

STAFFING YOUR STORE: THE IMPACT OF RETAIL STORE PERSONNEL ON ORGANIZED RETAIL CUSTOMER BEHAVIOR

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ABSTRACT

The purpose of the study was to determine the impact of retail store personnel on the shopping behaviour of the customers in organized retail stores.

A survey (store intercept) method was employed to elicit primary information from 450 shoppers in Big Bazaar and Spencer, for the survey conducted in Vijayawada, Visakhapatnam and Hyderabad cities of Andhra Pradesh state of India. A questionnaire based on a five-item Likert scale, as well as convenience sampling, was employed for data collection. Data analysis was accomplished using SPSS 16.0 software. The research revealed that 'sales personnel' play a dominant role in influencing customers' in store experiences. Also, sales personnel form a very important component of the store's ambience and can help retailers maximize foot falls through improved service efficiency and effectiveness.

Since the research has established empirical evidences in determining sales personnel as the key driver influencing the shopping behaviour of the customers in the retail store, it serves as a foundation for a deeper probe into the shopping behaviour of the customers in the retail store research domain in the Indian context.

KEYWORDS: *Retailing, Store Personnel, Customers, Shopping Behavior, Shopping Experience, etc.*

INTRODUCTION

"Great employees are not born, they are developed in a business atmosphere where training is stressed, individuality is encouraged and personalities are respected. Word travels about the work environment in all sizes of stores. The key to recruiting quality employees is promoting and possessing a positive work environment no matter how large or small you are."

- *Anne. M. Obarski*

With Customer service becoming the number one priority for retail world over, the role of retail store personnel in customer satisfaction is gaining momentum. There has been a paradigm shift in retail from selling a product or a service to selling a hope, an inspiration and above all an experience that a customer would like to repeat (Dash, M. S. and Krishna, C.V., 2011). Here comes the role of retail store personnel into picture. A retail salesperson is the one who greets and welcomes a customer in a friendly and engaging manner, and later proceeds to help them find what they are looking for in the store. They will often explain the benefit of the merchandise in order to help the customer make a decision to purchase. Indian consumers are more prices sensitive and quality conscious and product attributes influence customers more than store attributes. Also store location and customer relationship management are vital in customer's selection and patronage

of a retail store (Vemaraju, S., 2011). A store environment which is highly stimulating and pleasant results in increased impulsive purchasing by customers. Also, the impact of social factors like perceived crowding and employee friendliness on impulsive purchasing is found to be significant (Mattila, A. S. and Wirtz, F., 2008). The impact of sales personnel work satisfaction has a great influence on customer satisfaction and is positively moderated by sales personnel empathy, expertise and reliability (Homburg, C and Stock, R. M., 2005).

Enhancing psychological climate for service friendliness would make employees display positive emotions towards customers. Also, employee displayed positive emotions would positively affect customers' willingness to visit the store again and pass positive word-of-mouth to friends (Tsai, W. 2001). The sales person's effectiveness in an initial sales encounter reflects on the prospects first impressions of the store. However, the motivation and compensation systems designed to stimulate short-term sales may not result in building long-term relationship with customers (Evans, K.R, et.al., 2000).

The ambient store atmospherics have a positive effect on customers' persuasion as well as perception of sales people (Sharma, A and Stafford, T.F. 2000). The relationship between customer trust in salespeople and their attitudes, intentions and behaviors is positive in nature (Swan, J. E. et.al., 1999). Salesperson listening has positive impact on customer perceived trust, satisfaction and anticipation of future interaction. Also, salesperson listening behavior can lead to customer satisfaction indirectly by building trust. Both trust in the sales person and customer satisfaction enhances customer anticipation of future interaction with that sales person (Ramsey, R. P. and Sohi, R. S., 2007). Therefore, the impact of sales person's expertise positively reflects on customer purchases as compared to the non-expert dissimilar treatment (Woodside, A. G. and Davenport, J. W., 1974).

The review of literature clearly establishes the fact that the studies on impact of sales personnel on retail customer behavior are very few and with a limited scope. The present study is an attempt to fill the gap.

Hypothesis I

- H_0 - Sales personnel in the retail store do not positive impact on shopping behavior of the customers.

The study covers two retail outlets i.e. Big Bazaar and Spencer, for the survey conducted in Vijayawada, Visakhapatnam and Hyderabad cities of Andhra Pradesh state of India. Since the universe of the organized retailing is large, convenience sampling technique is used to select the sample units. The size of the sample was 450 customers of the selected retail stores. Likert scale has been used to collect opinions. Analysis of Variance (ANOVA) is applied using SPSS 16.0.

