contemporary literature and examined the buyers' perceptions of the importance of these sources. The rank order with regard to importance did not differ between apparel buyers and appliance buyers. Personal selling (by manufacturer sales representatives), vendor

advertising/promotion, and trade publications were found to be the most important information sources among the participants. Stone (1987), however, found competing stores to be the most important source of information used by men's wear buyers and women's wear buyers. Supervisors (upper retail management) and sales representatives were ranked second and third, respectively. Women's wear buyers rated all information sources higher than did men's wear buyers.

Using a free response mode of query, Hirschman and Mazursky (1982) concluded that the pattern of information source importance varied across store type. However, in spite of the differences in perceived importance across store types, the basic list of information sources provided by the retail buyers reflected the same common variables including buyer's personal judgment, the trade press, historic and/or predicted sales levels, the vendor, central buying office, and consultation with other buyers.

A subsequent study by the same research team involved investigating the four most frequently mentioned information sources from a personal/nonpersonal and external/internal perspective. Self, historic and predicted sales data, trade press, and vendors were the variables included in the analysis. The utilization patterns revealed that the greater differences among store types and product lines occurred in external and internal personal information sources which were vendors and self. Hard line buyers tend to utilize personal information sources more often than soft line buyers, whereas buyers of all store and product type categories exhibited equal utilization of external nonpersonal sources (trade press and historic and predicted sales levels) (Mazursky & Hirschman, 1987).

Upah (1983) also found a difference in preferred information sources among hardware store buyers when purchasing hand tools and power tools. The product complexity appeared to influence the rank ordering of the information sources as well as the degree of importance placed on the variables. The importance of personal selling increased with the complexity of the product. See Appendix B for a brief listing of the information sources examined in each of the studies.

The Effects of Merchandise Classifications and Store Types on Selection Criteria

The Cravens and Finn (1983) model of Patronage Decisions in Retail Buying and Sheth's (1981) Theory of Merchandise Buying and Behavior identify the characteristics of both the product or service and the buying organization as major constructs in the patronage decision process. A number of research studies have been reviewed in which this premise is substantiated. The consumer products and the types of stores central to the investigations are numerous and varied. However, the majority of the selected studies involve apparel items and large department stores.

Merchandise Classifications

A review of selected contemporary literature suggests that most often differences do exist among and/or between merchandise classifications with regard to selection criteria and information sources. The products under investigation included apparel (general and specific), appliances, convenience goods, and power tools. In addition, various product characteristics, ranging from fashion elements to complexity

of operation, were examined as they relate to the buying decision.

Several of the studies included in this segment have been discussed under other headings in previous sections; therefore, this review will be confined to only those elements that specifically relate to merchandise classifications.

Apparel Merchandise. Apparel was the merchandise classification involved in eight of the selected studies. Five of the research studies focused on the relationship between the merchandise subclassifications and the corresponding selection criteria (Ettenson & Wagner, 1986; Francis & Brown, 1985; Hirschman, 1981a; Miler, 1987; Stone, 1987).

Ettenson and Wagner (1986) explored the salability of a woman's basic blouse as perceived by buyers with varying levels of experience. The selection criteria took the form of quantitative (pricing, selling history, and promotion support) and qualitative (fiber content, cut, color range, brand, and country of origin) cues. The results indicated that quantitative rather than qualitative information dominated the salability judgments of the buyers.

Francis and Brown (1985) compared the buying criteria used by buyers of apparel to the criteria used by appliance buyers. Apparel buyers placed greater emphasis on styling, fashionability, color, and distinctiveness of the product. Appliance buyers, on the other hand, were more concerned about brand and negotiating the terms of the sale.

Hirschman (1981a) explored the criteria used by buyers when selecting women's sportswear, childrenswear, and robes/loungewear. The findings indicated that the importance of the criteria for both merchandise selection and vendor selection varied among the merchandise classifications. Robes/loungewear buyers cited aesthetics and fashion

as important decision criteria for merchandise selection whereas women's sportswear buyers named price/cost and delivery, and children's wear buyers most frequently mentioned delivery.

Three women's garments were the focus of Miler's (1987) study involving the relationship between the newness of fashion and the factors influencing the retail buyer's purchase decision. The selected garments represented three degrees of fashion newness: new, on-going, and classic. The results suggested that the degree of fashion newness did make a difference in the amount of influence a variable had on the decision making for 9 out of 37 specific influences. The highest mean scores of influence were indicated on the item's styling, the buyer's perception of the garment as a key item for the season, and the open-mindedness of the buyer.

Stone (1987) investigated the differences in salability judgments between women's wear and men's wear buyers. Similarities were noted as they related to product differences and information source variables. However, marked differences were identified with regard to vendor factors, pricing strategy, and competition.

An additional study was included in the review because it involved apparel buying; however, the selection criteria was not specifically addressed. Taylor (1985) investigated retail buyer effectiveness in providing what the customer wants and needs. The differences in women's apparel selected by the buyer and those selected by the consumer were examined. The findings suggested an incongruence between the seller and the buyer, in that consumers tend to choose different items when given the same choices in manufacturers' showrooms.

Other Merchandise. The merchandise referenced in the Brown and Purwar (1980) study was classified as convenience goods. Included in the classification were greeting cards, pens, cigarettes, candy, pain relievers, and magazines. The researcher investigated the vendor selection criteria across channel types and found that when retailers had a choice of suppliers, they did not significantly differ across channel types in the importance they place on the various criteria. However, when they were given no choice, differences were noted among channel types with regard to promotional support. Grocery products were the focus of another study involving the selection process and product screening. Thirteen prediction variables were analyzed; advertising, credit, uniqueness, and profit emerged as the best predictors of product performance (Heeler, Kearney, & Mehaffey, 1973). Upah (1980) examined the effects of product complexity in an experimental procedure involving power tools and hand tools. A positive relationship was found between product complexity and manufacturers' communication with the retailer.

Store Types

A variety of store types have been incorporated in retail buying studies. In general, the retail organizations represented in the reviewed literature are large operations as opposed to small independently owned businesses. Department stores are the dominant type of retail establishments included in the research studies.

For the purposes of a comparative study, Hirschman and Mazursky (1982) subdivided the department store classification into three types: traditional, national chain, and discount. The criteria and

information sources used by retail buyers across store types was the essence of the study. More similarity in pattern of criteria was exhibited within store type than across store type. However, information source usage was more specific to a given type of department store. In an earlier study by Hirschman (1981a) concerning the decision-making criteria used by retail buyers, department store buyers were compared to chain store buyers. The survey results indicated that buyers from the two types of retailing institutions tended to emphasize different selection criteria.

Taylor (1981) surveyed buyers from three department stores and three specialty stores. The study involved a comparison of the two store types with regard to meeting their constituent market wants and needs. Results concerning the merchandise choice indicated that there was no significant difference between department stores and specialty stores in meeting their constituent market needs. However, between specialty store buyer's choices and their customers' choices there was a highly significant difference.

Stone (1987) surveyed specialty store chain buyers as well as mass merchandisers. The sample was further segmented into high and lower price lines. The findings indicated that the specialty store buyers, representing the higher-priced merchandise, were more concerned with quality, color, and distinctiveness compared to the lower-priced specialty store buyers; mass merchandising store buyers were more concerned about quality and pricing.

Store Performance

In the retail industry, store performance is intrinsically linked

to productivity; there is also a direct relationship between productivity and profitability (Lusch & Moon, 1984). Profitability, of course, is the retail business establishment's *raison d'etre*. The effects of the productivity of the retail sector are far-reaching; not only does productivity impact the retail industry but it affects the national economy as well (Achabal, Heineke, & McIntyre, 1984; Fiorito & LaForge, 1986; Ingene, 1984).

Achieving high productivity is important to managers, employees, consumers, and society as a whole because it is a major determinant of profits, wages, prices, and the American standard of living. (Ingene, 1984, p. 15)

The Cravens and Finn (1983) model of the patronage decision in retailing stresses the importance of different facets of the buying organization on the ultimate selection of a supplier. Among the factors of the buying organization, thought to influence the decision process, is the financial performance of the store. It is the premise of the authors that the degree of importance placed on various decision criteria will vary in relation to the productivity/performance of the retail firm.

What is the definition of productivity in the retail trades? According to Good (1984), productivity is broadly defined as operating and economic performance. The next question, of course, is, how is productivity measured? The answer to this question is controversial, at best. Considerable debate has occurred with regard to appropriate measures of productivity or performance in the retail trades (Achabal, Heineke, & McIntyre, 1984; Good, 1984; Goodman, 1985; Ingene, 1984). Numerous authors have presented conceptual models for measuring productivity. No consensus appears to be forthcoming; however, a

plethora of measurement variables has emerged from the on-going dialogue over the issue.

Several research studies addressing the performance of small retail businesses were identified in current literature. The store types under investigation ranged from fast food and grocery to hardware and service stations. Only two performance-related studies were reviewed in which apparel merchandise was involved. Fiorito (1984) investigated the relationship between selected financial ratios (financial performance) and marketing strategies of small apparel firms. The second study examined the characteristics of apparel buyers in relation to the success and/or failure, based on sales performance, of two department stores (Martin, 1973). In both cases, evidence was found indicating a relationship between store performance and the factors being investigated.

Summary

There is need for theoretical model development in the area of retail buying behavior. Two models have been introduced in marketing literature in recent years (Cravens & Finn, 1983; Sheth, 1981). The models do not account for all of the factors that may be important in a retail buying situation; however, they do provide general conceptualization of relevant variables. A review of recent research studies concerning retail buyers' evaluation processes revealed that only one researcher used a retail buying model as a theoretical framework to guide her research (Stone, 1987). The other studies used either industrial or organizational buying models, or no theory base was cited.

For the purpose of this study, the more holistic approach provided by the Cravens and Finn (1983) model was the more appropriate. Due to the nature of the small retail operation, it is important to examine both the organizational structure and the individual decision-making process. Although it is only a preliminary model, it does provide the framework for exploring both facets of the retail-buying process. In addition, the unique position of the fashion retailer has been recognized by the authors and is specifically addressed throughout the model description and explanation.

The breadth of research focusing on retail-buying behavior/patronage decision indicates that this is an underdeveloped area of marketing. Only six of the reviewed studies specifically addressed the decision-making process (Ettenson & Wagner, 1986; Francis & Brown, 1985; Hirschman, 1981a; Hirschman & Mazursky, 1982; Miler, 1987; Stone, 1987).

Hirschman (1981a) offered an exploratory study of chain stores and department stores. The buyers purchased merchandise for sportswear, robes/loungewear and children's wear departments. The study supported the construct that buyers' selection criteria varies among types of stores and across departments within a store. Hirschman and Mazursky (1982) extended the study into a national survey of retail buyers' selection criteria and information sources. The investigation involved a large sample of department store buyers (chain, traditional, and discount) who represented 20 different departments which included novel and/or staple merchandise classifications. Again, differences were noted among store types and between merchandise classifications. Francis and Brown (1985) carried the research into a comparison between buyers of different types of merchandise (apparel and appliances),

testing the proposition that retail-buying behavior differs between types of merchandise sold. The study was replicated by Stone (1987) who compared women's wear buyers and men's wear buyers in addition to high-priced and low-priced merchandise lines. The underlying element of fashion versus nonfashion was also a part of the Francis and Brown comparison study. Miler (1987) carried the fashion theme into research involving the effects of the degree of fashion newness as related to the importance of influencing factors.

The Brown and Purwar (1980) and Heeler, Kearney, and Mehaffey (1973) studies explored the retail-buying criteria from different perspectives. Brown and Purwar examined the importance of supplier selection as it related to the degree of centralization of convenience goods stores. The Heeler, Kearney, and Mehaffey study focused on supermarket product selection for the purpose of developing a decision model for screening new products.

The information sources used by retail buyers was investigated in four of the reviewed research projects. Francis and Brown (1985) and Stone (1987) found no difference in ranked importance of selected information sources between the buyers of appliances and apparel buyers and between men's wear buyers and women's wear buyers. On the other hand, Hirschman and Mazursky (1982) found differences in the importance placed on information sources with regard to store type, vendor selection, and merchandise selection. Product complexity also appeared to influence the relative importance of selected information sources (Upah, 1983).

The purpose of the current study was to expand the body of knowledge concerning the selection criteria used by retail buyers when

evaluating products and vendors and the information sources used by them in the selection process. The specific focus was the small retail operation in which the buyer makes the merchandise selections for the entire store. It is expected that the criteria for product and vendor selection as well as information source utilization used by small specialty store buyers would differ from those used by large departmentalized stores. The possible effects of store performance on the retail buying process was also explored.

CHAPTER III

METHODS AND PROCEDURES

The purpose of the study was to investigate the decision-making processes of small apparel store buyers. The specific objectives were to identify the selection criteria and information sources used by these buyers and to analyze the relationships among these factors and store size and store performance. The objectives of the study were to: a) identify the criteria and information sources used by small, independently owned apparel store buyers when they make merchandise and vendor selections and to establish the relative importance of these criteria and sources in the selection process and b) analyze the relationship of perceived store performance to selection criteria and information sources. To achieve the stated objectives, research procedures were accomplished as described in the following discussion.

