CHAPTER 4
DEVELOPMENT OF CONCEPTUAL FRAMEWORK

For development of the conceptual framework for the study, the grounded theory process was adopted. The grounded theory approach uses a “systematic set of procedures to develop an inductively derived grounded theory about a phenomenon” (Strauss & Corbin 1990). The procedures are based on the “systematic generating of theory from the data that is systematically obtained from social research, and offers a rigorous orderly guide to theory development that at each stage is closely integrated with a methodology of social research” (Glaser 1998). Grounded theory is “The discovery of theory from data systematically obtained from social research” (Glaser & Strauss 1967, p.2). Management scholars may need to consider the possibility of evolving a Grounded theory of rural consumers (Adebayo 2013).

The theory developed by Glaser and Strauss (1967) originally describes that the constructs of the study are grounded inside the data collected by the researcher and further these constructs are evaluated. The particular set of data the researcher collects and the usefulness of the constructs can be tested in the subsequent research. This qualitative method is famous and effective too because it helps to generalize a phenomenon and can be further empirically proven also. So, due to this aspect, the current research adopts the concept of grounded theory to generalize a phenomenon which is hidden inside the data, and thus further it is empirically proved. The concept of grounded theory was adopted with emphasis on a) selecting grounded theory as methodology, b) research design, c) research procedures, and d) data analysis.

4.1 Grounded Theory Process

According to the basic principle of grounded theory, once an area of research has been identified, the researcher must enter the field as soon as possible. Consequently, the literature is not exhausted prior to the research, as in many studies; rather it is consulted as a part of the
interactive, inductive and interactional process of data collection. As, in the current research, there has been no study which predominantly focuses on the assortment planning of small retailer, the consultation of the existing literature could not take place. The literature in this research has been used as an inductive process in phase of data collection. In other words, we can say that the development of a theory out of the data is directly approached rather than searching the extant of literature. But the existing theories and dimensions on assortment planning, which previously have been derived, have been studied. Creswell (1994) mentioned certain perquisites for the use of this inductive mode of thinking to build a new theory. The steps were:

(a) Researcher gathers information,
(b) Researcher asks questions,
(c) Researcher forms categories,
(d) Researcher looks for patterns (theories), and
(e) Researcher develops a theory or compares pattern with other theories.

The literature review in Chapter 2 explains the extent of the current studies which have been consulted before entering the field. According to Glaser and Strauss 1967, it is a common misconception that the researcher has to go ignorant into the field, ignorant of any of the existing theories or associated literature relating to the phenomenon and wait for theory or the phenomenon to emerge purely out of the data. So whenever the researcher enters the field, he should have the prior knowledge of existing theories in respect to the subject (Goulding 2000). Nevertheless, this was not necessarily the case, for the same Glaser and Strauss (1967, p.253) state that:

“The core categories can emerge in the sociologists mind from his reading, life experiences, research and scholarships; furthermore no sociologist can possibly erase from his mind all the theory he knows before he begins his research. Indeed the trick is to line up what one takes as theoretically possible or probable with what one is finding in field.”
There are two accepted schools of grounded theory: the purely inductive approach of Glaser and (in effect) the mainly adductive approach of Strauss—and, later, Corbin and Strauss (Reichertz 2010). There are two major differences in these approaches. First, there is a difference regarding the verification of grounded theories: whether new theories should be developed, or whether these new theories also should be tested or verified. Strauss and Corbin include inductive and deductive approaches within grounded theory and, therefore, also include the verification of new theories (for example, by contrasting a newly-developed theory with the existing literature). Conversely, Glaser excludes verification of new theories developed through grounded theory (Strübing 2008). Second difference is regarding prior theoretical knowledge. Initially, Glaser and Strauss (1967) suggested that within the grounded theory approach, theory is derived from data, and prior theoretical knowledge would contaminate emerging categories and reduce the researcher’s sensitivity. Strauss later argued that prior theoretical knowledge flows into the data analyses and, furthermore, that development of theory is always theory-driven since prior theoretical knowledge also facilitates identification of effective questions (Reichertz 2010).