IMPACT OF STORE SALES PERSONNEL ON CUSTOMER SHOPPING BEHAVIOR

An attempt was made to extract the opinion of the respondents about the impact of sales personnel on their shopping behavior at organized retail stores. Eight options, about sales personnel that normally influence behavior of customers were asked to respondents. The results are presented in table: 1. the mean values of the statements varied between 2.58 and 3.30. The statement 'Warm reception by sales staff influences my choice of a store' secured the highest rating with a mean value of 3.30 and 66.09 per cent score respectively. The statement 'Courteous sales staff increases my shopping satisfaction' secured second position with a mean value of 2.76 and 55.16 per cent score respectively. The third preference has been given to the statement 'Well behaved sales staff encourage me to spread positive word-of-mouth about the store' with a

mean value of 2.73 and 54.67 per cent score. The statement ‘Problem solving ability of sales staff encourages me to visit the store repeatedly’ secured the least mean value 2.58 and 51.51 per cent score respectively. The standard deviation 0.23 signifies the consistency in respondents’ opinion for the statements used in the question.

Table 1: Impact of Sales Personnel on the Behavior of Customers in Organized Retail Stores

Sales Personnel	Score	Mean	% to Max. Score
Warm reception by sales staff influences my choice of a store.	1487	3.30	66.09
I feel happy if sales people in the store greet me with a smile	1212	2.69	53.87
Responsiveness of sales staff stimulates my purchase intentions.	1187	2.64	52.76
Courteous sales staff increase my shopping satisfaction	1241	2.76	55.16
Properly dressed and well-mannered sales staff add to the attractiveness of the store	1209	2.69	53.73
Problem solving ability of sales staff encourage me to visit the store repeatedly	1159	2.58	51.51
Easily identifiable and accessible sales staff increase the perceived value of the store	1164	2.59	51.73
Well behaved sales staff encourage me to spread positive word-of-mouth about the store	1230	2.73	54.67
	Group Mean	2.75	54.94
	SD	0.23	

Source: primary Data

Difference in Gender Vs Impact of Sales Personnel on Shopping Experience

The mean scores of gender wise responses on impact of sales personnel on customer shopping experience is given in the Table 1.

The mean scores of the sample respondents were found to be 65.06 indicating that the respondents have given fair importance to the sales personnel. Further, the average scores for Male and Female are 69.56 and 58.17 respectively.

Table 1: Sales Personnel Impact across Gender of the Customers

Gender	N	Mean	Std. Deviation
Male	272	69.5680	15.24317
Female	178	58.1742	16.50956
Total	450	65.0611	16.69720

Source: Primary Data

Table 1

Gender	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	13967.477	1	13967.477	56.266	.000
Within Groups	111212.093	448	248.241		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference between Male and Female in their average scores as expressed in the table 1. The calculated F value (56.26) was found to be significant at 5% level. The results indicated that there existed a significant variation in the perception of Male and Female respondents towards impact of sales personnel on shopping.

Age of Respondents Vs Impact of Sales Personnel on Customer Hopping Experience

The mean scores of age wise responses on impact of sales personnel on customer shopping experience is given in the Table 2.

The mean scores of the sample respondents were found to be 65.06 indicating that respondents have given fair importance to sales personnel. The mean scores of Impact of sales personnel on customers shopping experience were given in Table 2 for identified age groups 20-30, 31-45, 45 above. The average scores for respondents of age group 20-30 is 66.12, for the age group 31-45 is 66.19, and for the age group 45 above the average score is 60.06 respectively.

Table 2: Sales Personnel Impact among Different Age Groups of Customers

Age	N	Mean	Std. Deviation
20-30	196	66.1224	16.00530
31-45	173	66.1994	17.72814
>45	81	60.0617	15.28876
Total	450	65.0611	16.69720

Source: Primary Data

Table 2

Age	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	2469.447	2	1234.723	4.498	.012
Within Groups	122710.123	447	274.519		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference among respondents of three age groups as expressed in the table 1.2. The ANOVA result showed that the calculated F value (4.49) was found to be significant at 5% level. The results indicated that there exists a significant variation among respondents of different age groups in their average scores on impact of sales personnel on shopping.

Educational Qualification of Respondents Vs Impact of Sales Personnel on Customer Shopping Experience

The mean scores of Educational qualification wise responses on impact of sales personnel on customer shopping experience is given in the Table 3.

The mean scores of sample respondents were found to be 65.06 indicating that the respondents have given fair importance to sales personnel. The average scores for respondents having SSC/Inter qualification is 65.45, for respondents of degree qualification the average score is 68.68, for respondents having post-graduation and above the average score is 59.98 respectively.

