CHAPTER 7

DISCUSSION AND CONCLUSION

The objective of this study, as stated in Chapter 3, is three-fold viz. to identify the factors affecting customers’ perception of service convenience and to study their relative impact on five types of service convenience (i.e. decision convenience, access convenience, benefit convenience, transaction convenience, and post-benefit convenience); (ii) to examine the impact of five types of service convenience on customer citizenship behaviours (viz. word of mouth behaviour, customer cooperation behaviour, customer participation behaviour, and customer helping other customers at the retail store); and (iii) to investigate the mediating role of customer satisfaction in the relationship between five types service convenience and customer citizenship behaviours. This chapter discusses the findings of this study and compares them with the theoretical underpinnings of the past research. Based on the above discussion, it enumerates the theoretical contributions and managerial implications made by this study. To conclude, this chapter states the limitations of this study along with scope for future research,

7.1. FACTORS AFFECTING SERVICE CONVENIENCE

Five factors affecting customers’ perception of service convenience were identified from literature review viz. store brand equity, store atmosphere, store design/layout, customer information, and employee responsiveness.

7.1.1. Factors Affecting Decision Convenience

Three factors affecting customers’ perception of decision convenience were identified from prior studies viz. access convenience, store brand equity and customer information. The
findings have suggested that access convenience has the most significant and positive impact on perceived decision convenience. It implies that easy accessibility of a grocery store expedite customers’ decision making pertaining to selection of retail store from which they prefer to purchase products/services. It is consistent with Reilly’s Law of Retail Gravitation (Reilly, 1931), which posited that customers’ store choice behaviour is inversely proportional to the travel distance between their home and the store location. Moreover, Huff’s Gravity Law (Huff, 1964) suggested that the likelihood of a customer visiting a retail store is inversely proportional to the travel time between customer’s place and the store location. Consistent with information richness theory (Daft and Langel, 1986; Oh et al., 2009), the results have indicated that customer information has a significant and positive impact on perceived decision convenience. It implies that perceived useful and timely information provided by the retailer significantly reduces customers’ psychological costs (time and effort expenditures) and provides them with a better understanding about the product and service offered by their retailer. The above reduction in psychological costs makes it easier for customers to decide on the retailer from which they prefer to purchase products and services. Furthermore, it is found that store brand equity has a significant and positive impact on perceived decision convenience. Consistent with Cue Utilisation theory (Dodds et al., 1991), it implies that store brand equity is used by customers as an extrinsic cue which instils trust in the minds of customers thereby acting as time and effort saving heuristics. Hence, store brand equity simplifies customers’ choice of store from which they prefer to purchase products/services (Grewal et al., 1998; Berry et al., 2002; Brady et al., 2005; Chang and Liu, 2009).
7.1.2 Factors Affecting Access Convenience

Three factors affecting customers’ perception of access convenience were identified from prior studies viz. store location, store operating hours and presence of convenient parking facility at the retail store. The findings of this study have suggested that the above three factors have a significant and positive impact on perceived access convenience (refer to Table 6.6 (b)). It implies that customer find it easy to establish contact with a retail store that is located near to their home and/or office, has operating hours that suits their busy lifestyles, and provides convenient parking facility to customers who travel to the store by their own vehicles.

