

TECHNOLOGICAL INCLUSIONS AS A NECESSITY TO CUSTOMERS' RESPONSE OF HYPERMARKETS IN THE SOUTH-SOUTH, NIGERIA

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ABSTRACT

The study aimed at ascertaining the relationship between technological inclusion and Customers' response. The geographical scope of the study is South-South Nigeria, with customers as unit of analysis. The population of this study comprised of all customers from four (4) hypermarkets in South-South states of Nigeria, which are: SPAR (Port Harcourt), SPAR (Calabar), Shoprite (Asaba) and Next Cash and Carry (Port Harcourt). Purposive sampling technique was used to select three hundred fifty two (352) respondents from the population of the study. This was achieved using Krejcie and Morgan's sample size determination table (1970). Pearson product moment correlation coefficient (PPMCC) was used to analyze the multivariate statistics. The concluded that there is significant relationship between technological inclusion and customers' response. Based on the findings of the study the following recommendations were made: Hypermarket operators in south-south Nigeria should improve their business environment with innovative facilities. So as to influence customers' perception. Operators of hypermarkets should ensure proper exterior displays such as landscaping, window displays, store entrance and aesthetic design of the environment such that it will be appealing to the customers that will enhance patronage by ways of positive perception.

Keywords: Technological Inclusion, Affective Evaluation, Cognitive Evaluation, Customer Response, Customers Response

INTRODUCTION

Inman and Nikorlova (2017) reported that innovation in the retail hypermarkets in terms of technology assists customers and retailers in reaching appropriate consumers at lower costs due to technologically created efficiencies. The scholars stated that mobile apps, scan-and-go technologies, self-check-out, quevision, etc, help customers to make informed decision, receive more targeted and beneficial offers and obtain faster benefits, and smart self-technology are some of the advancement in retail hypermarkets today. Technologies make convenient in terms of time place and purchasing modalities, accessibility and ambience factors (Hsiao 2009, Yoon & Kin 2007. Pantano and Laria (2012) stated that technology enhance shopping mode. Hence, the advanced technologies provide customized information and services that enable customers to have access in terms of their needs (Puccinell, et al 2009; Reinders et al, 2008). Technology also enables customers to reach products irrespective of their position in the shelves. Technologies are able to improve the offered services given to customers experience and also enhanced the shopping (Simmons & Istook 2003; Vieira 2010). Furthermore, the scholars reiterated that self-check-out technology helps shoppers scan, bag, and pay for products without any need to interact with cashier. On the part of quevision technology, it enables the retail hypermarkets to have an insight into how many registers are needed and the expected waiting time, with the use of data garnered from infrared sensors over store doors and cash registers, predictive analytics, and real-time data feeds from point-of-sale systems (Inman & Nikolova, 2017). The authors further posited that scan-and-go technologies enable customers to make use of their smart-technology. Similarly, Amazon Go Go enable customers to scan their smart phone as they enter the store and pick up

products they want to purchase and leave without meeting up with the cashiers; all the customer needs to do is to have an Amazon account and Amazon Go App Amazon (2016).

In addition, other scholars emphatically mentioned that since customers are critical to the success of retail hypermarkets, designing goods that offer value and creating superior customers' experience through technological advancement is necessary (Grewal, *et al.*, 2009; Verhoef, *et al.*, 2009). The scholars further emphasized that this holistic customers' experience due to innovativeness will influence customers' cognitive, affective, emotional, social and physical responses to the retailer (Van Doorn, *et al.*, 2017) stated that building on AI-based technology makes many retail hypermarkets to take advantage of advances in the technology for robotics, fork-lift, POS machine, CCTV camera and drones.

Hypothesis

H₀₁: There is no significant relationship between technological inclusions and customers' response to hypermarkets in South-South, Nigeria

Technological Inclusions and Customers' Response

Technology in the retail industry is marked in a big way with new innovative apps and in-store technologies now available. As society is increasingly becoming ever more demanding, retailers are reacting and investing huge sums of money to stay ahead of consumer trends. Sherman (2012) emphasized that retail forecasting and predicting buyer behaviour are extremely important as retailers are implementing customer analysis to increase their customer relationship management and satisfy customer demands and expectations. Gramigna (2014) explained that mobile technology is leading the way with customers embracing the indeterminable array of apps and gadgets being created to excite their senses once again. Scholars submitted that customer behaviour includes positive responses of customer towards a store environment. Chen and Hsieh (2011) stated that approach or customer behaviour might be borne through positive interaction, impressions, and positive identification towards a store that makes a person want to go back to the store again. It is assumed that technological inclusions in retail business might ignite customer responses.

