

CHAPTER V

Conclusion

5.1 Theoretical contribution

The result from this study helped to confirm the multi-attribute attitude model demonstrating different perception of attribute's that affected response towards drug store. Although the attitude model could be applied with the drug store model, there was some difference between the drug store model and general retail model. In the general retail model we generally observed a clear path from attitude towards intention to act, while in the drug store model attitude and intention were so related that it could be defined as a single construct, named in this study as response towards drug store. Due to different intrinsic reason of action, the use of drug store was not a voluntary initiation induced from external attraction. It was rather a compulsory drive, driven by the need to use drug to cure illness or maintain good health.

The findings of this study called for different theories to be applied to drug store as a retail store. For general retailer, attributes affecting store patronage could be identified as the attributes from the concept of retail mix generally used in retail marketing such as product assortment, physical facility, price, service, promotion, organization. Although certain level of correlation between each single attribute and response towards drug store were observed, not all of them significantly influenced the response towards drugstore when being considered in an aggregated manner. The finding could contribute additional knowledge of how drug store as a specific type of retail store differed from the general retail setting and conventional concept of retail. Drug store did not appear to be affected by the whole set of attributes in

retail mix concept when it was looked at from the consumers' purpose of use viewpoint. Some of the basic attributes in retail mix such as promotion, physical facility did not show significant effect as it did in other general retail store. This was due to the nature of products in drug store and the non-impulsive purpose of use. Hence only a partial of the retail mix concept could be applicable to drug store management, but not directly as a whole concept.

The finding that Purpose of buying had no effect on the significance of each attribute, added to the previous empirical studies on the situational factors on consumer behavior (Miller and Ginter, 1979, Belk 1975) and the previous findings on Task definition. While Task definition was found to be a factor that differently specific set of attributes, the purpose of buying at drug store, could not be applied to the same model. This was, again, due to the nature of products in drug store and the intrinsic drive to buy.

In conclusion, the finding that there was no moderating effect from buying purpose on response towards drug store, and the significant effect of the three attributes found in the study, contributed additional knowledge in retailing, and helped to see drug store as a specific type of retail store that should be viewed differently in term of response to consumer behavior and the generalization of general retail concepts on drug store management.

5.2 Managerial implication

This study represented an attempt to understand the significance of buying purpose, defined as buying for illness purpose versus for health purpose, on the effect of store attributes on consumers' response towards drug store. The study also

represented the attempt to define factors affecting response towards drug store and their level of importance in the response action.

Based on the findings discussed earlier, the first important conclusion from this study was that the buying purposes, defined as illness purpose or purpose to buy drugs, and health purpose or purpose to buy non-drug health promoting products, did not affect store attributes to have stronger or different effect on response towards drug store. Consumers' response towards choose a drug store was basically based upon the attributes provided.

The second conclusion was that *Service* and *Product assortment* and *Reasonable price* attributes were the three most significant attributes affecting response towards drug store. The findings supported recent study on the prediction of retail patronage which also found these three attributes being the first three important determinants of store choice (Pan and Zinkhan, 2006). Apart from this second conclusion, it was still worthwhile to note the findings from single group analysis, which was found that quality was the next significant variable for the illness purpose group aiming to buy drugs.

5.2.1 Service

As the measurements of service from the study were staff attentiveness, communication skill, reliability and knowledge. Drug store managers could pay high attention to develop staff's competency, skill and image that increased consumer perception of the store service through these competencies as being good to impressive, in order to maintain regular customers. The process to develop such key comtency and skill of the store staff could started from the process of recruitment, by putting up appropriate job specification that clearly indicated the act-of-good-service,