7.1.3 Factors Affecting Benefit Convenience

Four factors affecting customers’ perception of benefit convenience were identified from the literature review viz. store atmosphere, store design/layout, customer information, and employee responsiveness. The findings of this study have indicated that store atmosphere has that most significant and positive impact on perceived benefit convenience. It is consistent with Stimulus-Organism-Response theory (Mehrabian and Russell, 1974), which posited that customers’ favourable perception of store atmosphere creates a sense of pleasure and arousal in their mind, which in turn leads them to underestimate their time and effort spend while searching and evaluating products in the retail store. The findings have also showed a significant and positive impact of customer information on perceived benefit convenience. In line with Information Richness theory (Daft and Langel, 1986; Oh et al., 2009), it implies that perceived useful and timely information (about the product availability, brands, product features, product price, discount available etc.) available to customers reduces their psychological costs associated with search and evaluation of desired products inside the retail store. Furthermore, it is found that employee responsiveness has a significant and positive
impact on perceived benefit convenience. This finding is supported by service quality literature (Johnston, 1995; Baron et al., 1996; Naylor and Frank, 2000; Darian et al., 2001), which posits that high level of responsiveness displayed by store employees provide time and psychic benefit to customers in their search and evaluation of desired products inside the retail store. However, the results also indicated the store design/layout does not have a significant impact on customers’ perception of benefit convenience. This may be due to prior experience of customers with their respective main retail stores. The results have shown that majority of the respondents are dealing with their main retail store for more than a year. There is a possibility that they are accustomed to the arrangement of products inside their main retail store, hence do not pay much heed to its store design/layout. Prior studies have posited that customers’ prior experience and familiarity with their service provider reduces their psychological costs associated with dealing with their service provider (Rao and Monroe, 1988; Kumar, Kalwani and Dada, 1997; Seiders and Berry, 1998; Berry et al., 2002).

7.1.4 Factors Affecting Transaction Convenience

Three factors affecting customers’ perception of transaction convenience were identified from prior studies viz. store atmosphere, customer information and employee responsiveness. The results have shown that store atmosphere has the most significant and positive impact on perceived transaction convenience. Consistent with Stimulus-Organism-Response theory (Mehrabian and Russell, 1974), it implies that customers underestimate their time and effort expenditure at the cash/check-out counter while making payments for the selected products at their retail store, if they perceive the store atmosphere to be favourable. Moreover, Baker and Cameron (1996) posited that perceived favourable store atmosphere makes the waiting time more acceptable to customers while dealing with their service provider. The findings of the
study have indicated that employee responsiveness also has a significant and positive impact on perceived transaction convenience. In line with service quality literature, it implies that customers find it easy to conclude their transactions at the retail store if the employees at the cash/check-out counters are willing to help them and provide them with prompt service. In addition, it was found that customer information has a significant and positive impact on perceived transaction convenience. It is supported by Information Richness theory (Daft and Langel, 1986; Oh et al., 2009), which indicates that prior information pertaining to estimated waiting time at the cash/check-out counter provided by the retailer (such as queue number, approximate waiting time; payment facilities available etc.) reduces customers’ psychological costs associated with concluding their transactions at the retail store.

7.1.5 Factors Affecting Post-Benefit Convenience

Two factors affecting customers’ perception of post-benefit convenience were identified from prior studies viz. customer information and employee responsiveness. The findings of this study have suggested that both customer information and employee responsiveness have significant and positive impact on perceived post-benefit convenience. In line with customer waiting time literature (Davis and Heineke, 1994; Hui and Tse, 1996), it implies that customers find it was easy to return/exchange products if they are well versed with their store’s product return/exchange policies and procedures. Moreover, consistent with service quality literature (Kelly et al., 1993; Hocutt et al., 2006), it implies that the willing and promptness shown by the frontline staff at the retail store significantly reduces customers’ psychological costs once they request for a product return/exchange.
7.2 IMPACT OF SERVICE CONVENIENCE ON CUSTOMER SATISFACTION

The findings of this study have shown that the customers’ perception of decision convenience, benefit convenience, transaction convenience, and post-benefit convenience have a significant and positive impact on customer satisfaction. It implies that the level of customer satisfaction is enhanced when they save their time and effort while (i) deciding on the store from which they prefer to purchase the products/services; (ii) searching and evaluating products in the retail store; (iii) concluding their transaction at the cash counter at the retail store; and (iv) resolving product return/exchange issues with their retailer. Of the above types of service convenience, post-benefit convenience has the most significant and positive impact on customer satisfaction. Moreover, it is found that access convenience does not have a significant impact on customer satisfaction. It implies that easy accessibility of a retail store does not significantly contributes towards the fulfilment of customer expectations from the retailer.

7.3 THE MEDIATING ROLE OF CUSTOMER SATISFACTION IN THE RELATIONSHIP BETWEEN SERVICE CONVENIENCE AND CUSTOMER CITIZENSHIP BEHAVIOURS.