An underlying concept of grounded theory is the constant ‘comparative analyses’ (Glaser & Strauss 1967) in which phenomena, evolving from the data, are repeatedly tested against new and older data, until a ‘grounded’ theory develops (Strübing 2008). Analyzing the emerging data is a critical step within grounded theory (Charmaz 2004). The grounded theory process itself is illustrated in Figure 4.1 below.
Fig 4.1: Grounded Theory Process
4.1.1 Grounded Theory Approach for Qualitative Data Collection

Grounded theory has been applied on the first phase of this study as qualitative research methodologies in this study. While the espousal of grounded theory as a preferred research methodology was initially quite slow, over the last two decades grounded theory has become extremely popular in qualitative research (Payne 2007). It is used in many fields, ranging from the study of software development processes (Coleman & O’Connor 2007) to research on relational identity in intercultural friendships (Lee 2008) to studies on beer consumption (Pettigrew 2000). It is widely used in healthcare research and is particularly popular in the field of nursing (Artinian, Giske & Cove 2009; Coyne & Cowley 2006; McCann & Clark 2003a). According to Atkinson and Hammersley (1994), qualitative social research starts with unstructured data, and through data analysis interprets meaning in verbal form to achieve a rich, in-depth understanding of people or a phenomena.

The design of the study is a qualitative approach based on grounded theory principles. The grounded theory approach is defined as “a qualitative research method that uses a systematic set of procedures to develop an inductively derived grounded theory about a phenomenon” (Strauss & Corbin 1990, p. 21). In grounded theory research design, a researcher begins with a broad research question that provides the freedom and flexibility to explore a phenomenon in depth. The research questions are identified as the general focus of the study and tend to be an action and process-oriented (Leedy 1997). Then an inductive mode of thinking is used to define new theories. A grounded theory project typically does not begin with a theory from which hypotheses are deducted but with a field of study or a research question, and what is relevant to this question is allowed to emerge during the research process.

The development of a theory was the culminating aspect of a study. The theory was grounded in the data (Strauss & Corbin 1990). “Qualitative data analysis is a search for general statements about relationships among categories of data; it builds grounded theory” (Marshall & Rossman 1995, p. 111). The purpose of data collection and analysis in this study was to generate a
theoretical framework using a construct oriented or categorical approach. This design was based on Creswell’s (1994, 1998) discussion of a grounded theory study design. Data analysis in qualitative studies was “The process of bringing order, structure, and meaning to the mass of collected data. It is a messy, ambiguous, time consuming, creative, and fascinating process. It does not proceed in a linear fashion; it is not neat” (Marshall & Rossman 1995).

According to Glaser & Strauss (1967, p. 1), grounded theory constitutes an innovative methodology, facilitating ‘the discovery of theory from data’. This implies that in grounded theory the researcher is not focused on testing hypotheses taken from existing theoretical frameworks, but rather develops a new ‘theory’ grounded in empirical data collected in the field. This concept of grounded theory has helped in development of a conceptual model, and thus generation of hypothesis for testing the concept through statistical methods. According to Payne (2007), one of the unique features of grounded theory analysis is the dynamic interplay of data collection and analysis of the data collected. In the current research, unstructured interviews were conducted with the respondents in order to collect data and memos were written throughout the process. The current study follows the following procedure of grounded theory in order to develop the conceptual background for the second phase of the study.

According to Glaser (1998), grounded theory is based on two major facts:

a) Do not do a literature review in the substantive area and related areas where the research is to be done, and

b) When the grounded theory is nearly completed during the sorting and writing up, then the literature search in the substantive area can be accomplished and woven into the theory as more data for constant comparison.

Nathaniel (2006) also agrees to the argument that ‘grounded theory requires the researcher to enter the research field with no preconceived problem statement, interview protocols, or extensive review of literature’. In grounded theory, the initial literature review in the substantive research area can be detrimental to the overall research process because a detailed literature review conducted at the outset may ‘contaminate’ the data collection, analysis and theory development by leading the researcher to impose existing frameworks, hypotheses or other
theoretical ideas upon the data, which would, in turn, undermine the focus, authenticity and quality of the grounded theory research. So, in the current study, the literature review in the context of assortment planning and small retailers has not been conducted prior to the collection of the data.