Table 3: Sales Personnel Impact among Different Educational Groups of Customers

Education	N	Mean	Std. Deviation
ssc/inter	109	65.4587	17.72072
Degree	194	68.6856	15.66982
Pg & above	147	59.9830	16.03052
Total	450	65.0611	16.69720

Source: Primary Data

Table 3

Education	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	6356.478	2	3178.239	11.956	.000
Within Groups	118823.091	447	265.823		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference among respondents of three educational groups as expressed in the table 1.3. The ANOVA result showed that the calculated F value (11.95) was found to be significant at 5% level. The results indicated that there exists a significant variation among respondents of different educational groups in their average scores on impact of sales personnel on shopping.

Occupation of Respondents Vs Impact of Sales Personnel on Customer Shopping Experience

The mean scores of occupation wise responses on impact of sales personnel on customer shopping experience is given in the Table 4.

The mean scores of sample respondents were found to be 65.06 indicating that the respondents have given fair importance to sales personnel. The average scores for student is 65.43, for homemakers the average score is 65.91, for employees the average score is 66.92, for self-employed the average score is 61.56 respectively.

Table 4: Sales Personnel Impact among Different Occupational Groups of Customers

Occupation	N	Mean	Std. Deviation
Student	126	65.4365	17.36686
Homemaker	93	65.9140	16.37612
Employee	127	66.9291	16.28488
Self-employed	104	61.5625	16.36651
Total	450	65.0611	16.69720

Source: Primary Data

Table 4

Occupation	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1801.560	3	600.520	2.171	.091
Within Groups	123378.010	446	276.632		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference among respondents of different occupational groups as expressed in the table 4. The ANOVA result showed that the calculated F value (2.17) was found to be not significant at 5% level. The results indicated that there exists no significant variation among respondents of different occupational groups in their average scores on impact of sales personnel on shopping.

Monthly Income of respondents Vs impact of Sales Personnel on customer shopping experience

The mean scores of monthly income wise responses on impact of sales personnel on customer shopping experience is given in the Table 5.

The mean scores of the sample respondents were found to be 65.06 indicating that the respondents have given fair importance to sales personnel. The average score for respondents having less than 20000 incomes is 62.43, for respondents having income more than 20000 but less than 35000 is 64.97, for respondents having income more than 35000 but less than 50000 is 70.44, for respondents having more than 50000 is 66.91 respectively.

Table 5: Sales Personnel Impact among different Income groups of Customers

Monthly Income	N	Mean	Std. Deviation
<20000	204	62.4387	16.90571
20001-35000	92	64.9728	17.14713
35001-50000	73	70.4452	14.41174
>50000	81	66.9136	16.45197
Total	450	65.0611	16.69720

Source: Primary Data

Table 5

Monthly Income	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3797.727	3	1265.909	4.651	.003
Within Groups	121381.842	446	272.157		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference among respondents of different income groups as expressed in the table 5. The ANOVA result showed that the calculated F value (4.65) was found to be significant at 5% level. The results indicated that there exists a significant variation among respondents of different income groups in their average scores on impact of sales personnel on shopping.

Though no significant variation among respondents of different occupational groups was observed, the study revealed significant differences on the identified categorical variables such as gender, age, education and income of the respondents. Hence, we reject the null hypothesis.

Impact of Store Atmosphericrics on Customer Shopping Behaviour across Stores

The mean scores of store wise responses on impact of sales personnel on customer shopping experience is given in the Table 6.

The mean scores of the sample respondents were found to be 65.06 indicating that the respondents have given fair importance to sales personnel. Further, the average scores for Big Bazaar and Spencer's are 69.65 and 60.46 respectively indicating that the impact of sales personnel is more intense on the customers of Big Bazaar as compared to Spencer's.

Table 6: Sales Personnel Impact between Big Bazaar and Spencer's

Sales Personnel	N	Mean	Std. Deviation
Big Bazaar	225	69.6556	15.22041
Spencer's	225	60.4667	16.87513
Total	450	65.0611	16.69720

Source: Primary Data

Table 6

Sales Personnel	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	9499.014	1	9499.014	36.787	.000
Within Groups	115680.556	448	258.216		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference between Big Bazaar and Spencer's in their average scores as expressed in the table 6. The calculated F value (36.78) was found to be significant at 5% level. The results indicated that there existed a significant variation in the customers perception of Big Bazaar and Spencer's towards impact of sales personnel on shopping.

Comparison of Impact of Sales Personnel on Customer Shopping Experience across Regions

The mean scores of region wise responses on impact of sales personnel on customer shopping experience is given in the Table 7.

The mean scores of the sample respondents were found to be 65.06 indicating that the respondents have given fair importance to sales personnel. Further, the average scores for Hyderabad, Vijayawada and Visakhapatnam are 60.44, 68.51 and 66.20 respectively indicating that the impact of sales personnel is more intense on the customers of Vijayawada followed by Visakhapatnam and Hyderabad respectively.

