Chapter-7

Conclusions Implications and Limitations

This chapter sums up this research study, conclusions and implications of the results and offers suggestions for future research.

The Image as a variable was taken up as dependent variable and all other variables were considered as independent variable.

**Image**: An organization’s image is an important variable that positively or negatively influences marketing activities. Image is considered to have ability to influence customer’s perception of the goods and services offered. Thus, image will have an impact on customers buying behaviour.

Service literature identifies a number of factors that reflects image in the customers mind Zeithaml and Bitner (1996), and Norman (1991). Image is considered to influence customer’s mind through the combined effects of advertising, public relations, physical image, word of mouth, and their actual experiences with the goods and services. Similarly Gronroos (1983) using numerous researches on service
organizations, found that service quality was the single most important factor or determinant of image.

Results from the study indicate that all variables of Trade Relationship Management:

- Image
- Preferred Company/Service provider
- Return on investment
- Profitability
- Cost of dealing
- Product Quality Image
- Product Value
- Quality of Company Personnel
- Relationship Outcomes
- Commitment
- Process Areas (Three Parts)
- Interaction Quality with Sales Personnel
- Share of Dealings
- Invoicing (Three Parts)
- Quality of Backend support
The factors mentioned above are being tested for significant relationship with Image. It is presumed that if variables are having a positive impact on image they would also be positively related to each other.

It can be noted from Table-1 that Preference of the organization and image is not found to be positively aligned. There would host of other factors which may influence the customers to prefer an organization. Similarly, profitability is also not significantly related to image. Fung (2007) also found that profitability is not positively related to relationship. As a business deal ROI is being seriously considered by the retailers which have a significant positive relationship with image. In this study it was found that 10% to 20% ROI was considered. If ROI is increases as per regression equation image will also improve.
Cost of dealing with the service provider is another important variable which the retailers take seriously. Lower the cost of dealing with the service provider more likelihood of business dealings and higher cost of dealings would deter the customers. Reichheld and Sasser, (1990) found that firms adopt relationship marketing only if it has the potential to benefit them. The benefits come through lower costs and increased profits due to lower defection rates. When customers enter into a relationship with a firm, they are willingly foregoing other options and limiting their choice.
The preference definitely indicates intention to associate or be associated with the supplier.

Another variable Quality Image; the overall quality of goods and services also play a vital role in image building. In our case it was not found to be significantly related to image. However, the $p<0.10$ indicate the importance of this variable in the service organization. Similarly the value of product and services that customers get is also not significant at 95% but the same is close to the significance value and would be significant at 90% level.

It is obvious from this study that a large number of retailers do recommend a particular brand to their customers. The $p>0.05$ hence not within acceptable limits of significant relationship but $p=0.055$. This value is closest to the acceptable value and hence can not be ignored by the suppliers. The cases of marginality may be seen here due to biases as well. As the following variable was concerning continuity with the service providers for up to 5 years. This association was significantly related with image.

The Feet on Street or sales force plays a vital role in the determination of image. The $p$ value was not found to be within the limits of 0.05; however, 0.067 is close to 0.05
and shows the importance of this variable for the organization in the trade relationship.

The retailers value the future increase in share of dealings. If they know that their share will increase in future they remain satisfied and loyal to the suppliers. A unit increase in share of dealings shall also have an increase in the image component. The retailers do not wish to switchover to another competitor even if the offer is slightly better. This is an indication of customer satisfaction and loyalty. This variable was found to be positively and significantly associated with image. Quality of invoicing is another variable which plays an important role in the Trade relationship. It is having a significant relationship with image in our study. An invoicing system would include payment details, discounts, credit details, time period given to make payment etc.

The role of Services and backend support, Help Desk ready to help the customers are Problem Solving record of the organization also show potential for a better relationship leading to image building and Trade relationship. The values for these variables were found closer to the significant values but not less than equal to significant point of 0.05.
The retailers seem to be intolerant about recurrence of problem even if it is solved. Zero problems are difficult to achieve. However, recurrence is not desirable. An organization which can care for this variable may achieve higher image in the minds of customers.

Advertising, merchandising and incentives, ordering and delivery, sales promotion material and financial credit are not found having a positive relationship with image in this study. However, Image is said to be having a positive relationship with customer satisfaction and loyalty. Paswan (2003), called the above listed factors as support factors and using multivariate regression found a significant relationship between channel members relation and support. Erdogan and Baker (2002) also reported similar results through their studies. Kandampully and Suharto (2000), in their study of hotel industry have found that image is positively related to customer loyalty as well as customer satisfaction.

The Table below shows the individual significant values for all organizations. The organization wise details are depicted in the table above. Airtel has profitability, quality of
personnel, and quality of interaction with executives and Feet on street and Ordering and delivery system.

Hutch is found to have significant relationship between profitability, recommendation of a brand, interaction with sales executives, interaction of FOS, ordering delivery system and share of dealings with image. Similarly, Idea has significant relationship between preferences, ROI, cost, Quality Image, Quality of Personnel, feelings towards the product and services, Sales force, Help Desk support and problem solving and image.

Table-2

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244
Reliance is having significant relationship between profitability, quality of personnel, quality of interaction with sales executives, sales force and advertising and merchandising with image.

Tata and MTNL have significant relationship between profitability, cost quality image, value, quality of personnel, and positive feelings towards product and services and image.

The top three organizations are having Human Factors as important variables having significant relationship with image. This is perhaps the major reasons for their better performance. Fung et al., (2007), found that among the factors, it is the human resource and factors related to business operations scores very high in firm’s performance. In our case, for all variables relationship between image and factors relating to human are positively related.

Thus it can be concluded that all six organizations are having a group of variables which contribute to Trade relationship based on which they are having satisfied and loyal customers.

Implications
The findings of different studies on the subject of CRM, mCRM, Channel relationship management and SCM reveals that in large number of cases these concept and principle have not been able to deliver the results for which it was applied. There is complete absence of any such study called Trade Relationship Management as far as the knowledge of researcher goes. Only a part of the relationship is being studied as quoted above. This study fills the knowledge gap to a limited extent. It can be utilised by the suppliers to streamline their operations and retailers to see what they need to do to main a meaningful and lasting relationship as profitability of both parties depend on the long term relationship.

Limitations and future directions for research

The implications of the findings hold important caveats for Trade Relationship Management, especially in an emerging market context. The study is an initial attempt to investigate the effect of Trade Relationship attributes on Image and Image on Customer satisfactions and customer loyalty. Given its exploratory nature, this study should be replicated in other countries in similar settings.
The sample size of 271 that too confined to Delhi and NCR further reduces the scope of generalization. A study with larger sample and geographical coverage would render the importance and scope of this study further.

This study is confined to service sector organization and further reduced to the study of telecom service providers and retailers/Trade partners. A comprehensive study on manufacturing sector and other organizations of service sector would enhance the value of this type of research.

Use of simple ANOVA and regression analyses may not at times depict the actual state of affairs and factor analysis perhaps could provide better results.

Knowledge and biases of the researcher being an executive from telecom sector when the study started to the chief executive of retail organization can not be ruled out.
References