4.1.2 Theoretical Sampling

Data selection involves the location and identification of potential data sources associated with the research question. In grounded theory, a specific plan for sampling cannot be clearly developed in the initial stages due to the predisposition that sampling decisions should be informed theoretically. According to Glaser & Strauss (1967), “beyond the decisions concerning initial collection of data, further collection cannot be planned in advance of emerging theory”. Therefore, ongoing decisions about the direction of data collection are dependent on the emergence of categories and the emerging theory. Sampling procedures for qualitative methods differ from those of quantitative studies and are based on the concept of “theoretical sampling” (Strauss & Corbin 1990). Sampling decisions are hidden in the emerging concepts that become relevant to the developing theory. This means sampling decisions evolve during the research process, and sampling cannot be planned before embarking on the study. Similar to other qualitative research strategies, the grounded theory approach applies one or more techniques to collect empirical data. These techniques range from different interview types (e.g., in-depth interview, focus group interview, survey) and observational techniques, including participant observation and similar field work, through archival analysis. So purposive sampling was adopted for the unstructured interviews (Denzin & Lincoln 1994).

In grounded theory, sampling occurs concurrently with the simultaneous collection and analysis of the data; however, the researcher must start somewhere. According to Charmaz (2006), the initial sampling process defines the point from where the researcher has to start and the theoretical sampling emerges from the information gathered from the data. This emergent sampling process defines the path of the researcher, the target sample of the study and the questions to be asked. Sampling, and therefore data collection, ends once theoretical saturation occurs where the addition of new information no longer adds to the emerging categories or
supplies any new insights (Charmaz 2006; Glaser 2001; Strauss & Corbin 1998). The current study implies in-depth interview technique and memo writing for the collection of data from the target respondents (small retailers).

Since the focus of the current study is on assortment planning of the small retailers, we have adhered to the definition of small retailers which has been explained in the introduction. To recap, the national portal of Government of India defines small-scale retailers as those retailers whose scale of operation is restricted to a small segment of the market and to a narrow range of products. They generally hold small stocks of the products of regular use. It incurs low operating costs and is usually owned and operated by a proprietor. So the focus of the study was to interview the small scale retailers from the rural and urban regions of the Jammu provisions.

Each interview was conducted and converted into the verbatim. Till the twenty four interviews were conducted, it was observed that data saturation has achieved (Strauss & Corbin 1998). Sampling and data collection continue until theoretical saturation. Data saturation means that with the collection and analyses of additional data, no new concepts are developed and additional data do not require changes in conditions, characteristics, or consequences of the existing categories (Strauss & Corbin 1990).

4.1.3 Data Collection

In qualitative research, whatever information is being collected through any of the sources, may it be interviews, observations, documents, in any combinations; it is all meaningful for the study (Glaser, 2001). This approach has been carried out during the phase of data collection for qualitative phase of the study. The procedure of data collection is described below:

The In-depth Interviews:
The key form of qualitative data collection that was incorporated in this study is the in-depth unstructured interviews. The interviews were totally unstructured and questions being asked to the respondents were based on the key research question. The interview questions derive from the “tell me about”, “how”, “what”, and “when” questions suggested by Charmaz (2006) and
included a number of guiding questions. Certain questions were asked on the basis on the store observations such as the current products the retailer carries, how he has placed them on shelves or the amount of goods he carries in the store. According to Strauss and Corbin (1998), the interview questions will change over time and are based on the evolving theory. These questions being asked in an interview are specific to the particular research. The interviews were carried out into specific details depending upon the various concepts and categories that emerged from the data during the analytical process.

**Memos:**

Although interview is the mostly used method of data collection in qualitative researches, sometimes memo writing also helps at the time of compiling for findings of the study. According to Clarke (2005), memos are written records of a researcher’s thinking during the process of undertaking a grounded theory study. As such, they vary in subject, intensity, coherence, theoretical content and usefulness to the finished product. Memo writing is an ongoing activity for grounded theorists as memos are generated from the very early stages of planning a study until completion. The memos will, in time, transform into the grounded theory findings. In the current research, memos were written during each of the interview process. The memos were based on the certain observations made from the types of store, the retailer’s attitude during the interview and the store environment. The memos were gathered from each of the interviews and converted into statements, which were used as findings in the end of the research. Also, in certain situations, memos helped in generation of themes for the grounded theory.