and position qualification that included the aspect of service mind, pleasant and caring manner, good communication skill, and socializable character, in order to get the right person. The step after proper recruitment was training. Drug store managers should provide proper initial training with clear standard operation procedure for all sales and service interactive situation in the store. The most important matter was the forming of the right attitude, attitude of caring for service, for the staff being trained. Standard operation procedure should always emphasize the attentiveness, manner of listening and gesture of action to response to customer's need. Use of proper words and communication skills were also important and the best training for such skill was probably by heavily practicing and role play. Field monitoring was equally important as the initial training. Drug store sales supervisor or drug store manager should also be trained to observe, coach and supervise on the spot, for more practical training. For more advanced management, staff should be regularly evaluated on their performance in service interaction with customers, and those who fell to meet the standard should be taken through further action for improvement. Training should not be constrained to only the initial training. Store sales staff already on the action, should be called back for training session to refresh their service attitude, to recheck on the proper action and most importantly to motivate them to carry on impressive service as well as to be good role model for the new generation. Advanced technology could also be used for service monitoring and performance improvement. Closed circuit television (CCTV), sound recording system could be installed around the store to record staff performance and use in the evaluation as well as training. High technology tools, such as PDA with product information and usage guideline could be equipped to the staff for use in customer

counselling and produce explanation. The role of such high technology equipment helped to build consumers' perception of advanced service with high technology. Anyway drug store managers should be cautious in the use of the such high technology equipment that it did not adversely caused the perception of high priced or premium price service. Signage and decorating graphic in the store indicating store's dedication to good and caring service could be used to build the atmosphere and consumer perception of store's good service.

5.2.2 Product Assortment

The basic of product attributes generally known were confirmed in this study. Product variety, full range of products, availability of products needed, brand variety and product quality, were the significant determinant of response towards drug store. Drug store managers should do adequate and regular research to identify the range of need of store's target customers, in order to fill up the store with those products customer wanted. Drug store manager should ensure that the store carried full range of drugs and health related products. Apart from the research on what customers needed, drug store managers should always be open for new products and new knowledge of products, so that they could use such new innovation to attract attention of the customers. Ability to stock hard-to-find products could add to the competitive edge of the store. However, drug store manager should also find strategy to store such products in the manner that did not cause unnecessary loss from the expiration or damage caused by unsold products. Attention should also be paid to the Categorization of merchandise in order to create the consumers' perception that the drug store carried good variety of products, which induce good confidence to come back whenever they need any drugs or health related products. For drug store

managers who decided not to ride the train of health promoting concept, they could still add to the stores competitiveness by ensuring that the store carried the widest range of pharmaceuticals, being the professional and reliable drug store for its customers. A well designed website, with adequate information on the products in the drug store could also add to the consumers' confidence on stores product assortment and availability. Managers should source for variety of brands in addition to having good variety of drugs and health products. In many cases, the display of products by brands, help to ease patronage as well as increase cross selling possibility, while giving the impression of good variety of merchandise in the store. Managers attempt to control inventory level by limiting product range or variety of items might have to work out the trade off effect between the aspect of cost saving and improving customers' response towards the store by increased buying or repatronage.

5.2.3 Reasonable Price

Price was always the issue of buying and selling. Our finding indicated the importance of the perceived Reasonable Price on consumers' response towards drug store, which, generally speaking, was the perception of acceptably lower price. Since price was a relative feature, attempt should be made to reflect perception of low price at reasonable level measured against consumers' expectation. Regular market survey on pricing should be the standard practice for drug store manager. Keeping price in the competitively level was necessary to consumers' response and repatronage. Pricing strategies aiming to create the low price value should be wisely used. Strategies like Everyday Low Price (EDLP) could be employed for the general products of daily need, such as drugs for general use, drugs for chronic illness and

physical rehabilitation and supporting equipment. At the same time, the High price Low price cycle (Hi-Lo) strategy could be used to create more excitement in the more impulse buying group of products like health promoting products. No matter which strategies was being exercised, clear communication e.g. the use of signage, button on staff's uniform, and pamphlets, should be used together with the pricing strategies in order to create higher impact on the perception of reasonable to good price in the customers' mind. Store brands or house brand products could be another mean to create reasonable price perception by positioning the price of store brands one level below to the market leaders' price. Customers could be convinced to get more saving by buying the store brand products, giving the perception of better value of buying at the drug store. Apart from setting net selling price at good, competitively low price, other type of value related promotion could also help creating the perception of reasonable pricing. Customer Loyalty Program such as frequent buyers privilege, score collection, discount card, seasonal coupon, event specials or premium could be used to further push on the perception of reasonable price. Certain impulse buying merchandise could be bundle into special pack with better price for the bundled pack. The proper display of low price specials, promotion, or bundled pack could help to create the perception of store's low price positioning. The practice of showing full price tag and the lower actual selling price tag on the package was another way to convey the feeling of getting better deal, leading to the perception of reasonable price.