Instrument Development

Through the review of literature two retail-buying models were identified which could guide the study. The Cravens and Finn (1983) model was selected because the role of the retail buyer figured prominently in the decision process. The effects of two of the theoretical constructs (buying organizations and information sources) on the selection criteria were investigated in this study.

In keeping with the purposes of this research, the survey instrument was divided into five sections: information source utilization, perceived store performance, merchandise and vendor selection factors, background information about the stores, and background information about the buyers. (See Appendix C.) A five point Likert-type response scale, ranging from not at all important (1) to extremely important (5) was used in the first three sections. For the last two (demographic-related) sections, a range was provided in which the appropriate answer could be checked or a blank was provided for a free response.

The list of information source variables was a compilation of variables used in the Francis and Brown (1985-1986) and the Hirschman and Mazursky (1982) studies. Francis and Brown developed their list from factors cited in literature, whereas the latter authors identified the variables through a free response interview format. Two additional variables were included to identify the relative importance of customer-related factors as a source of information: a) store customers and b) store personnel/sales people.

Store performance was measured according to the buyer's perceived satisfaction with five selected measures. This method of measuring performance, as opposed to actual dollar figures, was selected due to resistance of retailers to provide sensitive financial information (Fiorito, 1984; Fiorito & LaForge, 1986; Hand, Sineath, & Howle, 1987). The selected store performance variables were based on the measures suggested by Cronin and Skinner (1984) in a study concerning retail profit performance.

Cravens and Finn (1983) suggest that a major weakness in current retail buyer-related research lies in the fact that researchers most

often predetermine the criteria rather than allowing it to be identified by the participation of the user. In response to this criticism the basic list of selection variables was comprised of conditions or characteristics frequently mentioned by retail buyers in two surveys in which a free response format was used (Hirschman, 1981a; Hirschman & Mazursky, 1982). The list was augmented by selected variables identified in the literature, which resulted in a list of 30 merchandise/vendor selection criteria (Berens, 1971-1972; Lehmann & O'Shaughnessy, 1974; Packard, Winters, & Axelrod, 1978; Sheth, 1973; Troxell & Stone, 1981).

The last sections were designed to collect demographic information concerning the store (sales volume, price line, and years store had been in business) and the buyer (experience, education, age, and gender). These factors enabled the researchers to profile the retail buyers and retail operations in addition to providing data for more in-depth analysis of factors affecting the decision process.

Description of Questionnaire

As mentioned previously, the questionnaire was divided into five sections, a) Information Sources, b) Store Performance, c) Merchandise/Vendor Selection, d) Information About Your Store, and e) Information About You. In addition, store types and geographic regions were noted. A description of each section is as follows.

Store Type (Question 1). The first question was asked to establish eligibility as well as to identify the store type. Respondents were asked to identify the type of specialty store for which they bought apparel merchandise. The choices were Ladies', Men's, Children's,

and/or Other. Multiple responses coupled with the Other category resulted in an additional four store types (Ladies' and Men's, Ladies' and Children's, Ladies', Men's and Children's, and Department Store). The Other category also included references to merchandise such as dance wear, lingerie, maternity and T-shirts. Ladies' was often indicated in combination with complementary classifications (lingerie, uniforms, cosmetics, accessories). For a complete list of frequencies of store types see Appendix D.

Information Sources (Questions 2-12). Respondents were asked to indicate the degree of importance they placed on 10 selected information sources. A not applicable response was also available for each item. In addition, a blank was provided for other sources not listed. The list of other sources was varied and extensive, ranging from observing customers and competition to product characteristics and turnover figures of product lines. See Chapter IV, Table 4 for means, standard deviations, and rankings and Appendix E for other information sources listed.

Store Performance (Questions 13-17). The level of satisfaction with store performance was identified using five measures of store performance: sales volume, gross margin, inventory turnover, net sales per square foot, and average sales per employee. The means and standard deviations of each of the five measures are presented in Chapter V, Table 6. The regression analysis discussed in Chapter V used a computer-calculated total performance score for each respondent.

Merchandise/Vendor Selection (Questions 18-49). Thirty-one selected factors were rated according to degree of importance ranging

from not at all important (1) to extremely important (5). There was also an opportunity to identify additional factors in the Other category. The factors suggested by the respondents were, for the most part, vendor related, ranging from courtesy of the vendor to honesty, attitude, and approach. For a complete list of Other factors see Chapter V, Table 8. Ranks, means, and standard deviation for all 31 selection factors are also included in the aforementioned table.

Information about the store was the focus of the next section. The questions (50-52) involved annual sales volume, price line, and years the store had been in business. Annual sales volume was divided into six responses: a) less than \$100,000, b) \$100,00-\$300,000, c) \$300,000-\$500,000, d) \$500,000-\$700,000, e) \$700,000-\$900,000, and f) over \$900,000. For the purposes of analysis four categories were identified. The first three remained unchanged whereas the fourth category, over \$500,000, was formed by combining categories d, e, and f. See Appendix D for original sales volume data, frequencies, and percentages.

Price line was divided into the four basic groups used by the Dallas Apparel Mart in their directory--Budget, Moderate, Better, and Couture. In spite of the instruction asking the respondents to check only one category which best described the store's price line there were multiple responses. Nine categories emerged: a) Budget, b) Moderate, c) Better, d) Couture, e) Moderate/Better, f) Budget/Moderate, g) Better/Couture, h) All price lines, and i) Budget/Moderate/Better. For the purposes of analysis, lower, medium and higher price line categories were formed by combining the responses into meaningful groups. See Appendix D for details concerning price line categories, frequencies, and percentages.

The number of years the store had been in business was the final descriptor of the retail establishment. The question was free response and the data were grouped for the purpose of analysis. Five categories were identified: a) 0-5 years, b) 6-10 years, c) 11-20 years, d) 21-30 years, and e) over 30 years. See Appendix D for details concerning the frequencies and percentages associated with the years the store had been in business.

Information About You was the final demographic section (questions 53-58) in the questionnaire. Respondents were queried concerning years of employment in the fashion merchandising field, years of experience as a buyer, job title, education, gender, and age. Years of employment in the fashion merchandising field and years of experience as an apparel buyer were free response questions. In analyzing both aspects of the respondents' experience the years were collapsed into four categories: a) 0-5 years, b) 6-10 years, c) 11-20 years, and d) over 20 years. Appendix F contains the frequencies and percentages for both years of experience in fashion merchandising and as an apparel buyer.

The job title/position was intended to identify the respondents' position in the retail organization. Four categories (plus Other) were provided for this purpose: a) store owner, b) store manager, c) store owner/manager, and d) buyer. Again the respondents checked multiple categories rather than only one as directed; therefore, the results were difficult to tabulate. The Other category elicited a variety of titles (janitor, bookkeeper, trainer, etc.) which indicates the diversity of a small store owner/buyer. See Appendix F for frequencies associated with each title and a list of Other titles offered by the respondents.

The educational level of the respondents was examined by offering seven specific categories (and an Other): a) some high school, b) completed high school, c) vocational/technical training beyond high school, d) some college, e) completed college, f) some graduate work, and g) graduate degree. Again for the purposes of analysis, the seven categories were combined resulting in four educational levels: a) high school and less, b) beyond high school, c) college graduation, and d) graduate work. In addition to indicating highest level of education, respondents were asked to specify college major, graduate degree and any other training not listed. For details concerning educational level frequencies, specific degree, and responses to the Other category see Appendix F.

Pilot Test of the Questionnaire

The proposed questionnaire was pilot tested by 12 owners/buyers of small stores; in addition, educators involved in the apparel retailing field reviewed the instrument for content validity. Minor revisions were made as indicated by the comments and suggestions that surfaced in the pilot test. The questionnaire was further evaluated for ease of coding and analysis. The resulting questionnaire appeared in a four-page booklet closely conforming to the format and features suggested by Dillman (1978). (See Appendix C.)

Sample Selection

The objectives of the study involved sampling buyers from small independently owned apparel stores. In the interest of conserving time and resources and improving the response rate, a purposive sample frame

composed of store owners/buyers who had previously participated in the Oklahoma State University Center for Apparel Marketing and Merchandising (CAMM) workshops, seminars, teleconferences, and/or consultations was used. The list included only those individuals who participated in CAMM activities during the years 1984-1988. This listing provided a nationwide sample with names and addresses of store owners/buyers in addition to type of store and sales volume. All buyers whose stores met the criteria for inclusion in the study were surveyed, (i.e., independently owned retail apparel stores with an annual sales volume under \$1,000,000).

Administration of the Questionnaire

A pre-questionnaire notification letter explaining the purpose of the study was sent 3 weeks prior to mailing the questionnaire. The purpose of the letter was two-fold: a) to purge the list for future mailings by identifying the stores which were no longer in business, and b) to sensitize the potential respondent to the forthcoming questionnaire. Letters were mailed first class to 1,135 stores; 316 were returned as either undeliverable or no longer in business.

The self-administered questionnaire was then mailed to the remaining 819 store owners identified as potential participants together with a letter of transmittal and a self-addressed, stamped envelope. The Dillman (1978) technique was used in relation to hand stamping the envelope, first-class postage, and mailing on a Tuesday. An identification number was assigned to each questionnaire. As questionnaires were returned, the numbers were checked on a master list; therefore, the nonrespondents were readily identifiable. Participants who had not

responded after a two-week period were sent a brightly colored postcard as a reminder. After an additional two weeks, a follow-up letter and another questionnaire were mailed to those who had not yet responded. See Appendix H for pre-questionnaire letter, letter of transmittal, postcard reminder and follow-up letter.

A final tabulation revealed that out of 819 questionnaires mailed, 39 were returned by the post office, resulting in 780 potential participants. Three hundred twenty-one questionnaires were returned. Among those, eight were not included in the study due to ineligibility (store type, merchandise line, or respondent was not a buyer), incomplete instruments, or the respondent declined to participate. A total of 313 usable questionnaires were incorporated in the analysis, resulting in a 40.13% response rate.

Timing was an important element in the survey. A spring time frame was chosen for the survey because this is usually a slack period for retailers.

Sample Characteristics

The gender of the respondents is described in the sample descriptions in both Chapters IV and V (45 males and 267 females). The age and educational level of the respondents also appear in these same descriptive tables. Additional information concerning the educational background of the sample is presented in Appendix F. College majors were varied, ranging from business and home economics to education and English. Graduate degrees were specified by both types of degrees and area of emphasis. The specified degree types included Masters, Ph.D., Ed.D., and J.D. The major areas of the graduate degrees included education, business, and home economics.

The geographic information included the states represented by the sample and the frequency of the representation. Thirty-seven states were represented with the following states having the greatest representation: California (66), Texas (32), Indiana (23), North Carolina (22), Michigan (21), Illinois (20), Oklahoma (17), and Ohio (11). In addition, the states were divided into four regions and the regional representation was calculated. See Appendix G for regional definitions and the frequencies and percentages of both states and regions.

Analysis of Data

The data were entered into the computer memory in accordance with the predetermined coding format. Analysis began approximately 10 weeks after the first letter was mailed.

The analytical techniques used included both descriptive and inferential statistical methods. Frequencies and percentages, factor analysis, t tests and stepwise regression were employed in the data analysis procedures.

Frequencies and percentages were used to determine the level of importance of selected variables among the participants as well as to provide a demographic profile of the sample. The selection criteria underwent factor analysis as both a data reduction technique and a procedure to identify underlying dimensions (Francis & Brown, 1985; Gorsuch, 1974; Hirschman, 1981a; Hirschman & Mazursky, 1982). T tests were performed to determine if the level of satisfaction was influenced by the importance placed on various selection criteria and information sources. Stepwise regression was employed to determine what information sources, if any, were significantly related to satisfaction

with store performance. The reliability of the store performance measure and selection criteria factors was established using Cronbach's Coefficient Alpha (Nunnally, 1967; Peter, 1979). Results of the analyses are reported in the following chapters which were developed in article format.

CHAPTER IV

THE IMPORTANCE OF SELECTION CRITERIA AND INFORMATION
SOURCES IN THE PURCHASE DECISION PROCESS
OF RETAIL APPAREL BUYERS

Manuscript 1

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Abstract

The researchers examined the decision-making process of small apparel store owners/buyers, specifically their use of selection criteria and information sources in the buying process. The findings were then compared to the results from studies on the buying behavior of buyers as described in the published literature. The findings indicated that among the sample of buyers for small apparel stores, the buyers appear to regard merchandise-related selection criteria as more important than vendor-related criteria when making a purchase decision. Among the information sources, the more personal internal sources were identified as most important. When comparing results of this study with previous research, it appeared that the current sample tended to exhibit more involvement than did buyers represented in published literature. The buyers who participated in the study were more concerned with quality, fit, and construction of the product, personal experience with vendors, and customers and salespeople as sources of information. In the reviewed literature, the buyers tended to place more importance on objectives of the organization in relation to price, anticipated margin, and brand name, and less importance on personal involvement with vendors and customers.