### 4.2 Results and Analysis of Qualitative Research

#### 4.2.1 An Elaboration of Qualitative Interviews

The purpose of the study is to develop a theory about the assortment planning of the small retailers in the urban and rural areas. Moreover, in order to ensure that all possible existing themes were captured, the study was specifically designed to be open-ended. The topic lacks in
the existing literature and the approach was based on the grounded theory so no prior literature survey was done.

Villages in 2 districts (Jammu and Reasi) of the Jammu Province and the urban areas (Jammu and Udhampur) in the 2 districts were selected to represent the small retailer’s population. In-depth interviews were conducted with 24 retailers from 8 villages belonging to these districts. These retailers were a suitable group because they served a population that had small retail stores and were selling FMCG goods. The survey was conducted in the rural and urban areas of these districts. These areas were shortlisted using the data from the Census 2011.

All the 24 retailers, who were interviewed, were males. The average size of the store was approximately 100 square feet with the smallest store measuring about 50 square feet and the largest measuring about 500 square feet in size. Each of the localities, where the retail store was located, had multiple retail stores, which sold similar kind of product categories, were generally located in different parts of the locality, and served a faintly distinct area. The villages visited in the rural areas did not have defined areas like markets, roads, and parks. In most of the cases, the shops were located with the villagers’ residences. The retailers sold a wide range of products including FMCG, cereals, vegetables, footwear, stationery, tobacco products, electronic items and mobile recharge coupons. A unique feature that was witnessed was that although the store size was small, the product categories offered by the retailer were large. For majority of the retailers, the retail store was the only source of the income.

All the interviews were conducted in person (I) and at the retailer’s shop mostly in the afternoon after 11:00 am till 5:00 pm, when they were to participate in the discussion. The retailers were interviewed only if they gave their consent to be a part of the study and those who were reluctant were not interviewed. The retailers were informed that the objective of the study was to understand how retailers select the products to be kept at the store and how they manage shelf spaces. No systematic differences in the quality of data or in the substance of interviews conducted in different ways was detected. Wherever required, they were asked to cite examples and cases to bring out the dimensions. The interview conversation was started by putting some questions related to their store or related to the activities they perform. Citation of examples was
common in each of the interviews. Based upon the flow of the interview, some relevant questions related to the course of the time were also put in order to get in-depth knowledge about the context. The interviews were conducted in this manner so that maximum insight could be attained. Utmost care was taken to moderate the conversation so that the content of the interview could be well within the subject without deviation. The average length of interviews was 35 minutes, the longest one lasting for 1 hour 40 minutes. The interviews were audio-recorded and they yielded about 360 pages of transcript.

After conducting each of the interviews, it was transcribed and converted into text verbatim so as to interpret some meaningful insights from them. Each of the interviews was transcribed before conduction of the next interview in order to analyze whether the data and the information were becoming redundant. The text of the transcribed interviews becomes the source of interpretation (Kvale 1983). According to Thompson, Locander and Pollio (1989), the verbatim interview transcripts show three ways to be interpreted namely the Emic approach, autonomy of the text and the bracketing. In Emic approach, the interpretation is done based on the account of the respondents (Kvale 1983). It helps in staying at the stage of the live experience narrated by the respondent. In the autonomy of the test, the interview is considered as an autonomous body comprising of the data that reflects the live experience of the retailer under conversation. It is important to mention that the interpreter must not get preconceived notions of the analysis of any specific situation and he/ she should employ some sort of bracketing before applying any such notion.

The verbatim was interpreted by three persons, who were in the accordance with the procedure of the conversion. First of all, the verbatim gathered directly from the text of interviews was considered as the first order codes based on the common themes emerging from the interviews. Common themes were then arrived at in the form of sentences, which constituted the second order codes. In the third step, the final themes were inferred for the behavioral constructs based on analysis of the second order codes. An elaborate process of the analysis is discussed in the conceptual framework section.
4.2.2 Analysis of Qualitative Data

The first stage of the current research was conducting a set of qualitative interviews which were a part of grounded theory. The following procedure suggested by Miles and Huberman (1994) was adopted in the process to achieve the end means.