5.2.4 Effectiveness

Effectiveness was the effectiveness of use. It represented the perception of quality in the dimension of effectiveness as related to the store, not the individual

products. When a product showed effectiveness together with advice from drug store, the credit also belonged to the drug store, not just the product. Such effect confirmed the importance of service as mentioned above. Drug store manager should persistently provide product knowledge and training to the store sales staff so that they could correctly recommend to pick products that were of best efficacy. Store sales staff should also be instructed to try to provide recommendation on products with good knowledge whenever possible, in order to increase consumers' recognition of being advised by the store. For drugs, the main action was to get the right drug for the right illness and to provide right advice for proper expectation of the treatment. Proper expectation led to better acceptance of the effectiveness. For non-curative products, such as health promoting products, the key strategy was to build confidence in the products. This could be achieved by citing references such as source of origin, testimonials, proven effectiveness of use. Another important action was the proper method of use in the language that the consumer could easily accept and understand. Follow up activities such as follow up call checking on the condition after use could add well to the aspect of effectiveness as well as the sense of caring from the drug store.

5.2.5 General recommendation

Since no moderating effect from buying purpose was found in the study, the positioning of a drug store could be placed to serve either single purpose or both, while the store attributes to be provided were not different. Anyway, we found some difference in the type of store due to its location, which could be noted as location selection based on type of target customer expected. It seemed that drug store in

shopping plaza could be more prone to have more customers with the purpose to buy health products. Hence drug store in shopping plaza, inevitably needed to stock full range of products for both purpose in order to get best response from the consumer. Another observation was that the measurement of having pharmacist on duty fell to pass the CFA. This could imply that having pharmacist on duty did not significantly draw customer to the drug store. But it did not mean that there was no need to have pharmacist on duty. On the contrary, it could be the basic expectation, as indicated by law, that pharmacist had to be on duty by default, being a hygiene factor rather than significant motivating determinant of response towards drug store.

From the knowledge of the store attributes that significantly affected response towards drug store, no matter what implication was exercised upon those attributes, another important aspect that should not be overlooked, in parallel, was communication. Communication started from the communication between staff and customers through regular transaction by adding in a formatted message reinforcing the store dedication to the significant attributes affecting consumers' response, such as Care for service, Product assortment and Reasonable price. Departing words, addressing to customer before they left the drug store could be designed to create customers confidence and recognition of store's offering. Marketing communication, for example, the mass advertising, public relations and in-store printed media could also be designed to carry message reinforcing these attributes. Store positioning statement should be created in the way that it also addressed these significant attributes provided. It was advisable that drug store, apart from trying to make its name easily recognizable by the consumer, put more effect to communicate these needed attributes to the consumer by designing the store's slogan reflecting

these offerings. The slogan could be placed as part of graphic decoration within the store parameters, printed on all packaging materials, print media as well as in the cash receipt ticket. With such clearly defined message that matched the significant attributes customers cared for, and the repetitiveness of communication execution through integrative media within the existing resource the drug store might have, the drug store manager could increase the possibility to draw more customers to the drug store as well as maintaining confidence of the regular customers to come back to the drug store.

5.3 Limitation and further Research Direction

Although this study provided some interesting and useful insight into the relationships of store attributes and consumers' response towards drug store, the data was limited to consumer in Bangkok, which was a model of big cities or metropolis. The results found from the study were exploratory and should be used with care when applying to geographic location of different environment.

The samples obtained through data collection were health conscious people, with the aim to be able to clearly understand the illness purpose and health purpose. The samples were collected from non-service location, choosing a national convention center as the sample collection site. It would be interesting to see the result from actual customers coming out of a drug store or from the different actual trade area with different demographic profile of customers.

There were some areas and issues that could be explored further such as to study the moderating effect by testing in experimental situation. Further study to develop commonly perceived measurement of attributes among different purposes

groups and use it to do the analysis might add to the explanation and application of the findings.