Introduction

In the present volatile business climate, mergers and acquisitions are turning many large retail organizations into giants, whereas the small retail businesses, for the most part, remain as one-person operations. The organizational structure as well as the modes of operation differ greatly between the two types of retailers, yet these differences are seldom examined in marketing literature.

Traditionally, the tendency among managers and researchers alike has been to regard a small business as a 'little big business' in terms of assets, sales, and number of employees (Welsh & White, 1981). Recently, however, researchers are arguing that there are numerous factors that distinguish small businesses from their larger counterparts. Davis, Hills, and LaForge (1985) identified four conditions that are common among small retail organizations: a) one person performs most of the retail functions, b) they are one-store operations, c) they are undercapitalized, and d) objectives are based on survival. Clearly,

the aforementioned conditions do not exist within most large retail operations.

No area is more central to any retail operation than the merchandise-buying function. A review of marketing literature reveals a plethora of research in the areas of consumer-buying behavior and industrial buying, whereas retail-buying behavior has all but been ignored. Not only is there a scarcity of research focusing on retail-buying behavior, but most of the studies reviewed tended to concentrate on large retail establishments rather than on small ones.

The researchers examined the retail-buying behavior of apparel buyers for small retail establishments. Buyers were asked to indicate the importance of various factors influencing their purchase decisions, including their merchandise and vendor selection criteria and the sources of information they use.

Related Research

Recent retail-related research studies, though limited, have addressed the relative importance of various factors influencing retail purchase decisions. Researchers have found that the importance of merchandise selection criteria, vendor selection criteria, and information sources varies depending on factors such as store type and merchandise classification.

Merchandise and Vendor Selection Criteria

Hirschman (1981) made an exploratory study of chain store and department store buyers who purchased women's sportswear, robes/lounge-wear, and children's wear. She found differences between buyers in different types of stores and across departments within a store with respect to how often various merchandise and vendor selection criteria

were mentioned as being used in purchase decisions. Hirschman and Mazursky (1982) extended the study into a national survey of department store buyers (chain, traditional, and discount) who represented 20 different departments. The merchandise within the departments was classified as either staple or novel/untried. Again, differences were noted among buyers in different types of stores and between merchandise classifications.

Francis and Brown (1985) found differences between apparel and appliance buyers with regard to the relative importance of merchandise and vendor selection variables when studying apparel buyers. Stone (1987) found marked differences between men's and women's wear buyers with respect to the importance they placed on vendor selection factors.

Information Sources

The information sources used by retail buyers were investigated in three research studies. Francis and Brown (1985) found no difference in ranked importance of selected information sources between the buyers of appliances and apparel buyers. Stone (1987) also found no difference between men's wear buyers and women's wear buyers. On the other hand, Hirschman and Mazursky (1982) found differences in the rank order of importance placed on information sources across store types, and between vendor selection criteria, and merchandise selection criteria.

Purpose

As demonstrated in the previous literature, the importance placed on vendor and merchandise selection criteria, as well as the importance placed on information sources, varies depending on factors such as store type and merchandise classification. It is quite possible that the

importance placed on these factors will also vary depending on store size. This would be expected according to the Cravens and Finn (1983) model of vendor patronage. The Cravens and Finn model, shown in Figure 1, identifies three factors which influence vendor selection criteria (evaluative criteria). These are the decision situation, the product/service, and the buying organization. One of the elements of the buying organization listed as a potential influence on vendor selection criteria is the size of the organization. Therefore, one would not expect small organizations to make decisions using the same criteria and information sources as large organizations.

Insert Figure 1 about here

In all of the aforementioned studies, with one exception, buyers from large retail organizations were the primary source of data. The Francis and Brown (1985) sample included buyers from a variety of retail operations including small specialty shops, department stores, chain or discount stores. No study, however, has focused exclusively on the purchase decisions of buyers for small retail organizations. The purpose of this study was to extend the body of knowledge concerning retail-buying behavior to include small, independently-owned retail stores.

Two research questions were addressed:

1. What is the relative importance of merchandise and vendor selection criteria used by buyers for small, independently-owned apparel stores?
2. What is the relative importance of the information sources used by buyers for small, independently-owned apparel stores?

Methodology

A purposive sample frame composed of store owner/buyers who had participated in the Oklahoma State University Center for Apparel Marketing and Merchandising (CMM) activities during the 1984-1988 time period was used. Only apparel stores from independently-owned apparel stores were included.

Instrument

The Cravens and Finn (1983) model of retail buying provided the theoretical framework to guide this study. The preliminary model does not account for all the factors that may be important in a retail buying situation; however, it did provide a general conceptualization of relevant variables. The model was selected because it addresses both organizational structure and the individual decision-making process of retailers. Cravens and Finn (1983) identified the decision situation, product or service, and buying organization as key elements that influence the evaluative criteria (selection criteria). Cravens and Finn noted that, with regard to buying organizations, store characteristics such as financial aspects, classifications (department, specialty, etc.) and store size are important influences on the buyers' choice of supplier. In addition, information sources are identified as factors having a direct impact on the evaluation process. Two elements of the decision process, buying organization and information sources, were within the scope of the study. (See Figure 1.)

The survey instrument included sections relating to information sources, merchandise and vendor selection factors, and background information concerning both the stores and the buyers. A five point Likert-type response scale ranging from not at all important (1) to

extremely important (5) was used in the first three sections.

The list of information source variables was based on those used in the Hirschman and Mazursky (1982) and Francis and Brown (1985) studies. Hirschman and Mazursky identified the variables through a free response interview format, whereas the latter authors developed their list from factors cited in literature. Two additional variables were included to identify the relative importance of customer-related factors as a source of information: (a) store customers and (b) store personnel/sales people.

Cravens and Finn (1983) suggested that a major weakness in current retail buyer-related research lies in the fact that researchers most often predetermine the criteria rather than allowing it to be identified by the participation of the user. In response to this criticism, the basic list of selection variables was comprised of conditions or characteristics frequently mentioned by retail buyers in two surveys in which a free response format was used (Hirschman, 1981; Hirschman & Mazursky, 1982). The list was augmented by adding variables cited in selected literature as being important to buyers when making a purchase decision (Berens, 1971-1972; Francis & Brown, 1985; Lehmann & O'Shaughnessy, 1974; Packard, Winters, & Axelrod, 1978; Sheth, 1973; Troxell & Stone, 1981). The final list contained 31 merchandise/vendor selection criteria.

The last sections were designed to collect demographic information concerning the store (sales volume, price line, and years stores had been in business) and the buyer (experience, education, age, and gender).

The questionnaire was pilot tested by 12 small store owners/buyers; in addition, educators involved in the apparel retailing field reviewed

the instrument for content validity. Minor revisions were made as indicated by the comments and suggestions that surfaced in the pilot test. The resulting questionnaire appeared in a four-page booklet closely conforming to the format and features suggested by Dillman (1978).

Procedure

A pre-questionnaire notification letter explaining the purpose of the study was sent 3 weeks prior to mailing the questionnaire. The letter was mailed to 1,135 stores; 316 were returned by the post office as undeliverable. The self-administered questionnaire was then mailed to the remaining 819 store owners together with a letter of transmittal and a self-addressed, stamped envelope. The Dillman (1978) technique was used in relation to hand stamping the envelope, first class postage, and mailing on a Tuesday.

Participants who had not responded after a two-week period were sent a brightly colored postcard as a reminder. After an additional two weeks, a follow-up letter and another questionnaire were mailed to those who had not yet responded.

A final tabulation revealed that out of the 819 questionnaires mailed, 39 were returned by the post office as undeliverable, resulting in 780 potential participants. Three hundred twenty-one completed questionnaires were returned. Among those, eight were not included in the study due to ineligibility (store type, merchandise line, or they were not buyers), incomplete instruments, or declined participation. A total of 313 usable questionnaires were incorporated in the analysis representing a 40.13% response rate.

Sample Description

Retailers who participated in the study operated in 37 states, with the greatest representation from the southern and western states. The frequencies and percentages summarized in Table 1 provide a general profile of the small retailers who participated in the survey. Slightly more than 85% of the retail apparel buyers were female, and almost 58% of the respondents were aged 30-50. The merchandise line carried by more than three-fourths of the stores surveyed was ladies' apparel, either exclusively or in conjunction with children's and/or men's apparel. Approximately one-half of the stores carried lower price lines and 52.1% reported an annual sales volume of \$100,000-\$300,000.

Insert Table 1 about here

Results

The relative importance small retail buyers place on 31 merchandise and vendor selection criteria and 10 information sources was established using the mean score for each item. Tables 2 and 3 present the mean scores for selection criteria and information sources in ranked order.

Merchandise and Vendor Selection Criteria

The relative importance of 31 merchandise and vendor selection criteria to participating buyers for small retail stores when making a purchase decision was determined. The selection criteria variables, in rank order according to importance, are presented in Table 2.

Insert Table 2 about here

The highest ranked variables were merchandise-related. They included product quality, fit, construction, fabrication, styling, and

design. Seasonability, sizing, fashionability, aesthetics, product reputation, and color were the additional merchandise-related variables included in the top 21 criteria with mean scores of 4.0 or above.

Personal past experience with vendor and reliability of delivery were vendor-related criteria which ranked eighth and ninth, respectively. Other vendor-related variables regarded as relatively important included anticipated margin, complete past orders, return policy, minimum order, and vendor reputation.

It is not surprising that promotional incentives and cooperative advertising were the least important factors. Both of these benefits are generally related to the size of the purchase/order in terms of dollars. Small retailers qualify for few of these incentives and/or dollars; therefore, they are not important considerations when making a purchase decision.

Information Sources

The relative importance of the selected information sources, as perceived by the sample of small retail store buyers, is depicted in Table 3. The single most important source of information appeared to be the buyer's own personal judgment, followed closely by customer comments, and then store comments of personnel/salespeople. These variables are all representative of internal information sources.

Insert Table 3 about here

In ranked degree of importance, exhibitions/trade shows, vendor/manufacturing representatives, consultation with other buyers, and seminars and workshops are external sources which suggest interaction with peers and other professionals in the retail field. The next two

items (trade publications and vendor/manufacturer promotional materials) are also external information sources; however these items require no interaction since the literature reaches the retailer quite impersonally through direct mail. The information source ranked least important was resident buying office (RBO) with a mean score of only 2.19. The reader should interpret this with caution since the perceived importance of the source may be influenced by whether or not a buyer employed the services of resident buying office.

Discussion

Research studies of retail-buying behavior are just beginning to emerge. The growth of meaningful research in this area will be governed by the implementation and building of a solid theoretical base. This study was designed to contribute to the building process using the Cravens and Finn (1983) preliminary model of patronage decision in retail buying.

The specific two-fold purpose was to identify the relative importance of merchandise and vendor selection criteria and of information sources used by buyers for small retail apparel stores. The sample consisted primarily of relatively well-educated, middle-aged, female owners/buyers who represented, for the most part, ladies' apparel stores with annual sales volumes of \$100,000 to \$300,000.

An inspection of the mean importance scores for the 31 selection criteria variables reveals that, among the small store buyers surveyed, merchandise selection criteria appeared to be regarded as more important than vendor selection criteria when making a purchase decision. The findings suggest that the wearability of the product was of primary importance, including such criteria as quality, fit, construction,

fabrication, style, and design. Among the information sources, the more personal, internal sources (personal judgment, customer comments, and comments of sales personnel) were identified as most important.

The comparison of the findings from this study which surveyed buyers for small retail organizations with findings from previous studies is subject to the limitation that different methods have been used by the researchers. This study, the Francis and Brown (1985) study, and the Stone (1987) study all established the importance of the merchandise and vendor selection criteria through the use of rating scales. However, the Hirschman (1981) and Hirschman and Mazursky (1982) studies established the importance through the rank ordering of the various criteria based on the percentages of their samples which mentioned them as being of use in purchase decision.

Table 4 shows a comparison of the selection criteria and information sources which were ranked as most important in this study and in the previous studies which examined the retail-buying process. The selection criteria and information sources are listed in order of their importance as determined in each study. As previously mentioned, the merchandise selection criteria and vendor selection criteria in the Hirschman (1981) and Hirschman and Mazursky (1982) studies were identified using a free response format. Therefore, variables may appear as both merchandise selection criteria and vendor selection criterion, i.e., reputation of the product. In addition, a seemingly vendor-related characteristic may be listed as a merchandise selection criteria; as in the case of reliability and rapidity of delivery. The researchers did not judge the appropriateness of the variables, only recorded the responses.