1. Data reduction: This process requires the reduction and organization of the amount of data obtained by the means of interview or other techniques. The data obtained from the qualitative interviews was reduced using the process of coding in this case. All the necessary and relevant pieces of information were collected in one place.

2. Data Display: Data in the form of emerging sub themes is arranged in tabular form for the display purpose. This helped in drawing conclusion from the vast amount of textual data available. This was repeated several times leading to generation of first order codes and subsequently the higher level codes.

3. Conclusion Drawing / Verification: The next step is to draw conclusions and perform verifications from the study made. The initial conclusion made was then verified for its validity by referring to the transcripts and taking help from the textual data collected further during the interview process.

4.2.2.1 Data Generation

As the grounded theory process suggests collecting data to be the first step following development of the research question(s), coding and analysis is performed in a recursive manner until emerging categories are saturated and data collection is terminated; development of a (new) theory that is grounded in (and emerges from) the data; and, in the case of the Straussian version, comparison of that new theory to existing theories (Wagner, Lukassen & Mahlendorf 2010).

The first stage of the current research is based on qualitative interviews. The social scientists tend to rely on interview and observational data because they are interested in human interactions
in a variety of circumstances (Sage handbook of grounded theory). But Glaser in his book “The Grounded Theory Perspective III” has emphasized that grounded theory is a method that can be used with any data, including statistical data, rather than as a tool solely to analyze qualitative inductive materials. The first open-ended interview was conducted with the retailer in the rural area. The conversation was recorded using a recording device. Later, the transcripts were converted into a verbatim. Commencing after the interview, data are analyzed and open coding is commenced, with initial codes being developed to represent initial concepts (Carson et al. 2005; Corbin & Strauss 2008). All the interviews were conducted in person and at the retailer’s shop mostly between 11:00 am to 5:00 pm when they were free to participate in the discussion. The retailers were interviewed only if they gave their consent to be a part of the study and those who were reluctant were not interviewed. The retailers were informed that the objective of the study was to understand how retailers decide their assortment planning and product varieties to select or reject the reasoning behind such a decision, how they manage the inventory, and how they manage the shelf space. No systematic differences in the quality of data or the substance of interviews conducted in different ways were detected. In some cases, when it was difficult to make retailers answer to the exact questions, certain situations were cited and they answered accordingly. Wherever required, they also cited examples and cases to bring out the dimensions. The average length of interviews was 35 minutes, the longest one lasting for 95 minutes. A total of 24 retailers were interviewed randomly from rural and urban areas of Jammu province. A substantial difference arrived between the interviews of rural and urban small retailers. The interviews were audio-recorded and they yielded about 560 pages of transcript.

### 4.2.2.2 Coding of Qualitative Data

Coding can be interpreted as arranging and organizing the raw form of data into categories from which emanate the conceptual findings. The code may be regarded as a category or class wherein the information in the form of data is placed for analyzing it further. The analytic procedures in data coding and analysis are based on the method of constant comparison. After noting an event, it is compared to other events with respect to commonalities and differences. Constant comparison serves to uncover and explain patterns and variations.
The different categories of coding are mentioned below:

a) Open coding:

Open coding is the “process of breaking down, examining, comparing, conceptualizing, and categorizing data” (Strauss & Corbin 1990, p. 61). Creswell (1998, p.150) described this as “a procedure for developing categories of information”. This coding is done by reading and examining the text for “salient categories of information supported by the text” (Strauss & Corbin 1990, p. 150). These categories pertain to the theories’ ideas, concepts, and statements based on the research questions. The collected data through interviews needs to go through a reiterative process of data collection and analysis to saturate the categories. In this process, one “looks for instances that represent the category and to continue looking until the new information obtained does not further provide insight into the category” (Strauss & Corbin 1990, p. 151). The current research has followed the procedure suggested by Tesch (1990) for coding a qualitative data.

