

INTERIOR DESIGNS CONSIDERATION AND REFERRAL OF HYPERMARKETS IN PORT HARCOURT.

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ABSTRACT

This study determined the relationship between interior design practices and customer referral among hypermarkets in Port Harcourt. The study adopted cross-sectional approach since the study time frame is short, with a population of three (3) registered hypermarkets in Port Harcourt. They are: Spar at Port Harcourt Mall, Azikiwe Road, Nest Cash and Carry, Trans-Amadi Road and ShopRite, Rumuomasi Road, Port Harcourt and also constituted the sample size of the study. A structured questionnaire was used in generating data which was analyzed via descriptive and inferential statistics. The study employed Pearson's Product Moment Correlation (PPMC) as a suitable analytical tool with the aid of Statistical Package for Social Science (SPSS) version 22. The findings shows that interior designs consideration has significant relationship with referral. The study recommended that operators of hypermarkets should ensure effective technological inclusions in the business environment to ensure effectiveness in the business place.

Keywords: Interior Design Practices, Referral, Hyper Market

INTRODUCTION

Creating a robust hypermarkets patronage is of major significance for business operations as this impacts directly on survival and growth of the business. Good quality good is one of the most contemporary tactics adopted to ensure not only the company's business success or loyalty of customers but also longevity in terms of customers and company relations.

Customers' attempts to acquire a firm's products and services on regular basis are referred to as customer patronage (Adiele, et al 2015). Customer patronage is determined by the quality of products and services offered to customers as well as the level of awareness and promotion that these products and services receive. Raji et al. (2020) stated that patronage could be assumed to mean the material aid and motivation offered by a patron, in this case the patron could be seen to be a customer in an exchange transaction. Concise Oxford English Dictionary (2008, as cited in Adiele et al., 2015), asserts that the word customer patronage signifies an individual or thing that uses something or someone who buys goods and services for personal use. '

Aspfors (2010) posited that lighting in the store plays a significant role in the attractiveness of customers to a store and eventual purchase behaviour. The researcher emphasized that stores with brighter lights are more likely to attract more attention than stores with low lights. Olson (2005) also observed that colour and lighting are components of visual merchandising which positively influence consumer psychological behaviour. Park, et al., (2014) equally supported the argument on human resource performance and cognitive interpretation that create desired consumer reaction. Other scholars added background music and lighting as strong instruments in a store environment that influence consumer's

perfections and reactions to a store. Therefore, interior designs is one of those marketing tools that trigger unplanned buying among consumers (Chandon, *et al.*, 2009).

Bitner (1992) in Adiele, (2015), view physical evidence as the built environment which has artificial physical surroundings as opposed to the natural or social environment. Namasivayam, (2008) in Adiele, (2015) described physical evidence as the physical environment of an organization encompassing several different elements, such as overall layout, design and décor of a store. The physical evidence also includes aspects of atmospherics such as temperature, lighting, colours, music and scent. Physical evidence is important since it influences not only consumers' cognitive, emotional and physiological states but also their behaviors. Adiele, (2015) opined that there are three main dimensions of physical evidence which are: Building design, décor equipment and ambience. They considered the fixed elements of physical evidence as architecture, landscape and site design.

The following null hypothesis controlled the study at 0.05 level of significant.

Ho₁: There is no significant relationship between interior design and customer referral of hypermarkets in Port Harcourt.

Interior designs (ID)

Interior designs is an important strategy employed in a business environment to attract customer attention. Bashar and Aymed (2012) posited that interior designs have positive correlation with impulse buying behaviour of a customer. Stanley (2010) supported the argument in the light of destructiveness. The author emphasized that the outlook of the store portrays the true essence of the brand which distinguishes it from their competitors. The author further posited that store interior should be appealing to customers. This implies that interior designs in an aesthetic manner stimulates the desire to purchase among consumers.

Gibbs (2011) pointed out that a well-planned hypermarkets environment interior is capable of attracting and persuading impulse shoppers and also convey the stores brand and the merchandise quality. The author further stated that the essence of interior designs is to create more attractiveness to products, make products more visible and cause motivation to purchase. Solomon, *et al.*, (2010) stressed that using an appropriate interior designs, impulse purchases increased by 10 percent. Kerfoot, *et al.*, (2003) stated that there are three types of interior designs, which are merchandise, point-of-sale and architectural designs. Dhotve (2010) pointed out techniques and factors to be considered when designing a store interior designs, such as, colours, temperature, music, and signage, etc.