As noted earlier, buyers for small retail organizations participated in the current study, whereas the Francis and Brown (1985) study surveyed buyers from a variety of store sizes, and both the Hirschman (1981) and Hirschman and Mazursky (1982) research focused on buyers for large retail organizations.

Insert Table 4 about here

In comparing the results of this study with the previous research studies, with respect to merchandise selection criteria, three apparent differences surfaced. With regard to merchandise characteristics, retail buyers from small stores regarded functional characteristics (i.e., fit, construction, design) as more important, whereas the buyers in previous studies focused more on fashion and aesthetics. In addition, buyers in past studies tended to place greater importance on financial criteria such as anticipated margin, price, and rate of sale, than did the buyers for the small stores included in this study.

Differences also emerged with respect to vendor selection criteria. The small store buyers appeared to rely more on personal experience with vendors, whereas buyers in the previous studies tended to regard the reputation/image of the vendor as more important. In general, small store buyers seem to be more logistics oriented in that they were less concerned with reputation/image and more concerned with practical issues such as reliable delivery, sizing specifications, completeness of past orders, and return policy.

With regard to the relative importance of information sources, the major differences between the buyers in this study and the retail buyers in previous studies center on the role of the consumer in the purchase

decision. Retail buyers in the current study used information sources which are more immediately related to the ultimate consumer including customer comments and salespeople, whereas buyers in previous literature appeared to use sources less immediate to the customer such as trade publications, vendors, upper retail management, and historic sales.

Conclusions

The findings of the study support the Cravens and Finn (1983) model of retail patronage. It appears that the size of the retail organization may influence the importance placed on various evaluative criteria and information sources in the decision-making process. The small store is often a one-person operation which necessitates personal involvement in all phases of the store operation, including interacting with personnel and customers. This may be turned to the small retailers' advantage in establishing long term consumer patronage. The buyer for large stores, on the other hand, has a narrowly defined scope of involvement in the store operation; however, in the absence of customer contact, sophisticated performance figures (past and present) are available to aid in the purchase decision process.

In summary, it appears that the small retail buyer, as represented in this study, was more involved with product function, personal vendor relations, and the ultimate consumer, whereas the buyers in the literature reviewed tended to be more focused on organizational objectives and exhibited less personal involvement with customers and vendors. While this study included buyers for small retail organizations and the published research, for the most part, focused on large retail operations, further research will be necessary to determine whether the differences are indeed a function of store size.

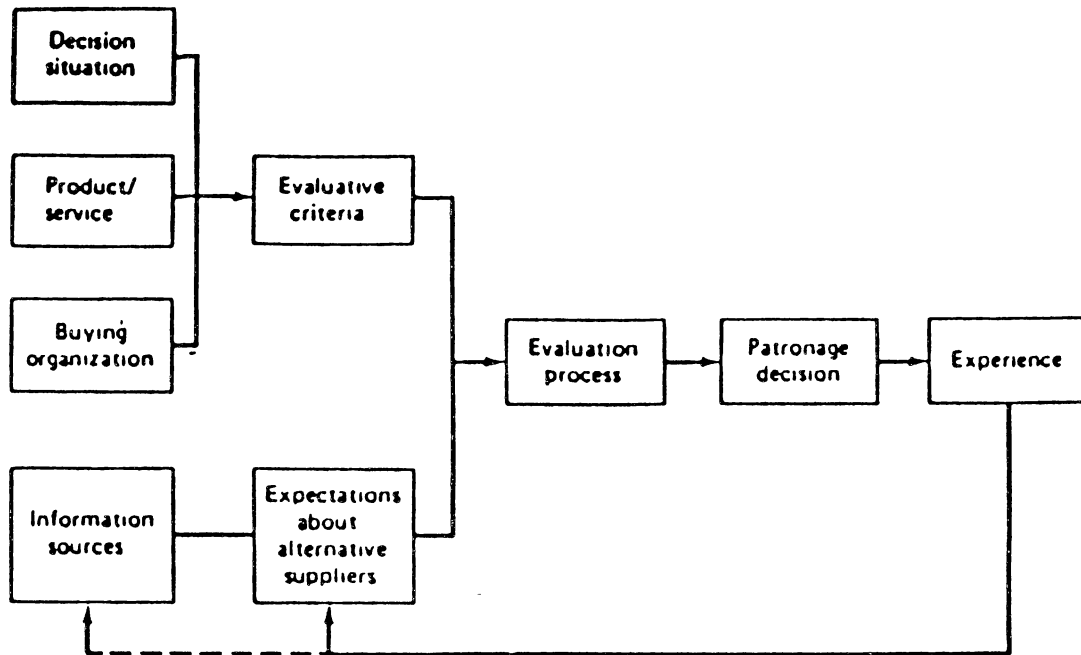


Figure 1. Cravens and Finn Model: Patronage Decision in Retail Buying

Table 1 Frequencies of All Responses Given to Demographic Survey Questions

Buyer Descriptors			Store Descriptors		
	N	%		N	%
Age			Store Type		
20-29	14	4.5	Ladies'	204	65.4
30-39	79	25.3	Children's	50	16.0
40-49	102	32.7	Ladies'/Men's	21	6.8
50-59	84	26.9	Ladies'/Children's	11	3.5
60 and over	33	10.6	Ladies'/Men's/Children's	9	2.9
	<u>312</u>	<u>100.0</u>	Other	17	5.4
			Total	<u>312</u>	<u>100.0</u>
Education			Annual Sales Volume		
Completed high school or less	41	13.2	Less than \$100,000	48	15.7
Beyond high school	116	37.3	\$100,000-\$300,000	160	52.1
College graduate	92	29.6	\$301,000-\$500,000	59	19.2
Post graduate	62	19.9	Over \$500,000	40	13.0
	<u>311</u>	<u>100.0</u>		<u>307</u>	<u>100.0</u>
Gender			Price Line		
Male	45	14.4	Lower	156	50.2
Female	267	85.6	Moderate	56	17.9
Total	<u>312</u>	<u>100.00</u>	Higher	99	31.9
				<u>311</u>	<u>100.0</u>

Table 2 Merchandise/Vendor Selection Variables Ranked by Degree of Importance

Rank	Criterion	N	Mean (5 Point Scale)	SD
1	Quality of Product	312	4.756	0.486
2	Product Fit	310	4.697	0.532
3	Construction of Product	312	4.647	0.576
4	Fabrication of Product	313	4.406	0.683
5	Product Styling	311	4.405	0.689
6	Design of Product	312	4.394	0.700
7	Personal Past Experience with Vendor	312	4.365	0.791
8	Reliable Delivery	313	4.310	0.774
9	Seasonability of Product	311	4.302	0.726
10	Sizing Specifications of Product	310	4.236	0.862
11	Predicted Consumer Demand	308	4.234	0.967
12	Fashionability of Product	313	4.208	0.746
13	Anticipated Margin/Markup	311	4.187	0.781
14	Aesthetic Qualities of Product	307	4.179	0.891
15	Product Reputation	311	4.129	0.840
16	Completeness of Past Orders	313	4.083	0.824
17	Return Policy of Vendor	312	4.074	1.001
18	Color of Product	312	4.058	0.831
19	Minimum Order Requirement of Vendor	313	4.045	1.037
20	Fashion Awareness of Vendor	312	4.042	0.912
21	Reputation of Vendor	312	4.039	0.874
22	Selling History of Product	310	3.952	0.928
23	Rapidity of Delivery	310	3.939	0.924
24	Term of Sale	311	3.801	1.025
25	Newness of Vendor Ideas	309	3.715	1.030
26	Ability of Vendor to Fill Orders	310	3.710	1.021
27	Innovative Approach of Vendor	306	3.592	1.034
28	Brand Name	310	3.400	0.746
29	Financial Condition of Vendor	312	3.312	1.219
30	Promotional Incentives	312	3.083	1.229
31	Cooperative Advertising	311	2.637	1.202

Table 3 Information Sources Used to Make Merchandise and Vendor Selections, Ranked by Degree of Importance

Rank	Information Source	N	Mean (5 Point Scale)	SD
1.	Personal Judgment	310	4.652	0.700
2	Customer Comments	309	4.575	0.806
3	Store Personnel/Salespeople	309	4.185	1.111
4	Exhibitions/Trade Shows	311	3.799	1.101
5	Vendor/Manufacturer Representatives	309	3.476	0.977
6	Consultation with Other Buyers	311	3.173	1.501
7	Trade Publications	309	3.077	1.130
8	Vendor/Manufacturer Promotional Materials	307	2.933	1.140
9	Seminars and Workshops	304	2.853	1.409
10	Resident Buying Office	301	2.190	1.362

Table 4 Selection Variables and Information Sources Cited as Important to Buyers when Making Purchase Decisions: Current Study and Selected Literature

Source	Factors Influencing the Use/Importance of Selection Criteria	Selection Criteria		Information Sources
		Merchandise Selection	Vendor Selection	
Arbuthnot ^a (1989)	Store Type	Quality of Product Fit Construction Fabrication Styling Design	Past Experience with Vendor Reliable Delivery Completeness of Past Orders Sizing Specifications Return Policy	Personal Judgment Customer Comments Store Personnel/Salespeople Exhibitions/Trade Shows Vendor/Manufacturer Reps Consultation with other Buyers
Hirschman (1981)	Store Types Departments	Aesthetics Price Delivery Fashion Rate of Sale	Manufacturer's Reputation/ Cooperation Brand Name/Image Price/Markup Production Abilities Quality/Fit	
Hirschman & Mazursky ^b (1982)	Store Type Merchandise Type (Staple or Novel)	Estimated Consumer Demand Anticipated Margin Reputation of Product Aesthetic Qualities Reliability and Rapidity of Delivery	Manufacturer's Reputation Anticipated Margin Reliability and Rapidity of Delivery Reputation of Product Estimated Consumer Demand	Buyer's Personal Judgment Trade Press Historic and/or Predicted Sales The Vendor Central Buying Office Consultation with Other Buyers
Francis & Brown ^c (1985-1986)	Merchandise Type Apparel vs. Appliance	Quality Styling Position of Fashion Cycle Distinctiveness Color Reputation of Vendor Return Policy	Good Delivery Steady Source of Supply Fair Prices Past Experience with Vendor	Personal Selling (mfg. rep.) Vendor Advertising and Promotion Trade Publications Supervisors/Upper Retail Management Peers Resident Buying Office
Stone ^b (1987)	Merchandise Type Men's vs. Women's High Price Line vs. Low Price Line	Brand Name Product Fashionability Quality	Negotiations Reputation Price and Promotion	Competing Stores Supervisor/Upper Retail Management Trade Advertising Other Buyers

^aSmall store buyers sampled

^bLarge store buyers sampled

^cSamples included both large and small retail operations

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CHAPTER V

PERCEIVED STORE PERFORMANCE AND THE RETAIL
PURCHASE DECISION AMONG BUYERS FOR
SMALL SPECIALTY STORES

Manuscript 2

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Abstract

Store performance is a critical factor in a small retail operation. The purpose of the study was to examine perceived satisfaction with store performance in relation to selected information sources and selection criteria used in buying. A sample of 313 small specialty store owners/buyers participated in a nationwide survey representing 37 states. The findings suggest that some of the variables are associated with the level of satisfaction of owners/buyers with store performance. Responses of owners/buyers who indicated a high level of satisfaction with store performance were compared with responses of owners/buyers who indicated a low level of satisfaction on five selection criteria factors and 10 information sources. Significant differences were noted with regard to three selection criteria (product fashionability, aesthetics, and quality) as well as four sources of information (store personnel/salespeople, resident buying offices, exhibitions, and trade publications). Stepwise regression was explored to identify variables that were significantly related to satisfaction with store performance. Four information sources, store personnel/salespeople, resident buying office, and seminars/workshops, emerged as significantly related to store performance. All of the relationships were positive with the exception of seminars/workshops.

Introduction

In the retail industry, store performance is intrinsically linked to productivity. Productivity is understandably an area of major concern for many small retail operations in the U.S. This is intensified by the fact that retailing reportedly lags considerably behind other business sectors (manufacturing and agriculture) with regard to increases in productivity (Achabal, Heineke, & McIntyre, 1984).

The effects of the productivity of the retail sector are far reaching; not only does productivity impact the retail industry, but it affects the national economy as well. Achieving high productivity is important to managers, employees, consumers, and society as a whole because it is a major determinant of profits, wages, prices, and the American standard of living (Achabal, Heineke, & McIntyre, 1984; Fiorito & LaForge, 1986; Ingene, 1984).

Background

What is the definition of productivity in the retail trades?

According to Good (1984), productivity is broadly defined as operating and economic performance. How is productivity measured? The answer to this question is controversial, at best. Considerable debate has occurred with regard to appropriate measures of productivity or performance in the retail trades (Achabal, Heineke, & McIntyre, 1984; Good, 1984; Goodman, 1985; Ingene, 1984; Keats & Bracker, 1988). Numerous authors have presented conceptual models for measuring productivity. No consensus appears to be forthcoming; however, a plethora of measurement variables has emerged from the on-going dialogue over the issue. Considering the lack of accurate measures to operationalize productivity, extant information tends to be prescriptive rather than theoretically oriented and empirical (Keats & Bracker, 1988; Robinson & Pearce, 1984).