The Retail Accordion Theory

The retail accordion theory is traceable to Hollander (1970) who argued that the domination by wide-assortment retailers is subsequently followed by domination by narrow-line specialized sellers. McGoldrick (2002) argued that this theory is clearly evident in the evolution of retailing within the USA. The author noted that in the early settlements, the general stores offered comprehensive assortments to locals, but as settlements grow in scale and sophistication, more specialist and sophisticated retailers emerged. Furthermore, the author explained that the specialists subsequently lost ground to department store operators that offered a wide merchandize assortment to a new urbanized customer base. However, these wide assortment sellers in turn lost market share to specialized chains who responded better to the particular needs of a more demanding customer. In an attempt to retain customer loyalty by these specialist retailers there was the provision of convenience and choice, extension of offerings by hypermarket operators, who began to sell merchandise categories that were not typically associated with their particular format. This theory only recognized the wide-narrow-wide pattern of the dominant retailing firms within a market. The theory is relevant to this study by explaining the dominant role played by hypermarkets to influence patronage by offering varieties of products. However, the psychological influence of the store environments on the customers were not captured, which is the pivotal point of the study.

METHODOLOGY

Research Design

The research employed survey research design. Survey research design is a non-experimental survey design involving a single observation of the sample population with the observations descriptively represented.

Population of the Study

The population of this study comprised of all customers from four (4) hypermarkets in South-South states of Nigeria, which are: SPAR (Port Harcourt), SPAR (Calabar), Shoprite (Asaba) and Next Cash and Carry (Port Harcourt). Information obtained from the traffic flow device of each of the hypermarkets outlets revealed that over 1000 shoppers were recorded on daily bases. Therefore 1000 active customers were randomly selected from each of the hypermarket making a total target population four thousand (4000).

List of Hypermarkets in South-South Nigeria

S/N	Name of hypermarkets	Rives State (PH)	Cross River (Calabar)	Delta State (Asaba)	Total
1.	Spar	1000			1000
2.	Spar		1000		1000
3.	Next cash and carry	1000			1000
4.	Shoprite			1000	1000
	Total	2000	1000	1000	4000

Source: Research Desk information from traffic flow device of various hypermarkets used for the study, 2019

Sample Size and Sampling Techniques

The sampling technique used in this study was purposive sampling, since the study was customer-based. Therefore, to determine the sample size of the study Krejcie and Morgan's sample size determination table was applied. Therefore, the sample size of the study was denoted by $S=352$. The Krejcie and Morgan's sample size calculation was based on $P=0.05$, where the probability of committing type 1 error is less than ($<$) 5% or $P < 0.05$. As shown in Appendix III.

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.

Method of Data Analysis

This study employed both descriptive and inferential statistics to analyze the data that were generated. This study used Pearson's Product Moment Correlation (PPMC) as a suitable analytical tool.

Test of Research Hypothesis

H₀₁: There was no significant relationship between technological inclusions and customers' response to hypermarkets

Technological Inclusions and Customers' response

Correlations

Variables	Technological Inclusions	Customers' response
Technological Inclusions	Pearson Correlation	1
		.859**

Customers' response	Sig. (2-tailed)		.000
	N	341	341
	Pearson Correlation	.859**	1
	Sig. (2-tailed)	.000	
	N	341	341

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data, 2019

The outcome in table shows that technological inclusions correlates with customers' response ($r = 0.859$, $p < 0.001$). This signifies a very high correlation indicating a normal relationship. The relationship that exists between technological inclusions and customers' response is shown to be significant at 0.01 level of significance.

Since an r value that is less than 0.20 ($r < 0.20$) is the yardstick for accepting the null hypotheses and an r value that is greater than or equal to 0.20 ($r \geq 0.20$) is the yardstick for rejecting the null hypotheses, based on this guideline for accepting or rejecting the null hypothesis as enshrined by Irving (2005) cited in Ahiazu and Asawo (2016), the researcher rejected the null hypothesis and accepted the alternative hypothesis. This was as, the r value obtained from our SPSS computed output was higher than 0.20 i.e. $r = 0.859$ is higher than 0.20. Therefore, there is a significant relationship between technological inclusions and customer's response of hypermarket in south-south region of Nigeria.

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 major conclusion was derived from how operators of hypermarkets of the retail industry and other relevant stakeholders perceived retail ambience innovation and its relationship with customers' perception. Specific conclusions were drawn from the study in line with the objectives centered around four themes:

How operators of hypermarkets and other stakeholders perceived retail ambience innovation which was decomposed into four dimensions, namely, exterior displays, interior displays, store layout and technology inclusions and its nexus with cognitive evaluations which is a measure of customers' perception.

RECOMMENDATIONS

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

- 1) Hypermarket operators in south-south Nigeria should improve their business environment with innovative facilities. So as to influence customers' perception.
- 2) Operators of hypermarkets should ensure proper exterior displays such as landscaping, window displays, store entrance and aesthetic design of the environment such that it will be appealing to the customers that will enhance patronage by ways of positive perception.
- 3) Operators of hypermarkets should ensure effective technological inclusions in the business environment to ensure proper checks in the business place.

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