The mediation analysis has provided evidence of the mediating role played by customer satisfaction between five types of service convenience and customer citizenship behaviours. Consistent with Social Exchange theory (Blau, 1964), the results have indicated that customers reciprocate by spreading positive word of mouth in case they are satisfied after perceiving decision convenience and benefit convenience while dealing with their retailer. Moreover, it is found that customers who perceive decision convenience reciprocate by exhibiting cooperation behaviour at the retail store partially due to enhancement in their level of satisfaction. Similar conclusion can be made for the mediating role of customer
satisfaction between viz. (i) decision convenience and customer helping other customers at the retail store; (ii) benefit convenience and customer cooperation behaviour; (iii) benefit convenience and customer participation behaviour; (iv) benefit convenience and customer helping other customers at the retail store; (v) post-benefit convenience and positive word of mouth behaviour; (vi) post-benefit convenience and customer cooperation behaviour; (vii) post-benefit convenience and customer participation behaviour; and (viii) post-benefit convenience and customer helping other customers at the retail store. It is also found that customers who perceive transaction convenience at the retail store reciprocate by displaying participation behaviour and by helping other customers at the retail store irrespective of the satisfaction level with their retailer. This may be due to the limited interaction between the customers and the retailer at the check-out counter of the retail store. The findings also showed that customer who perceive access convenience do not reciprocate by engaging in customer citizenship behaviours. Since access convenience is concerned with customers establishing contact with the retailer, there is limited contact between a customer and the retailer. Hence, customers are less likely to exhibit word of mouth behaviour, cooperation behaviour and participation behaviour at this stage of their relationship with their retailer. Moreover, there is also limited contact between a customer and other customer present at the retail store, thus there is a limited scope for him/her to help other customers.

7.4 THEORETICAL CONTRIBUTIONS MADE BY THIS STUDY

Given the importance of both service convenience and customer citizenship behaviours for retailers in the current business scenario, this study extends the existing service convenience literature in following ways:

i) It has identified the factors affecting customers’ perception of service across various stages of their purchase behaviour and has empirically tested their relative impact on five types
of service convenience (viz. decision convenience, access convenience, benefit convenience, transaction convenience, and post-benefit convenience).

ii) It has examined the relative impact of the above five types of service convenience on four customer citizenship behaviours (viz. positive word of mouth behaviour, customer cooperation behaviour, customer participation behaviour, and customer helping other customers at the retail store). Past studies have touted the critical nature of the above citizenship behaviours for the overall improvement in the performance of service providers including retailers (Bettencourt, 1997; Keh and Teo, 2001; Groth, 2005; Rosenbaum and Massiah, 2007; Bartikowski and Walsh, 2011).

iii) It has also highlighted the mediating role played by customer satisfaction in the relationship between the above five types of service convenience and customer citizenship behaviours.

7.5 MANAGERIAL IMPLICATIONS

The findings of this study has provided following implications for retailers:

i) *Access Convenience is a necessary but not sufficient condition for eliciting customer citizenship behaviours*: Retailers should focus on providing easy accessibility to customers by selecting convenient store location, by adopting store operating hours keeping in mind the busy lifestyles of their customers, and by providing spacious parking facility at their retail stores. The findings have suggested that, adopting the above measures will help retailers in providing decision convenience to customers thereby increasing the number of footfalls in the stores. However, it is not going to enhance the level of customer satisfaction and induce them to display any of the aforesaid customer citizenship
behaviours. However, it may be said that making the customers visit the retail store is the first step towards building long term relationship with them.

ii) Make the store atmosphere appealing for the customers: Retailers should focus on creating a store atmosphere that is appealing to customers. An appealing store atmosphere may create a positive emotional states in the minds of their customers, which in turn makes them underestimate their time and effort spend while selecting their desired products and concluding their transactions at the retail store. This may be achieved by playing enjoyable music inside the retail store, keep the temperature of the retail store within the comfort zone of the customers, maintain a pleasant odour inside the retail store etc.