Customer Referral

Referral in marketing is a process to encourage and significantly increase referrals from word of mouth, perhaps the oldest and most trusted marketing strategy. This can be accomplished by encouraging and rewarding customers, and a wide variety of other contacts, to recommend products and services from consumer. Referral-based customers are better matched. The referred customers are likely interacting with people similar to themselves. Existing customers know the purpose of marketing and understand the need for potential customers. The referrers can measure a good fit between the two and the well-matched customers can help the company produce more profits at a lower cost (Aaker, 2014). Referral marketing allows your customers to become your company's advocates by

recommending your brand to their friends and family. While referral marketing does require promotional efforts and the incentive of rewards to get customers to cooperate, there are many benefits of referral marketing, and you should certainly be using this strategy to expand your consumer base. The most compelling benefit of referral marketing is that customers trust referrals. Recent consumer polls indicate that recommendations and reviews are trusted more than conventional advertisements. Meanwhile, people are four times more likely to buy when referred by a friend. Customers who participate in referral programs are much more likely to stay with your company. Because engaging new consumers is generally more expensive than retaining your current customers, this is often among the top benefits of referral marketing (Fournier, 2018). Referral marketing allows you to increase your outreach by using your customers as your company's advocates. While there are venues and occasions that are simply off-limits to traditional advertisements, there are virtually no limits to your customer telling a friend or coworker about a good product or company. Many people have a diverse circle of friends as such customer referrals will also allow you to expand your client base. Referred customers already have a positive opinion of your company because they have been referred by a peer.

Customer referrals are very crucial to the growth of an organization. Tuk et al (2009) noted that the only avenue for a company to grow and make more money is to increase sales. However, it takes a lot of effort and money to make a single sale. With all the efforts, hard work and money involved to make a sale, the company is always looking for a way to make its efforts yield result by growing its sales and profits. No matter how long a company has been in business, it already knows that making a sale through cold calls is tough. It is always easier when a customer recommends the company's products or services to someone else. It is for this sole reason that is why customer referrals matter a lot and should be an integral part of a company's marketing plans.

Comparison Level Theory

Comparison level theory by Thibaut and Kelley (1959) explains that majority of customers' makes comparison for a product or services to know the before and after purchase experiences. These decisions are based on direct past interactions which have produced experiences with similar products or services and the experiences of other customers who have patronized similar offerings. Therefore, to create a good customer experience that may eventually lead to repeat patronage, hypermarkets or firms owners must ensure that every customer's expectation is met and if possible, surpassed.

Research Design

Research design guides the execution of a research study and provides guidance for analysis of the subsequent data (Brymen & Bell, 2011). The study adopted cross-sectional approach since the study time frame is short. Cross-sectional approach means collection data at one single time and draw conclusions of the snapshot (Aaker et al, 2010).

Population of the Study

Ahiauju (2006) defines population as the entire individuals, persons, group of persons, organizations or things of interest the researcher wishes to investigate. Therefore, the population of this study was three (3) registered hypermarkets in Port Harcourt. They are: Spar at Port Harcourt Mall, Azikiwe Road, Nest Cash and Carry, Trans-Amadi Road and ShopRite, Rumuomasi Road, Port Harcourt. As obtained from the traffic flow device of each

of the hypermarkets revealed that over 500 shoppers were recorded on daily bases. Therefore 500 active customers was randomly selected from each of the hypermarkets making a total target population one thousand five hundred (1500).

Sample Size and Sampling Techniques

The sample size of this study was 3 registered hypermarkets in Port Harcourt; Spar, Next Cash and Carry, and ShopRite. This is because the population size is small enough to be used for the study. From each of the three (3) hypermarkets, respondents was randomly or purposively selected, thus giving a total of 260 respondents who was issued questionnaire.

Sources of Data

When it comes to data collection there are two different types of data: primary data and secondary data. Primary data is data that is collected for a specific purpose. Secondary data, are data sourced from journals, books, published articles, unpublished articles and firm's documentaries. In this study primary data was sourced for since it provides up to date information and reduces the risk of results being out of date (Bryman & Bell, 2011). In addition secondary data was employed through literature review. The materials gathered was reviewed to obtain information about Physical evidence considerations and customers' patronage of hypermarkets in Port Harcourt, Rivers State.

Instrument for Data Collection

Instrumentation is the process of creating the instrument. In research, the term instrument means any device that a researcher uses to collect information with regards to conducting a study. Example of instrument include questionnaire and interview schedule. Collection of primary data specific to a study require constructing a research instrument. This study made use of questionnaire in generating data.