In addition to productivity, store performance has also been investigated in relation to the success and/or failure of a small business. Again, there is a lack of standardization as to what constitutes a failed business. The State of Small Business (1988) annual report defines business failure as "the closing of a business with a loss to at least one creditor" (p. 25). Voluntary dissolution without indebtedness is, therefore, not considered a business failure.

Managerial skills, including preownership experience and education, are frequently cited as factors that contribute to the success or failure of a small business (Dickson, 1981; Ibrahim & Goodwin, 1986; Ireland & Van Auken, 1987; Martin, 1973; Peterson, Kozmetsky, & Ridgway, 1983). Montagno, Kuratko, and Scarcella (1986) examined perceived entrepreneurial characteristics that lead to success in businesses from the perspective of both a banker and a small business owner. The findings indicate that small business owners tend to place

more importance on less measurable entrepreneurial characteristics (initiative, confidence, caring), whereas bank loan officials look at more measurable characteristics (goal direction, organizing, planning). Star and Massel (1981) found that among a variety of store types the greater the annual sales and the higher the price lines, the greater the survival rate appeared to be.

Several research studies specifically addressing the performance of small retail businesses were identified in current literature. The store types under investigation ranged from fast food and grocery to hardware and service stations. Only three performance-related studies were reviewed in which apparel merchandise was involved. Fiorito (1984) investigated the relationship between selected financial ratios (financial performance) and marketing strategies of small apparel firms. Two other studies revealed an apparent association between store and/or product performance (in terms of sales) and buyer characteristics (Martin, 1973) and buyers' vs. consumer choices (Taylor, 1985). In all three cases, evidence was found indicating a relationship between store performance and the factors being investigated.

In light of the aforementioned studies, it might be reasonable to assume that there are many factors within a retail operation that affect store performance. No element is more central to the profit of a retail operation than satisfying the wants and needs of customers -- providing the right merchandise, at the right time and in the right quantity. Therefore, the buying process which results in the selection of the merchandise is a vital activity which affects the store performance. It is the premise of the authors that satisfaction with store performance

will vary with the degree of importance placed on various decision criteria and information sources used in the retail-buying process.

Purpose

The researchers proposed that the relative importance placed on various selection criteria and information sources is related to the perceived satisfaction with the performance of a retail operation. On the basis of the preceding discussion, the following hypotheses were formulated:

H1. Satisfaction with store performance is related to the relative importance placed on various selection criteria.

H2. Satisfaction with store performance is related to the relative importance placed on various information sources.

The results are both descriptive and quantitative, and, to a degree predictive; they are not, however, prescriptive. The findings provide insight into retail-buying behavior from the perspective of a small specialty store owner/buyer, thus contributing to the conceptual development of a general model of retail buyers' behavior.

Method

Data were collected through a self-administered questionnaire mailed to 780 small independently-owned specialty store owners/buyers who had participated in the sponsored activities of the Center for Apparel Marketing and Merchandising from 1984 through 1988. (The store owners/buyers will be referred to simply as retailers throughout the text of this manuscript.) The respondents were assured confidentiality. In an effort to maximize participation, Dillman's Total Design Method (1979) served as a model for the questionnaire format and design as well as for the procedures associated with mailings. A four-stage process

was followed: a) pre-questionnaire letter, b) questionnaire, c) post-card reminder, and d) final reminder and questionnaire. A total of 313 retailers returned usable questionnaires resulting in a 40.13% response rate.

Respondents provided demographic data, information concerning their level of satisfaction with store performance, and indicated the perceived importance of selected information sources and selection criteria.

Store performance was measured according to the retailer's perceived satisfaction with five selected store performance measures. This method of determining performance, as opposed to using actual figures, was selected due to the resistance on the part of the retailer to provide sensitive financial information (Fiorito, 1984; Fiorito & LaForge, 1986; Hand, Sineath, & Howle, 1987). The selected store performance variables were based on the measures suggested by Cronin and Skinner (1984) in their study concerning retail profit performance.

The basic list of both information sources and selection factors was identified in the Hirschman and Mazursky (1981) study. These variables were selected because they were frequently mentioned by retail buyers in a free response interview situation. The lists were augmented by selected factors cited in marketing literature, resulting in 10 information sources and 31 merchandise and/or vendor selection criteria (Berens, 1972; Francis & Brown, 1985; Packard, Winters, & Axelrod, 1978; Troxell & Stone, 1981). A five point Likert-type response scale was used to measure relative importance of each information source and each selection criterion (1 = not at all important to 5 = extremely important).

The questionnaire was pilot tested by owners/buyers of small specialty stores in addition to being reviewed for content validity by

educators in the apparel retailing field. Further, using Cronbach's Coefficient Alpha, the satisfaction with store performance scale demonstrated an acceptable level of reliability (.878), as did each selection criterion factor 1-5, .865, .813, .786, .659, and .701, respectively, and the information source scale, .650 (Nunnally, 1967; Peter, 1979).

Results and Discussion

Demographic variables were summarized with frequencies and percentages in order to determine a demographic profile of the respondents. Other statistical procedures used in the analysis were frequencies, factor analysis, t tests and regression. The five measures used to determine satisfaction with store performance were treated as separate dependent variables in the preliminary analysis to determine the retailers' relative satisfaction with each measure. In subsequent analysis, a total performance score, a simple sum of the five satisfaction scores, was used as the only dependent variable. The mean total score was 14.83, on a 5-25 point scale.

Demographic Variables

A demographic profile of the sample is presented in Table 5. Over 85% of the retailers were female and 62.5% were between the ages of 20 and 49. The majority (86.8%) had been educated beyond high school. They had relatively few years of buying experience as 43.2% indicated less than 6 years. Years of employment in the fashion merchandising field was somewhat higher. Most (95.2%) of the participating retailers were owners/buyers of ladies', children's or men's (either singly or in combination) specialty stores. Approximately half of the retailers represented stores with a sales volume of \$100,000-\$300,000 and a lower

price line as opposed to medium or higher. Fifty-eight percent of the stores had been in business less than 10 years.

Insert Table 5 about here

Store Performance Satisfaction:

Individual Measures

Retailers indicated their degree of satisfaction (on a scale of one to five) with five selected performance measures. Table 6 contains mean scores for each of these measures. There was little variation in degree of satisfaction across performance measures with mean scores ranging from 2.87 to 3.05 out of a possible 5. Net sales per employee and sales volume appear to be the factors with which retailers are most satisfied. Net sales per square foot registered the third greatest satisfaction, followed by gross margin and inventory turnover.

Insert Table 6 about here

The high satisfaction with employee sales may be due to the intimate characteristics of a small specialty store setting. The personal relationship the salesperson has with both the customer and the store owner/buyer contributes to an intimate knowledge of customer wants and affords the opportunity to communicate this information to the buyer. The personalized merchandise selection may lead to greater sales.

Selection Criteria: Factor Analysis

As a preliminary step prior to addressing hypothesis 1, factor analysis with Varimax rotation was employed to identify the underlying dimensions within the 31 selection variables (Gorsuch, 1974). Five

factors emerged, explaining 30.6%, 13.4%, 7.5%, 5.9%, and 5.1% of the total variance, respectively. Items included in each factor had loadings in excess of .45 and those with cross loading greater than .22 were eliminated from the table (see Table 7). Upon inspection of the loadings, the factors were identified as vendor, aesthetics, quality, image, and fashionability. Factor one was vendor-related, whereas the other four factors were related to different aspects of the product.

Insert Table 7 about here

The vendor factor grouped eight of the selection variables related to vendor performance. Reliability of delivery and rapidity of delivery loaded heavily on the factor, followed by ability to fill orders, completeness of past orders, and terms of sale. Return policy, anticipated margin, and minimum order requirements also loaded on this factor.

Five variables relating to aesthetic characteristics of apparel products loaded together. The elements of design, fabrication, aesthetic qualities, color, and styling were the variables comprising this factor. The quality of the product was the third factor which included quality, construction, and fit. Factor four, image, was also comprised of brand name, product reputation, and selling history. Fashionability of the product and fashion awareness of the vendor loaded on the fifth factor, fashionability.

The five factor dimension was more meaningful and manageable, in terms of analysis and discussion, than the original 31 selection criteria variables. The variables relating to vendors loaded on one factor, while the remaining four factors were product-related. This

might suggest that, in general, retailers tend to view products as multi-dimensional, whereas vendor characteristics appear to be highly correlated.

The factor means used in this analysis, and subsequent analyses, were determined by calculating the mean (on a scale of 1-5) for each variable in the factor, then averaging these scores to arrive at a composite mean. This method was chosen rather than the more mathematically complete weighting method because it was more interpretable within the context of the study.

The quality factor had the highest mean score (4.70), indicating that quality, construction, and fit were of considerable importance among the retailers. The next highest factor mean was aesthetics (4.26), followed closely by fashionability (4.25). The importance placed on these factors suggests that retailers are interested in providing their customers with value as well as attractive and fashionable merchandise.

The mean importance score for vendor-related variables, including delivery, order handling, terms, and policies, was among the lowest (4.01). The image factor, however, had the lowest mean (3.83), suggesting that retailers tend to use personal, hands-on information when making a purchase decision rather than relying on past records and popular opinion.

Hypothesis 1

Two levels of satisfaction with store performance were compared based on the five factors discussed in the preceding section. Retailers were assigned two levels of satisfaction using a quartile split of the total performance scores which ranged from 5-25. Only scores falling in

the two extremes were used in the analysis (high = 17-25, low = 5-12). Three other modes of dividing the retailers into groups based on satisfaction with store performance scores were employed to determine if the method of splitting had an effect on the subsequent analysis. The findings were consistent among the four different splits.

The t tests identified three selection criteria factors as significantly ($p < .05$) different with regard to the perceived satisfaction with store performance (see Table 8). Aesthetics, quality, and fashionability were the factors exhibiting significant mean differences, and in each case the high satisfaction group had a higher mean score than the low satisfaction group. In general, it appears that retailers who are highly satisfied with their stores' performance place a higher importance on aesthetics, quality, and fashionability than retailers with low satisfaction

Insert Table 8 about here

Regarding the other two factors, vendor and image, there were no significant differences between the groups. The five factors were further analyzed in relation to satisfaction with store performance. A stepwise regression procedure was performed to determine which factors, if any, were significantly related to satisfaction with store performance. The resultant regression model explained only slightly over 4.5% of the variance in satisfaction with store performance and only one factor, fashionability, was significant ($p < .05$). Due to colinearity among the factors in the model, regression did not prove to be a meaningful analytical technique for determining satisfaction with store performance in this instance.

Hypothesis 2

As Table 9 indicates, t tests were used to compare the group with high satisfaction scores and the group with low satisfaction scores in relation to information sources. The 10 items in the information source scale were analyzed individually and significant differences were found for four variables ($p < .05$). Use of store personnel/salespeople as an information source was highly significant ($p < .000$), whereas exhibitions and trade shows, resident buying office, and trade publications were somewhat less significant ($p < .05$). In all four cases the high satisfaction group had higher means than the low satisfaction group, suggesting that the group with higher satisfaction scores placed greater importance on these variables than did the group with low satisfaction scores.

Insert Table 9 about here

Current literature suggests that store personnel/salespeople may be an internal information source generally ignored by retail buyers for large stores with a broad customer base (Francis & Brown, 1985; Hirschmann & Mazursky, 1982). The best way to identify the wants and needs of a customer, however, may be through the people who interact with them on the selling floor. In the case of small retailers, the target customer is narrowly defined and personalized service is an important facet of their operations. Therefore, it is not surprising that buyers who communicate with their sales personnel are better satisfied with their store performance since they are more attuned to customer characteristics and preferences. The other significant information sources, exhibitions and trade shows, resident buying office,

and trade publications, are external to the retail organization.

Stepwise regression analysis was performed with satisfaction with store performance as the dependent variable and the 10 information sources as the independent variables. The final regression equation produced three information source variables that were significantly ($p < .05$) related to satisfaction with store performance. The R^2 value indicated that approximately 11% of the variance in satisfaction with store performance could be explained by four information sources in the final equation. These variables were store personnel/salespeople, resident buying office (RBO), seminars/workshops, and trade publications. (See Table 10.)

Insert Table 10 about here

Beta coefficients revealed that all of these four variables were significant ($p < .05$). Store personnel/salespeople, resident buying office, and seminars/workshops exhibited the most significant relationships with satisfaction with store performance ($p < .01$). Three variables, store personnel/salespeople, RBO, and trade publications, had positive beta coefficients indicating that greater satisfaction with store performance was related to a greater importance placed on the items as sources of information when making a purchase decision. Conversely, a negative relationship was indicated between store performance satisfaction and seminars/workshops. Thus, when the satisfaction with performance was high, the importance placed on seminars/workshops was low.