iii) Keep the customers informed at every stage of their purchase behaviour: Retailers should provide useful and time information to their customer at every stage of their purchase behaviour staring from decision stage till post-benefit stage. The above information should contain details pertaining to products/brands available at the store, product specifications/features, discounts available on different products, payment options available to customers, location of product inside the store, store policies and procedures pertaining to product return/exchange.

iv) Train the frontline store employees to show responsiveness towards customers’ needs and requests: Retailers should provide adequate training to their frontline store employees to show responsiveness towards customers’ needs and requests at the retail store. The employees should be willing to address the needs of the customers and provide prompt service to them at the retail store. This is especially important when the customers search and select their desired products at the retail store and when they conclude their transactions at the cash counter.
v) *Save customers’ time and effort to enhance their level of satisfaction:* Retailers should focus on providing service convenience to its customers across all the stages of their purchase behaviours to enhance their level of satisfaction. However, the major focus should be on reducing customers’ time and effort expenditure while handling product exchange/returns, followed by when customers search and select their desired products in the store.

vi) *Customers reciprocate by displaying citizenship behaviours when a retailer provides them with service convenience:* Retailers should focus on providing service convenience as customers as they reciprocate by spreading positive word of mouth among others (notably family, relatives and friends), by showing cooperating behaviour aimed to respect the service quality provision of the retailer, actively participate in the overall developed of the retailer, and help other customers at the retail store. However, the major focus should be on decision stage, benefit stage, and post-benefit stage of customers’ purchase behaviour.

7.6 **LIMITATIONS OF THIS STUDY**

This study suffers from following two limitations:

i) The study was conducted in the context of a single service (i.e. food and grocery retailing) in India. This may lead to the findings of the study being context specific.

ii) The study is cross sectional in nature, the hypothesized relationships in the proposed conceptual framework can be better understood when examined over a period of time.

iii) The study focuses on customers who have a considerable amount of prior experience in dealing with their retailer. Hence, the retailers should use keeping in mind their length of relationship with customers while adopting and implementing the findings of this study
iv) The study is conducted in the context of organised retailing i.e. supermarkets. Hence, unorganised retailers should use the findings of this study with caution.

7.7 SCOPE FOR FUTURE RESEARCH

Despite the limitations of this study as enlisted in Section 7.6, this study makes considerable contributions towards extending the service convenience literature and facilitating managerial decision making in the context of retailing. It also presents considerable scope for future research in the area of service convenience and customer citizenship behaviour. The suggested areas for future research are explained below:

i) Future studies may empirically test the hypothesized relationships in other contexts, such as a cross cultural study, to establish the external validity of the proposed conceptual framework.

ii) Future research may do a comparative analysis of the hypothesized relationships in the context of brick and mortar stores versus online stores.

iii) Researchers should consider the impact of customer related factor their perception of service convenience viz. customer time orientation, customers’ empathy towards their retailer, time urgency and customers’ prior experience in dealing with the retailer. This is in line with the Berry et al. (2002).

iv) The findings of this study have suggested that store atmosphere has a significant and positive impact on customers’ perception of benefit convenience and transaction convenience. It will be interesting to examine the relative impact of various elements of store atmosphere (viz. music, temperature, odour, lighting etc.) on above types of service convenience.
v) Information Richness theory (Daft and Langel, 1986) has posited that information can be provided to customers through various media (such as personal, signage, electronic etc.). Future research should focus on identifying the most effective media using which a retailer can provide timely and useful information to customers at each stage of their purchase behaviour.

v) The impact of store design/layout on perceived benefit convenience is not found to be significant. Future studies may explore possible reasons behind the above findings. One possible reason can be the prior experience of customers which make them accustomed with arrangement of products in the store. Hence, such customers may not pay much heed to the store design/layout while searching and evaluating their desired products. However, this proposition needs to be empirically tested by testing the above relationship in the context of regular customers vis-à-vis new customers of a retailer.

vi) This study highlights the mediating role of customer satisfaction in the relationship between five types of service convenience and customer citizenship behaviours. Future studies may explore other potential mediators in the above relationships such as service fairness and service quality.