Questionnaire Design

The researcher made use of structured questionnaire in gathering data for the study. The questionnaire was structured in multiple choice format. It was divided into four sections: Section A was questions on the demographic profile of the respondents. Section B contained questions relating to physical evidence considerations (PEC) while section C contained questions relating to customers' patronage (CP), and section D was concerned with technological inclusions in the study. The questionnaire was graded into five point Likert rating scale format of strongly disagree = 1; disagree = 2; neutral = 3; agree = 4; strongly agree = 5. Questions in the instruments were in conformity with the guidelines for the application of the computer-based Statistical Package for Social Sciences (SPSS). Information in section A included questions on respondent's demographic profile which was measured on nominal scale while information in sections B, C and D were measured on ordinal scale.

Validity/Reliability of Instrument

The validity explain how well the collected data covers the actual area of investigation (Ghuri & Gronhaug, 2005). This validity of the scales that was used in this study was content, face and construct validity. The survey instrument was subjected to both face content and construct validity also the instrument was adopted by the research supervisor

and research experts for scrutiny. Content validity defines the degree to which items in an instrument reflect the content to which the instrument was generalized (Straub, *et al.*, 2004). Construct validity is the extent to which an instrument actually measures what it intends to measure.

Reliability of Research Instrument

The reliability measure for this study was carried out to ascertain if the scale or test is reliable, if repeat measurement made by it under normal circumstances gave the same results (Moser & Kalton, 1989). To measure the study reliability therefore, internal consistency was carried out on the instrument through Cronbach's Alpha techniques to logically establish the result of the instrument relating the constructs variables which should not be below the threshold of 0.7 as recommended by Hinton et al (2004). Reliability test revealed that the instrument adopted in the measurement of the dimensions and measures of the variables were all consistent and as such could be considered as replicable.

Method of Data Analysis

The major aim of using data analysis techniques is to understand and interpret information collected (Zikmund, *et al.*, 2010). This study employed both descriptive and inferential statistics to analyze the data that was generated. This study used Pearson's Product Moment Correlation (PPMC) as a suitable analytical tool with the aid of Statistical Package for Social Science (SPSS) version 22.

Results

H₀₁: There was no significant relationship between interior designs and consumer referral of hypermarkets in Port Harcourt

Table Interior Designs and Consumer referral

Correlations

Variables		Interior Designs	Consumer referral (CE)
Interior Designs	Pearson Correlation	1	.742**
	Sig. (2-tailed)		.000
	N	176	176
Consumer referral (CE)	Pearson Correlation	.742**	1
	Sig. (2-tailed)	.000	
	N	176	176

** . Correlation is significant at the 0.000 level (2-tailed).

Source: Survey data, 2023

The result in table above shows that interior designs correlates with consumer referral ($r = 0.742$, $p < 0.001$). This signifies a very high correlation indicating a normal relationship. The relationship that exists between interior designs and consumer referral is shown to be significant at 0.000 level of significance.

Discussion of Findings

There is no relationship between interior designs and customer referral. Hypothesis five (H₀₁) was constructed to examine the significant influence of interior designs and customer referral of hypermarkets in Port Harcourt, Rivers State, Rivers State. Interior designs were

tested against customer referral using Pearson Product Moment Correlation Coefficient analytical tool. The result revealed that interior designs correlates with customer referral, (where $r = 0.792$, $p = 0.000$). This signifies a very high correlation indicating a strong relationship. The relationship that exists between interior designs and customer referral is shown to be significant at 0.00 significance levels. This finding is consistent with Gibss (2011) who pointed that a well-planned store interior is capable of attracting and persuading impulse shopping and also conveying the store image, brand and the merchandise quality. It is also in conformity with Bashar and Aymed (2012), they stated that interior designs have a positive correlation with customer patronage that leads to impulse buying behaviour of a customer.

CONCLUSIONS

The findings of the study were based on the results from the quantitative analyses of the data which was in line with the aim of the study. The study concludes that interior designs has significant relationship with customers' referral.

RECOMMENDATIONS

Based on the implications of the study outcomes, the following recommendations are made:

- 1) Managers of hypermarkets should ensure effective interior design, décor, color, signage and proper merchandising. In the same vein, the operators of hypermarkets should ensure effective lighting and background music on the hypermarkets floor for memorable shopping experience. There should be friendliness among employees and those that patronize them.
- 2) Operators of hypermarkets should ensure effective technological inclusions in the business environment to ensure **proper checks**(?) in the business place,

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