Salespeople, as mentioned previously, are a vital link between the retailers who make purchase decisions and their target customer. It is

not surprising that the importance placed on them was identified as significantly related to satisfaction with store performance. The resident buying office is also an important link, which interfaces between the retailer and the vendors. The resident buying office serves the retailer by providing information and assistance in the marketplace; thus their importance is understandable. Trade publications also serve retailers by keeping them informed concerning the trends and innovations in the apparel industry. It stands to reason that the more satisfied retailers are with their store's performance, the less likely they are to attend seminars/workshops. This may explain the negative relationship between the two. The implications are that retailers who are not satisfied with their store's performance might place greater importance on obtaining information from store personnel/salespeople and resident buying offices.

Conclusions

The study was designed to consider satisfaction with store performance in relation to selection criteria and information sources used by small retailers. The results suggest that specific selection variables and information sources used by retailers in making a purchase decision appear to be related to their satisfaction with store performance.

Aesthetics, fashionability, and quality were the three selection criteria factors identified as significantly different with regard to the retailer's satisfaction level (high/low) with store performance. Among the 10 information sources, four variables, store personnel/salespeople, exhibitions and tradeshow, resident buying offices, and trade publications, were significantly different with relation to

high/low satisfaction with store performance. Retailers with higher levels of satisfaction placed more importance on each of these variables.

Out of 10 information sources only four emerged as significantly related to store performance satisfaction -- store personnel/salespeople, resident buying office, trade publications, and seminars/workshops. The first three information sources were positively related and the latter was negatively related to satisfaction with store performance.

Implications are that the retailer who is responsible for making the purchase decisions might be more satisfied with their store performance if they would place more importance on a) product fashionability, aesthetics, and quality as selection criteria, and b) store personnel/salespeople, resident buying offices, exhibitions and trade shows, and trade publications as sources of information.

The results of this study have demonstrated that the relative importance of both selection criteria and information sources among a sample of small specialty store buyers may influence satisfaction with store performance. In addition, the identification of store personnel/salespeople as an important source of information in the decision-making process is a consequential contribution to retail literature. Previous studies did not include this variable among listed information sources.

Several opportunities for future research are suggested by the findings of this study in conjunction with those of previous studies. In an effort to generalize these findings to a greater retail population, the study should be replicated among retail buyers representing different store types and merchandise lines. Buyer

characteristics (i.e., demographics, personality traits, fashion involvement) might be examined in relation to store performance as well. The measures of store performance warrant careful examination. Future studies should attempt to explore ways to use actual financial figures as a measure of performance in addition to the measures employed in this study.

Table 5 Sample Description: Selected Demographics

Characteristics of Owners/Buyers			Characteristics of Retail Organizations		
	N	%		N	%
<u>Gender</u>			<u>Type</u>		
Female	267	85.6	Ladies', Children's, Men's (singly or in combination)	298	95.2
Male	45	14.4	Department & Other	15	4.8
Total	312	100.0	Total	313	100.0
<u>Age</u>			<u>Sales Volume</u>		
20-39	93	29.8	Less than \$100,000	48	15.7
40-49	102	32.7	\$101,000-\$300,000	160	52.1
50-59	84	26.9	\$301,000-\$500,000	59	19.2
60 and over	33	10.6	Over \$500,000	40	13.0
Total	312	100.0	Total	307	100.0
<u>Education</u>			<u>Price Line</u>		
Completed HS or less	41	13.2	Higher	99	31.8
Beyond High School	116	37.3	Medium	56	18.0
College Graduate	92	29.6	Lower	156	50.2
Graduate	62	19.9	Total	311	100.0
Total	311	100.0			
<u>Years Experience as an Apparel Buyer</u>			<u>Years Store Has Been in Business</u>		
Less than 6	133	43.2	Less than 6	109	36.9
6-10	89	28.9	6-10	62	21.1
11-20	68	21.1	11-20	70	23.7
Over 20	18	5.8	Over 20	54	18.7
Total	308	100.0	Total	295	100.0
<u>Years Employment in Fashion Merchandising</u>					
Less than 6	111	36.0			
6-10	82	26.7			
11-20	86	27.9			
Over 20	29	9.4			
Total	308	100.0			

Table 6 Measures of Satisfaction with Store Performance:
Means and Standard Deviations

Performance Measures	N	Mean	SD
Net Sales per Employee	300	3.0500 ^a	0.9038
Sales Volume	311	3.0225 ^a	0.9208
Net Sales per Square Foot	304	2.9868 ^a	0.9681
Gross Margin	308	2.9091 ^a	0.9334
Inventory Turnover	312	2.8686 ^a	0.9550
Total Performance Satisfaction Score	295	14.8305 ^b	3.8437

^aRange 1 - 5

^bRange 5 - 25

Table 7 Loadings^a for Six Factors from a Factor Analysis of 31 Selection Criteria Variables

Variable	Factor 1 Vendor	Factor 2 Aesthetics	Factor 3 Quality	Factor 4 Image	Factor 5 Fashionability
Reliability of Delivery	.826				
Rapidity of Delivery	.821				
Ability to Fill Orders	.745				
Completeness of Past Orders	.729				
Terms of Sale	.728				
Return Policy	.585				
Anticipated Margin	.581				
Minimum Order Requirement	.557				
Design		.850			
Fabric		.729			
Aesthetic Qualities		.711			
Color		.669			
Styling		.490			
Quality			.807		
Construction			.767		
Fit			.638		
Brand Name				.803	
Product Reputation				.778	
Selling History				.624	
Fashionability					.705
Fashion Awareness of Vendor					.681
Percent of Total Variance Explained by Each Factor	30.6%	13.4%	7.5%	5.9%	5.1%
Factor Score Mean (SD)	4.01(.665)	4.26(.614)	4.70(.446)	3.83(.713)	4.25(.648)
Chronbach's Coefficient Alpha	.865	.813	.786	.659	.621

^aFactor loadings $\leq .45$ are included in the table

Table 8 Comparison Between High and Low Satisfaction with Store Performance Groups on Selection Criteria Factors

Selection Factors	Mean		t Value	Significance Level
	High ^a Store Performance Satisfaction n = 89	Low ^a Store Performance Satisfaction n=77		
Factor 1 Vendor	4.025	3.925	.92	.358
Factor 2 Aesthetics	4.371	4.120	2.55	.012
Factor 3 Quality	4.715	4.528	2.46	.015
Factor 4 Image	3.850	3.959	-.08	.936
Factor 5 Fashionability	4.348	4.091	2.54	.012

^aQuartile split; high = 17-25, low = 5-12

Table 9 Comparison Between High and Low Satisfaction with Store Performance Groups on Information Sources

Information Sources	Mean		t Value	Significance Level
	Higha Store Performance Satisfaction (n)	Low ^a Store Performance Satisfaction (n)		
Customer Comments	4.614 (88)	4.540 (76)	.72	.472
Store Personnel/Salespeople	4.483 (89)	3.935 (77)	3.60	.000
Exhibitions and Trade Shows	3.899 (89)	3.520 (77)	2.15	.033
Seminars/Workshops	2.816 (87)	2.831 (77)	-.07	.947
Personal Judgment	4.716 (88)	4.610 (77)	1.06	.290
Resident Buying Office	1.093 (86)	.592 (76)	2.20	.029
Vendors/Mfg. Representatives	3.466 (88)	3.403 (77)	.43	.669
Vendor/Mfg. Promo Materials	3.034 (88)	2.840 (75)	1.13	.261
Trade Publications	3.310 (87)	2.948 (77)	2.23	.027
Consultation with Other Buyers	3.284 (88)	3.182 (77)	.45	.655

^aQuartile split; high = 17-25, Low = 5-12

Table 10 Results of Stepwise Regression Analysis: Dependent Variable, Store Performance Satisfaction ($R^2 = .1127$)

Order of Entry	Variable Name	Final Model Unstandardized Regression Coefficient (B)	Significance of B	Stepwise Model R^2
1	Store Personnel/Salespeople	.8532	.0001	.0564
2	Resident Buying Office	.4798	.0033	.1172
3	Seminars/Workshops	-.4471	.0098	.1423
4	Trade Publications	.4871	.0261	.1127

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CHAPTER VI

SUMMARY, DISCUSSION, AND RECOMMENDATIONS

This chapter includes all information related to the study which is not included in previous chapters. It is organized in three sections: a) Summary of Findings, b) Discussion, and c) Recommendations for Future Study. The first section includes a brief summary of the findings highlighted in the two manuscripts as well as information not previously mentioned relating to store performance measures. The second section focuses on the Cravens and Finn Model: Patronage Decision in Retail Buying in relation to the findings of the study. The third section offers recommendations for future study.

Summary of Findings

The majority of the results of the analysis and findings of the study are discussed in depth in Chapters IV and V; however, one segment of the analysis has yet to be discussed. The previously discussed results and analysis will be summarized in this section.

One purpose of the research was to identify the importance placed on selection criteria and information sources among small apparel store owner/buyers with regard to the selection of both merchandise and vendor and to compare the findings with results from studies in published literature which, for the most part, involved the buying behavior of buyers in large stores. The findings indicated that, when making a

purchase decision, small apparel store buyers place greater importance on product-related selection criteria (as opposed to vendor-related) and personal internal sources of information. When comparing the results of this study with previous research, it appears that buyers for small stores were concerned with product quality, fit and construction, personal experience with vendors, and internal information sources (customers and salespeople), whereas buyers in previous studies tended to place more importance on organizational objectives and less importance on personal interaction with vendors and customers.

Another purpose of the study was to examine perceived satisfaction with store performance in relation to selected information sources and selection criteria used in buying. The findings suggest that there are a number of variables associated with the level of satisfaction of owners/buyers with regard to store performance. Retailers indicating high satisfaction with store performance and the retailers indicating low satisfaction were compared with regard to five selection factors and 10 information sources. Significant differences were noted with regard to three selection criteria (product fashionability, aesthetics, and quality) as well as four sources of information (store personnel/salespeople, resident buying offices, exhibitions and trade shows, and trade publications). A stepwise regression procedure was used to identify variables that were significantly related to satisfaction with store performance among the information sources. The final regression model contained four information sources, store personnel/salespeople, resident buying office, trade publications, and seminars/workshops, in that order. All of the relationships were positive with the exception of seminars/workshops.

Discussion

The Cravens and Finn (1983) Model of the patronage decision in retail buying served as the framework for this study. As previously mentioned, it was selected because it did take into account the individual decision-making process in addition to recognizing the unique position of the fashion retailer within the descriptive text of the model. The study contributes to the knowledge concerning three concepts included in the model--product/service, buying organization, and information sources.

The study reflects the evaluation criteria and process of a retail apparel buyer which lead to a buying decision. The findings of the study, discussed in Chapters IV and V, tend to support the model; however, significant relationships were indicated that were not recognized within the conceptual framework.

The buying organization was the focus of the uncharted relationships. The research examined the buying organization from the perspective of size (large vs. small) and performance.

In the case of store size, the findings suggest that differences occur between large and small organizations with regard to both evaluative criteria (selection criteria) and the importance placed on information sources (store personnel/salespeople). The relationship between buying organization and evaluative criteria is diagrammed in the model; however, no direct link appears between the buying organization and information sources. A similar pattern emerged when examining the buying organization with regard to its performance. Performance is associated with evaluation criteria as indicated in the model; however,

the association between performance and the importance placed on information sources was not a recognized relationship.

In addition to contributing to the conceptual development of retail buying behavior, the findings from this research may be of considerable value to both educators and individuals and organizations associated with the retail apparel industry. Educators, whether they are training potential buyers or consulting with retailers in the marketplace, will have an increased awareness of possible differences in buying behavior in relation to store size and store performance. Retailers may also use this information in their buyer training programs as well as to develop strategies to open channels of communication to enhance satisfaction with store performance. Another major contribution is to improve vendor's understanding of the determinants of buyer decision making, thus improving their marketing efforts to meet both the needs of the buyer and the consumer.

Recommendations for Further Study

A similar study should be conducted in 3 to 5 years due to the low survival rates of small retail businesses. The major focus of the study would be the factors that appear to contribute to the success or failure of a small retail operation. Factors to investigate in this regard could include the importance placed on selection criteria and information sources in addition to selected demographic variables. Other variables that might affect the survival of small businesses, such as geographic location (urban or rural and size of the community) and educational background of owner/buyer could also be explored.

Further study is needed to identify all variables and establish relationships that contribute to satisfactory performance. Ideally, research should include actual store performance figures for comparison.

Research studies are just beginning to emerge in the area of retail-buying behavior. The growth of meaningful research will be governed by the implementation and building of a solid theoretical base. Theory unifies what is known, provides structure, and exposes the unexplored. Rigorous and systematic research is therefore needed to develop a level of sophistication concerning the buying behavior of retail merchants.