(i) Read through all of the data carefully, jotting down ideas as they come to mind;
(ii) Pick one document and ask, what is this about? What is its underlying meaning? Writing thoughts in the margin;
(iii) After doing this for several documents, make a list of all topics, cluster similar topics, and form them into columns that might be grouped as major topics, unique topics, and leftovers;
(iv) Take this list and go back to the data, abbreviating the topics as codes, writing the codes next to the corresponding segments in the data, trying out the preliminary organizing scheme to check for emerging categories/domains and codes;
(v) Make a final decision on the abbreviations and alphabetize these codes;
(vi) Assemble the data material belonging to each category, or domain, together and perform a preliminary analysis; and,
(vii) Recode the existing data if necessary.
In this study, the statements generated from the verbatim were arranged in categories and then assigned certain codes to complete the process of open coding.

b) Axial Coding:

Axial coding is a “set of procedures whereby data are put back together in new ways after open coding by making connections between categories” (Strauss & Corbin 1990, p. 96) or by “interconnecting the categories” (Creswell 1998, p. 150). The codes developed in the phase of open coding are used as guidance and the qualitative data is revisited to check for additional statements that can fit into the already identified codes. In this study, axial coding was done by sorting and revisiting the interviews in different ways to discover few more statements that could fit in the categories or domains. The axial coding process along with the open coding process helped in developing the building blocks for moving towards the themes.

c) Selective coding:

Selective coding is “the process of selecting the core category, systematically relating it to other categories, validating those relationships, and filling in categories that need further refinement and development” (Strauss & Corbin 1990, p. 116). Connections were made between categories in axial coding, and then in selective coding, a selection was made of domains. The domains were used to integrate the findings of the study. “… It is necessary to explicate the story line (the core category) through which all other categories are related. These relationships are then validated against the data and further developed and/or refined as needed” (Leedy 1997, p. 164). In the current study, the selective coding helps in identifying the relationships of the concepts and results in statements to be used in developing the conceptual model.

The entire process of coding of data as explained above was adhered to in the study using the qualitative data obtained from interviews.
4.2.2.3 Data Organization

The coded data was then organized as per Biddle, Hanrahao and Sellars (2001). In this process, the data units such as words, sentences and statements generated from the coding stage are grouped into common themes. Here the units with different meanings are not considered. This process is iterative in nature, thus repeated again to club the first order themes to generate a second order theme. This process is repeated till we arrive at a concrete theme. The current study also adopted the same procedure and generated interconnected themes.

4.2.3 Trustworthiness of Data Analysis

Following are the methods suggested by Holloway and Wheeler (2010) to ensure the trustworthiness of the analysis made.

a) Member Validation:
   In this method, the researcher needs to ask the subject being investigated to look at the analysis and provide his/her comment. They may be asked to make their judgments and critical comments about the findings by providing them the summary of the analysis. We discussed some of the emerging themes with the retailers interviewed for their comment on the themes. They mostly agreed with existing themes.

b) Searching for contradictory explanation:
   This method focuses on not entirely centering on the researchers’ explanations and ideas. The analysis should rather also identify and explain the instances from the data that are contradictory in nature to the ideas of researcher. We did not find much of the textual data contradictory to the explanation.

c) The audit trail:
   The audit trail demands the audit of the entire process including the decisions made by other competent persons. This ensures the reliability of the process as well as of the findings. We
took the help of another researcher in this process to ensure reliability of the process and findings in our study.

d) Reflexivity:
This method requires that the researchers critically analyze their own role in the entire data collection process and any probable influence on the findings due to their role. There was no such issue of reflexivity in this study.

All these methods were followed in order to ensure and enhance the trustworthiness of the findings.

4.3 Assortment Planning Themes

In depth qualitative interviews were conducted in order to attain certain themes as the end result of the qualitative data analysis. Behavioral themes were generated from the process which is discussed in the Research Methodology section. The data obtained from the interviews was analyzed as per the procedure discussed. Following the different procedure mentioned in the preceding sections, we arrived at four constructs that contribute towards the small retailers’ assortment planning decisions. The themes that emerged started with the set of activities that the retailers perform, moving towards the factors due to which the retailers perform these activities, then clustering those factors under themes, which led to the generation of final four constructs. The data structure for interpretation of the themes emerging from the interviews along with the statements chosen from the interviews is shown in Appendix 1. The eight constructs that emerged from the qualitative research are listed below:

1. Retailer Profitability (RP)
2. Customer Demand (CD)
3. Customer Profile (CP)
4. Catchment Area (CA)
5. Customer Brand Awareness (CBA)
6. Retailer Facilities (RF)
7. Store Attributes (SA)
8. Relationship Management (RM)