Table 7: Sales Personnel Impact across Regions

Sales Personnel	N	Mean	Std. Deviation
Hyderabad	150	60.4467	16.43346
Vijayawada	150	68.5167	15.18819
Visakhapatnam	150	66.2000	17.45893
Total	450	65.0611	16.69720

Source: Primary Data

Table 7

Sales Personnel	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5152.028	2	2576.014	9.593	.000
Within Groups	120027.542	447	268.518		
Total	125179.569	449			

The Analysis of Variance (ANOVA) was conducted to find out whether there existed any significant difference between the customers of Hyderabad, Vijayawada and Visakhapatnam in their average scores as expressed in the table 7. The calculated F value (9.59) was found to be significant at 5% level. The results indicated that there existed a significant variation in the perception of customers in the cities of Hyderabad, Vijayawada and Visakhapatnam towards impact of sales personnel on shopping.

Comparison of Impact of Sales Personnel on Customer Shopping Experience between Stores and Cities

The mean scores of store wise responses with respect to region on impact of sales personnel on customer shopping experience is given in Table 8.

The mean scores of Impact of sales personnel on customers shopping experience with respect to Big Bazaar and Spencer's in the cities of Hyderabad, Vijayawada and Visakhapatnam were given in Table 6.13.8a. The impact of sales personnel on customers at Big Bazaar is found to be more intense in Vijayawada followed by Visakhapatnam and Hyderabad with average scores 70.56, 70.53 and 67.86 respectively. The impact of sales personnel on customers at Spencer's is found to be more intense in Vijayawada followed by Visakhapatnam and Hyderabad with average scores 69.16, 61.83 and 50.40 respectively.

Table 8: Sales Personnel Impact on Customer Behavior across Stores and Cities

Store	City	Mean	Std. Deviation	N
Big Bazaar	Hyderabad	67.8667	16.56118	75
	Vijayawada	70.5667	13.42253	75
	Visakhapatnam	70.5333	15.55447	75
	Total	69.6556	15.22041	225
Spencer's	Hyderabad	50.4000	16.39016	75
	Vijayawada	69.1667	15.67369	75
	Visakhapatnam	61.8333	12.89930	75
	Total	60.4667	16.87513	225
Total	Hyderabad	60.4667	16.43346	150
	Vijayawada	68.5167	15.18819	150
	Visakhapatnam	66.2000	17.45893	150
	Total	65.0611	16.69720	450

Source: Primary Data

Table 8

Source	Type III Sum of Squares	Df	Mean Square	F	Sig.
Corrected Model	23276.236 ^a	5	4655.247	20.283	.000
Intercept	1904826.681	1	1904826.681	8.299E3	.000
Store	9499.014	1	9499.014	41.388	.000
City	5152.028	2	2576.014	11.224	.000
Store * City	8625.194	2	4312.597	18.790	.000
Error	101903.333	444	229.512		
Total	2030006.250	450			
Corrected Total	125179.569	449			

a. R Squared = .186 (Adjusted R Squared = .177)

Store Big Bazaar and City Vijayawada achieve the highest mean score (70.56). Significance value of *Store* (0.00) is less than the threshold value (0.05), it can be concluded that *Store* factor alone do affect consumer opinion on sales personnel. The significance value of *City* (0.00) and interaction between the two factors *Store * City* (0.00) are less than the threshold value (0.05). These are leading to the conclusion that *Store*, *City*, *Store * City* does make a difference in consumer opinion on sales personnel. In other words we reject the null hypothesis.

IMPLICATIONS AND CONCLUSION

Things have changed drastically in retail over the past thirty years and the race to offer the lowest prices has been fought and won by the big box retailers. Still, some retailers assume that consumers enter the store with their minds already made up about what to buy. As a result, they've scaled back on service to reduce costs and keep prices low. Rather than hiring experienced sales personnel or individuals with product expertise, they rely on entry-level, minimum-wage employees with little product knowledge to share with customers.

Today's customers buy products and remember experiences. They need their tire and service work performed, but their greater need is finding someone whom they can trust to not only sell the products, but deliver a positive experience. The customer must walk out satisfied. The present study drives us to a conclusion that the 'sales personnel' play a dominant role in influencing customers' in store experiences. Also, it's the sales personnel who would ensure that, the last contact/transaction is both pleasant and satisfying for the customers. This makes the sales personnel a very important component of the store's ambience that help retailers maximize foot falls through improved service efficiency and effectiveness. Hence retailers need to redesign the way they hire and deploy staff into selling roles and must emphasize on

those with the personality and attributes required to succeed in the selling job.

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