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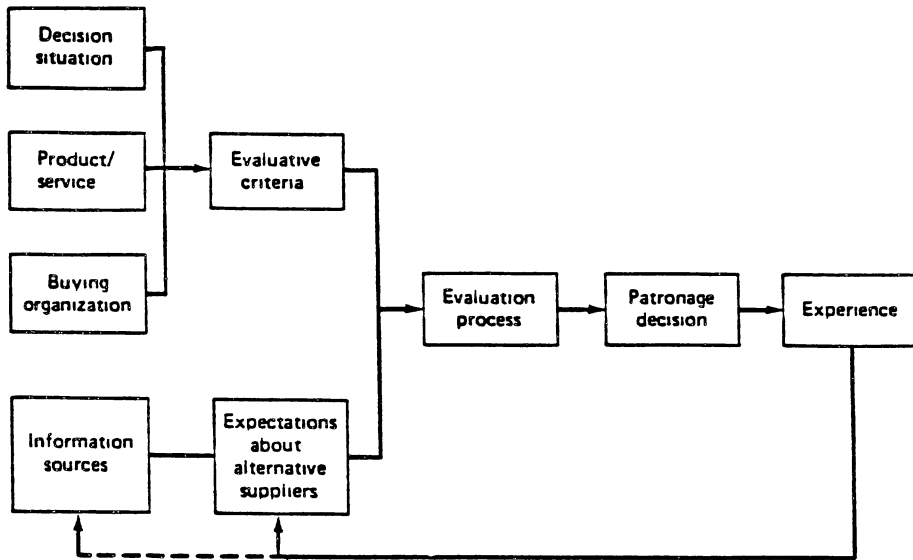
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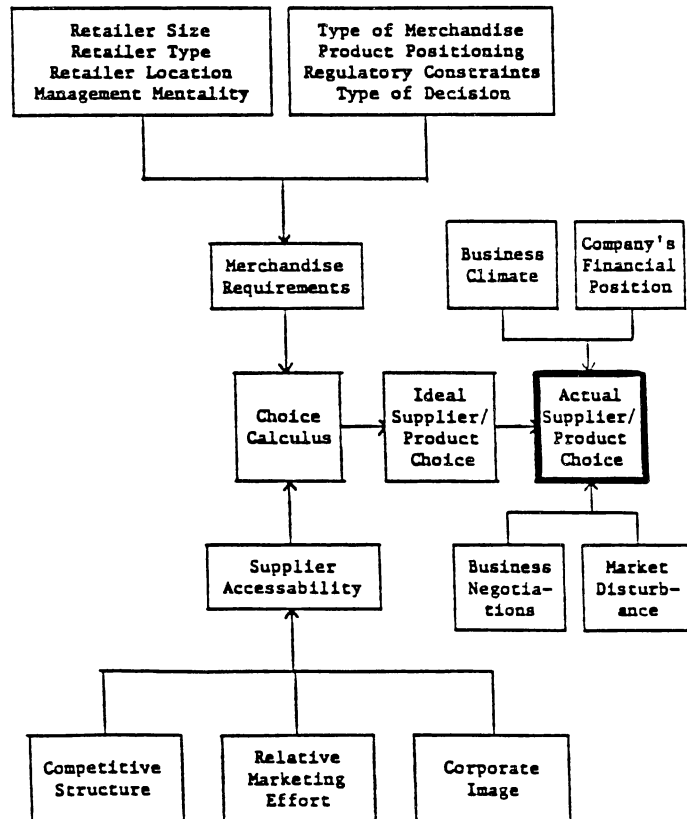
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APPENDIXES

APPENDIX A
CONCEPTUAL MODELS OF RETAIL-
BUYING BEHAVIOR



Cravens and Finn's Model: Patronage Decision in Retail Buying



Sheth's Model: A Theory of Merchandise Buying Behavior

APPENDIX B

MERCHANDISE AND VENDOR SELECTION VARIABLES
AND INFORMATION SOURCES CITED
IN RETAIL LITERATURE

Merchandise/Product Selection Variables Cited in Selected Apparel-related Retail Literature

Hirschman (1981a)	Hirschman & Mazursky (1982)	Francis & Brown (1985-1986)	Ettenson & Wagner (1986)	Stone (1987)	Miler (1987)
Aesthetics	Estimated Consumer Demand For Merchandise	Styling	Fiber Content	Country of Origin	Expected Sales
Price	Anticipated Margin	Position on Fashion Cycle	Cut	Brand Name	Quality
Delivery	Reputation of the Product	Color	Color Range	Styling	Cost
Fashion	Aesthetic Quality of the Product	Distinctiveness	Brand	Distinctiveness	Key Seasonal Item
Quality			Country of Origin	Position on Fashion Cycle	Being a 'good guy'
Rate of Sale	Reliability & Rapidity of Delivery		Markup	Quality	Color(s)
Budget Needs			Selling History	Fiber Content	Fiber
Service			Advertising Dollars	Color	Styling Content
Business Conditions					Planned Retail Sales
General Economy					Merchandise Mix

Vendor/Supplier Selection Variables Cited in Selected Apparel-related Retail Literature

Hirschman (1981b)	Hirschman & Mazursky (1982)	Francis & Brown (1985-1986)	Stone (1987)
Manufacturer's Reputation/Cooperation	Manufacturer's Reputation	Financial Condition of Vendor	Selling History
Brand Name	Anticipated Margin	Return Policy	Terms of Sale
Price-Markup	Reliability and Rapidity of Delivery	Past Experience with Vendor	Return Policy
Production Abilities	Product's Reputation	Innovative Approach	Steady Source of Supply
Quality Fit	Estimated Consumer Demand	Cooperative Advertising/ Promotional Incentive	Good Delivery
Vendor Creativity		Terms of Sale	Reputation of Vendor
Marketability		Fair Prices	Past Experience with Vendor
		Steady Source of Supply	Financial Condition of Vendor
		Good Delivery	Pricing Strategy
			Promotional Incentives

Information Sources Cited in Retail Literature

Hirschman & Mazursky (1982)	Mazursky & Hirschman (1987)	Francis & Brown (1985-1986)	Stone (1987)	Upah (1982)
Buyer's Personal Judgment	Buyer's Personal Judgment	Personal Selling/ Mfg. Sales Rep	Competing Stores	Sales Calls by Mfg. Representatives
Trade Press	Historic and Predicated Sales Data	Vendor Advertising Promotion	Supervisors/Upper Retail Management	Sales Calls by Whole- sales Representative
Historic/Predicted Sales Levels	Trade Press	Trade Publication	Sales Representatives	Trade Shows
The Vendor	Vendors			Printed Product Information
Central Buying Office				Trade Journals
Consultation with Other Buyers				Peers

Selected Criteria for Evaluating Vendor/Supplier

Osborne (1979)	Berens (1971-1972)
1. Merchandise Deliverability	1. Contribute to Fashion Leadership
2. Price and Terms	2. Change Signs from Season to Season
3. Deliveries	3. Markup
4. Distribution Practices	4. Customer Requests
5. Promotional Aids	5. Advertise in Local Media
6. Vendor Reputation	6. Fit Customer's Well
	7. Fill Reorders

APPENDIX C
QUESTIONNAIRE

RETAIL BUYER SURVEY

1. Please indicate the type of specialty store for which you buy apparel merchandise.
(Check your response)

Ladies' Apparel Children's Apparel

Men's Apparel Other _____

(Specify)

INFORMATION SOURCES: Please circle the response to the right of each source of information indicating the importance you place on each when making a purchase decision as a retail buyer.

	Not at all Important	1	2	3	4	5	Extremely Important	Not Applicable
2. Customer comments		1	2	3	4	5	0	
3. Store personnel/salespeople		1	2	3	4	5	0	
4. Exhibitions and trade shows (i.e. market)		1	2	3	4	5	0	
5. Seminars/workshops		1	2	3	4	5	0	
6. Your personal judgment		1	2	3	4	5	0	
7. Resident buying office		1	2	3	4	5	0	
8. Information from vendor/manufacturer's representative		1	2	3	4	5	0	
9. Vendor/manufacturer's promotional materials		1	2	3	4	5	0	
10. Trade publications (i.e. WWD, Kids, DNR)		1	2	3	4	5	0	
11. Consultation with other retail buyers		1	2	3	4	5	0	
12. Other _____ (Please specify)								

STORE PERFORMANCE: Please circle the response to the right of the measure of store performance representing your level of satisfaction with your store on each measure.

	1	2	3	4	5	
13. Sales volume		1	2	3	4	5
14. Gross margin		1	2	3	4	5
15. Inventory turnover		1	2	3	4	5
16. Net sales per square foot		1	2	3	4	5
17. Average sales per employee		1	2	3	4	5

MERCHANDISE AND VENDOR SELECTION: Please circle the responses to the right of the following factors indicating the importance you place on each when making a purchase decision as a retail buyer.

	<i>Not at all Important</i> <i>Extremely Important</i>				
	1	2	3	4	5
18. Predicted consumer demand for product	1	2	3	4	5
19. Aesthetic qualities of product	1	2	3	4	5
20. Design of product	1	2	3	4	5
21. Fabrication of product	1	2	3	4	5
22. Selling history of product	1	2	3	4	5
23. Color product	1	2	3	4	5
24. Fashionability of product	1	2	3	4	5
25. Seasonability of product	1	2	3	4	5
26. Brand name	1	2	3	4	5
27. Product reputation	1	2	3	4	5
28. Product styling	1	2	3	4	5
29. Product fit	1	2	3	4	5
30. Sizing specifications	1	2	3	4	5
31. Quality of product	1	2	3	4	5
32. Construction of product	1	2	3	4	5
33. Anticipated margin/markup	1	2	3	4	5
34. Completeness of past orders	1	2	3	4	5
35. Ability of vendor to fill reorders	1	2	3	4	5
36. Minimum order requirements	1	2	3	4	5
37. Terms of sale	1	2	3	4	5
38. Reliability of delivery	1	2	3	4	5
39. Rapidity of delivery	1	2	3	4	5
40. Cooperative advertising	1	2	3	4	5
41. Promotional incentives	1	2	3	4	5
42. Reputation of vendor	1	2	3	4	5
43. Personal past experience with vendor	1	2	3	4	5
44. Financial condition of vendor	1	2	3	4	5
45. Fashion awareness of vendor	1	2	3	4	5
46. Innovative approach of vendor	1	2	3	4	5
47. Newness of vendor ideas	1	2	3	4	5
48. Return policy of vendor	1	2	3	4	5
49. Other _____ (Please specify)					

PLEASE TURN TO LAST PAGE

INFORMATION ABOUT YOUR STORE: Please check ✓ the appropriate response.

50. Which category best describes your annual sales volume for the past fiscal year? (Check one)

<input type="checkbox"/> Less than \$100,000	<input type="checkbox"/> \$500,001 - \$700,000
<input type="checkbox"/> \$100,001 - \$300,000	<input type="checkbox"/> \$700,001 - \$900,000
<input type="checkbox"/> \$300,001 - \$500,000	<input type="checkbox"/> Over \$900,000

51. Which category best describes the price line of your merchandise? (Check one)

<input type="checkbox"/>	\$ Budget
<input type="checkbox"/>	\$ \$ Moderate
<input type="checkbox"/>	\$ \$ \$ Better
<input type="checkbox"/>	\$ \$ \$ \$ Couture

52. How many years has your store been in business? _____ years
-
- (Specify)

INFORMATION ABOUT YOURSELF: Please indicate your response.

53. Years of employment in the fashion merchandising/marketing field? _____ years
-
- (Specify)

54. Years of experience as an apparel retail buyer? _____ years
-
- (Specify)

55. What is your job title/position? (Check one)

Store owner
 Store manager
 Store owner/manager
 Buyer
 Other _____

(Please specify)

56. What is the highest level of education that you have completed? (Check one)

Some high school
 Completed high school
 Vocational/technical training beyond high school
 Some college
 Completed college (Specify major) _____
 Some graduate work
 A graduate degree (Specify degree) _____
 Other (Specify) _____

57. Please indicate your sex. _____ Male _____ Female

58. Please indicate your age range. (Check one)

<input type="checkbox"/> Under 20	<input type="checkbox"/> 40 - 49 years
<input type="checkbox"/> 20 - 29 years	<input type="checkbox"/> 50 - 59 years
<input type="checkbox"/> 30 - 39 years	<input type="checkbox"/> 60 and over

Please take a few minutes to review your answers to be sure none have been inadvertently left blank. Kindly return the completed questionnaire in the enclosed self-addressed, stamped envelope.

THANK YOU FOR YOUR PARTICIPATION IN THIS STUDY.

APPENDIX D

STORE-RELATED VARIABLES: FREQUENCY AND PERCENT

Table 11 Store-Related Variables:
Frequency and Percent

Variable	Frequency	Percent								
<u>Store Type</u>										
Ladies' ^a	204	65.2								
Children's	50	15.9								
Men's	3	1.0								
Others ^b	9	2.9								
Ladies' & Men	21	6.7								
Ladies'/Men/Children	9	2.9								
Ladies'/Children	11	3.5								
Department Store	6	1.9								
Total	313	100.0								
<u>Years Store Has Been in Business</u>										
(1) Less than 6	109	36.9								
(2) 6-10	62	21.1								
(3) 11-20	70	23.7								
(4) 21-30	20	6.8								
(5) Over 30	34	11.5								
Total	295	100.0								
<u>Sales Volume</u>										
Less than \$100,000	48	15.6								
\$100,001-\$300,000	160	52.1								
\$300,001-\$500,000	59	19.2								
\$500,001-\$700,000	13	4.2								
\$700,001-\$900,000	8	2.6								
Over \$900,000	19	6.2								
Total	307	100.0								
<u>Price Line</u>										
(1) Budget	4	1.3								
(2) Moderate	146	46.8								
(3) Better	93	29.8								
(4) Couture	1	0.3								
(5) Moderate/Better	56	17.9								
(6) Budget/Moderate	4	1.3								
(7) Better/Couture	5	1.6								
(8) All price lines	1	0.3								
(9) Budget/Moderate/Better	2	0.6								
Total	312	100.0								
<u>Collapsed Price Lines</u>										
Lower	156	50.2								
Budget										
Moderate										
Budget/Moderate										
Budget/Moderate/Better										
Medium	56	18.0								
Moderate/Better										
Higher	99	31.8								
Better (3)										
Couture (4)										
Better/Couture										
Total	311	100.0								
^a Ladies' in combination with: <table style="display: inline-table; vertical-align: top; margin-left: 20px;"> <tr><td>Lingerie</td></tr> <tr><td>Uniforms</td></tr> <tr><td>Jewelry</td></tr> <tr><td>Accessories</td></tr> <tr><td>Shoes and gifts</td></tr> <tr><td>Hair salon</td></tr> <tr><td>Cosmetics</td></tr> <tr><td>Formal wear</td></tr> </table>			Lingerie	Uniforms	Jewelry	Accessories	Shoes and gifts	Hair salon	Cosmetics	Formal wear
Lingerie										
Uniforms										
Jewelry										
Accessories										
Shoes and gifts										
Hair salon										
Cosmetics										
Formal wear										
^b Other category included: <table style="display: inline-table; vertical-align: top; margin-left: 20px;"> <tr><td>Imprinted sportswear</td></tr> <tr><td>Maternity</td></tr> <tr><td>Sporting goods and hunting apparel</td></tr> <tr><td>Lingerie</td></tr> <tr><td>Dance wear (2)</td></tr> <tr><td>Resort general merchandise</td></tr> <tr><td>Fabric, cosmetics, gifts and ladies'</td></tr> </table>			Imprinted sportswear	Maternity	Sporting goods and hunting apparel	Lingerie	Dance wear (2)	Resort general merchandise	Fabric, cosmetics, gifts and ladies'	
Imprinted sportswear										
Maternity										
Sporting goods and hunting apparel										
Lingerie										
Dance wear (2)										
Resort general merchandise										
Fabric, cosmetics, gifts and ladies'										

APPENDIX E

OTHER CATEGORY: INFORMATION SOURCES AND
MERCHANDISE/VENDOR SELECTION CRITERIA

Information Sources

Watching customer actions and reactions	7
Seen in other stores/competition, including mail order catalogues	7
Price and quality of product	7
Turnover figures of lines	6
Price	5
Anticipated tourist market	5
Performance of a line	3
Vendor attitude - seek out women when possible	1
Personalized wardrobing	1
Previous experience with vendor and label	1
Minimum requirements, prices	1
Merchandising	1
Dance club organizations	1
Study all business, fashion, and financial reports	1

Merchandise/Vendor Selection Criteria

Attitude of vendors and honesty of representatives	7
Courtesy of vendor	6
Price range	5
Return policy based on salability as well as damaged goods	5
Attitude and approach of sales representative	5
Honesty of representative	5
Refunds given by vendor if cannot replace damaged goods	5
Relation to sales representative	5
Salesman's personality	4
Merchandise and vendor selection factors	4
Coordinates shipped together	1
Honesty and being treated like a brain	1
Complete coordinates presentation	1
Cost	1
Professional attitude of sales representatives	1
Guarantee of product-reliability of company	1
Workmanship and quality of materials used	1

APPENDIX F

RESPONDENT-RELATED VARIABLES:
FREQUENCY AND PERCENT

Table 12 Respondent-Related Variables:
Frequency and Percent

Variable	Frequency	Percent
<u>Years of Employment</u>		
0 - 5	111	36.0
6 - 10	82	26.7
11 - 20	86	27.9
Over 20	71	9.4
Total	308	100.0
<u>Job Title/Position</u>		
Store Owner	189	60.4
Store Manager	39	12.5
Store Owner/Manager	112	35.8
Buyer ^a	81	25.9
Other ^a	26	5.1
Total	313	100.0
<u>Years of Experience as an Apparel Retail Buyer</u>		
0 - 5	133	43.2
6 - 10	89	28.9
11 - 20	68	22.1
Over 20	18	5.8
Total	308	100.0
<u>Highest Educational Level</u>		
Some High School	2	0.6
Completed High School	39	12.5
Vocational/Technical Training Beyond High School	14	4.5
Some College	102	32.8
Completed College ^b	92	29.6
Some Graduate Work	22	7.1
Graduate Degree ^c	40	12.9
Total	311	100.0

^aPartnership
Bookkeeper, etc.
Truck Driver, Salesperson, Goods Tagger, Janitor, etc.
Secretary/Treasurer, Accounts Payable
Janitor, Engineer, Stock Clerk, Window Washer, etc.
Partner, Handyman, etc.
Cleaning Lady, Display, Advertising, etc.
Designer
Stockholder
Trainer
Fashion Show Coordinator

<u>^bUndergraduate Degree</u>		<u>^cGraduate Degree</u>	
Business	33	Masters	29
Home Economics	15	Ph.D.	2
Education	9	Ed.D.	1
English	7	J.D.	1
Biology/Chemistry	4	Post Graduate	1
BFA	2		
History	2		
Languages	2		
Music	2		
Psychology	2		
Sociology	2		
Child Development	1		
Dental Hygiene	1		
Engineering	1		
International Studies	1		
Interior Design	1		
Medical Technician	1		
Nursing	1		
Pharmacy	1		
Political Science	1		
Recreation Administration	1		
Speech/Drama	1		

APPENDIX G

GEOGRAPHIC DATA

Table 13 Regions and States Represented in the
Sample: Frequency and Percent

Region/State	Frequency	Percent
Western Region		
AK	9	2.9
AZ	7	2.2
CA	66	21.2
CO	8	2.6
ID	1	0.3
MT	1	0.3
NM	3	1.0
NV	1	0.3
OR	5	1.6
WA	1	0.3
WY	3	1.0
Total	<u>98</u>	<u>31.3</u>
Central Region		
IL	20	6.4
IN	23	7.4
KS	6	1.9
MI	21	6.7
MO	2	0.6
NE	1	0.3
WI	9	2.9
Total	<u>83</u>	<u>26.5</u>
Southern Region		
AL	3	1.0
AR	9	2.9
FL	1	0.3
GA	1	0.3
KY	2	0.6
LA	5	1.6
MS	3	1.0
NC	22	7.1
OK	17	5.4
SC	6	1.9
TN	2	0.6
TX	32	10.3
VA	5	1.6
Total	<u>108</u>	<u>34.5</u>
Northern Eastern Region		
MA	2	0.6
MD	1	0.3
NJ	1	0.3
OH	11	3.5
PA	7	2.2
WV	2	0.6
Total	<u>24</u>	<u>7.7</u>

APPENDIX H
CORRESPONDENCE

O K L A H O M A S T A T E U N I V E R S I T Y

Center for Apparel Marketing & Merchandising

College of Home Economics

Dear Retailer:

In the recent past you participated in an activity sponsored by the Center for Apparel Marketing and Merchandising (Camm). Camm was established to serve the needs of small apparel stores through research, education, and dissemination. Presently the Center is involved in research focusing on understanding and enhancing buyer/vendor relations. Information from you, our clients, is important to the study.

We will be asking you to respond to a questionnaire concerning various aspects of the retail buying process. Your ideas and opinions are needed in order to help us better understand the buying needs of small apparel retailers. A questionnaire will be mailed to you in approximately two weeks. We certainly hope you will participate. Your input is vital to the success of this project.

Thank you for your kind cooperation in assisting us to better serve you.

Sincerely,

(Signed)

Jeanette Jausaud Arbuthnot
Graduate Research Associate

(Signed)

Lynn Sisler
Adviser

O K L A H O M A S T A T E U N I V E R S I T Y

Center for Apparel Marketing & Merchandising

College of Home Economics

April 1988

Dear Retailer:

Approximately two weeks ago a letter was mailed to you from the Center for Apparel Marketing and Merchandising (CAMM) at Oklahoma State University. The purpose of the letter was to request your cooperation in a buyer/vendor focused survey being conducted by the Center.

The enclosed questionnaire addresses various aspects of the retail buying process and will take less than ten minutes to complete. There are no right or wrong answers; we only want your ideas and opinions. It is extremely important that you answer all of the questions to the best of your ability. Please be assured that all information will be kept confidential. The number on the back of the questionnaire is for follow up purposes only.

Participation in this survey is voluntary, however, we do hope you will share your experiences and opinions. Your completion of the instrument will indicate your consent to participate in the study.

Thank you for your kind cooperation in assisting us to better serve you.

Sincerely,

(Signed)

Jeanette Jaussaud Arbuthnot
Graduate Research Associate

(Signed)

Lynn Sisler
Adviser

O K L A H O M A S T A T E U N I V E R S I T Y

Center for Apparel Marketing & Merchandising

College of Home Economics

May 1988

Dear Retailer:

Last week a questionnaire seeking information concerning your opinions, with regard to various aspects of the retail buying process, was mailed to you. If you have completed and returned it to us please accept our sincere thanks. If you have not mailed your reply to us, please do so today. Your responses are extremely important to the success of the study.

If by some chance you did not receive the questionnaire, or it was misplaced, please call collect (405) 624-7469 and we will send one in the mail to you today.

Sincerely,

(Signed)

Jeanette Jausaud Arbuthnot
Graduate Research Associate

O K A L A H O M A S T A T E U N I V E R S I T Y

Center for Apparel Marketing & Merchandising

College of Home Economics

May 1988

Dear Retailer:

Four weeks ago we wrote to you seeking your assistance with our research on the retail buying function. As of today, we have not yet received your completed questionnaire.

The research unit of CAMM has undertaken this study to aid in understanding and promoting favorable buyer/vendor relations. We are writing to you again because of the significance of your response to the success of this study.

In the event that your questionnaire has been misplaced, a replacement is included. Please fill it out and mail it today! We need your response by June 1st.

Thank you! Your cooperation is greatly appreciated.

Cordially,

(Signed)

Jeanette Jausaud Arbuthnot
Graduate Research Associate

(Signed)

Lynn Sisler
Adviser

Enclosure

VITA

Jeanette Jaussaud Arbuthnot

Candidate for the Degree of

Doctor of Philosophy

Thesis: THE DECISION-MAKING PROCESS OF SMALL SPECIALTY STORE BUYERS AS RELATED TO SELECTION CRITERIA, INFORMATION SOURCES AND STORE PERFORMANCE

Major Field: Home Economics-Clothing, Textiles and Merchandising

Biographical:

Personal Data: Born in Walla Walla, Washington, February 17, 1934, the daughter of Andre and Lena Jaussaud.

Education: Graduated from Walla Walla High School, Walla Walla, Washington, in June 1952; attended Washington State University, Pullman, Washington, in 1952 and 1953; received the Associate in Arts degree from Miami-Dade Community College, Miami, Florida, March 1978; received a Bachelor of Science degree from Florida International University, Miami, Florida, April 1980; received the Master of Arts degree from Colorado State University, Fort Collins, Colorado in August 1984; completed requirements for the Doctor of Philosophy degree at Oklahoma State University in May 1990.

Professional Experience: Apparel production and retail management positions, 1979-1982; Graduate Assistant, 1983 and Graduate Teaching Assistant, 1983, Textiles and Clothing Department, Colorado State University; Instructor, University of Nevada-Reno, 1984-85; Graduate Research Associate, The Center for Apparel Marketing and Merchandising, Oklahoma State University, 1985-1988; Assistant Professor, Department of Home Economics and Consumer Education, Utah State University, 1988-present.

Professional Organizations: Association of College Professors of Textiles and Clothing; American Collegiate Retailing Association; American Home Economics Association; Utah Home Economics Association; International Federation for Home Economics; Costume Society of America; Omicron Nu; Phi Upsilon Omicron.