STRUCTURAL EQUATION MODEL OF EFFECTIVE VARIABLES ON SELECTING CHAIN STORES FROM THE CUSTOMER PERSPECTIVE

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Abstract: Select a place to buy is similar to choice of brand. In the other hand, the consumer is identified problem that requiring the selection of retail, then is engaged in an internal or external information search and evaluates relevant options and at the end with using the decision rule to choose selection (Hawkins 2007). So far, research and encyclopedias in Iran have investigated the factors affecting customer satisfaction or purchase and or brand names and the like, but factors affecting the choice of shops, have not worked in Iran, in this research we have tried to examine this issue and customers in various segments ranging from the upper levels and need levels in what factors influence pick up retail stores than the whole sales.We seek to discover effective variables and a local model in Iran. It is worthwhile to evaluate the structural model because it will cause companies to invest more carefully and salespeople and also for marketing managers to have a better understanding. The research method employed in this study, descriptive – survey is field branch method. Statistical population is the same clients of chain stores in Tehran that is used from simple random sampling method. Required information through a questionnaire is containing 29 collected questions. To measure the reliability of the questionnaire the Cronbach's alpha method and to assess the validity of content-related validity is used. For data analysis, SPSS, and LISREL is used.

Keywords: Chain stores, Quality of goods and service, Phantasm of store, Phantasm of brand products, The awareness of the price, Environmental conditions, The proximity of the house to store, Facilities, Sort goods and parking

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1. INTRODUCTION

Consumer behavior is an entirely new concept by the early 1900s science began to discuss about how to apply the principles of psychology in advertising. According to Shavpng, Hui-Ming (1997) in this way, organizations will be able to put its products or services to meet customer needs and not that produce anything and have expect to come customers.

Grewal et al (1998) also enhanced concluded that a number of individual's approaches is based on assessing characteristics of stores that by customer is important. But in recent years the marketing of old files isolated and today increasingly have become one of the most important functions in business targets profit organizations.

2. LITERATURE REVIEW
2-1. EFFECTIVE VARIABLES ON SELECTING CHAIN STORES

Making decisions about product and vendor selection is help customers to get the best decisions about resource and how is the path to purchase. They also will consider some of these factors: Vendor Relations, Reputation (customer's mental picture of the store or brand goods).

Chung-Hoon Park (2009) is states that good relationship of vendor is an introduction for creating long-term relationship that customers receive benefit from long-term relationships and high performing core services.

Studies suggest that an important part of communication Advantage is reduce anxiety and increase feelings of trust and confidence that the customer experienced. So this feeling of confidence and reliance inextricably relies on the quality of basic services.

Chain Store is two or more stores which controlled and owned by a group, theses store have shopping centers and warehouses and offers similar items of product. Retail companies should have made due decisions about their strategies concerning retail marketing mix. Retail store as well as should have made due decision about three main variables related to product, i.e. the product mix, Combining services and atmosphere of the shop to ensure customer satisfaction.

According to (FORNELL 1992:18) Satisfaction can be evaluated directly as a general feeling. In addition, he suggests that Clients about how a product or service should be compared with the ideal sample have a one idea. So people may be satisfied with the original product or service and at the same time, the performance in comparison with what should or could be conventional estimates.

Powul also (2011) in definition of quality goods and service as one of the effective factors states that the service quality requirements and customer needs is correlated and Also implies an overall assessment of trends and customer behavior and here is used quality for goods and services by store.

Service quality is a degree and criteria that states the differences between consumer perceptions and expectations about what that is provided.

Dimension factor is risk of buying that Bauer, R.A, defined risk purchasing from an area of psychology and stated that consumer behavior involves risk so that any action of a consumer makes a consequence that he certainly cannot predict it and There is also likely to be uncomfortable.

Also, Powell (2011) has said: The considered risk for consumers is a concept that he certainly could not detect consent or lack of consent when buying a product. This means that when buy a particular product, the consumer does not with purchase the considered product his/her satisfaction is obtained or not.

Another factor is the mental picture buyer that Martin (1958) defines the concept a mental picture of the store buyer such as: The buyer pictures of the store in his mind that records relating to the mental states of the person. (Powell, 2011)

The next factor is the selling price. According to Cutler, the selling price of a sensitive and important tool of marketing elements and is the amount of money that customers pay for goods. When consumers decide to purchase exclusively focuses for paying lower prices for goods that is price awareness (being conscious about the price).

Another influencing factor of Grewal and et al (2009) is products sorting. He believes that perhaps the most annoying problem of retailers is that could transfer appropriate quantities of goods to the right stores, right time that consumers are receptive.

With regard to the location Grewal Levy & kumar (2009) examines the travel time and funding it by consumers in select retail formats and emphasizes the fact that Consumers value their time and one way that can absorb more of the same stores, create a savings in time and financial costs that they have paid to get a store and buy in it.

In addition to this, Michael Morrison in 2011 in the investigation noted that Vanilla smells has a great impact on the level of arousal of clients and Factors and environmental factors store such as music, sound, light, color and odor are helping to create a sensual effect and these factors will affect the choices of customers.

Russeell. Bernard (2000) also in their paper provides one of the factors that lead to customer

satisfaction knows as "Service quality and service". In addition, other important factors are also influencing the customer satisfaction that must be followed including the following as:
- Delivery time
- Reasonable and competitive price

- After Sales Service (Service time and customer satisfaction compared to competitors should be at least).
- Proper communication with client staff

Also, Jean-Charles Chebat and et al (2001) believe that slow music (slow speed) and environmental conditions have stronger influence.

Table 1. Variables Influencing on Selection of Chain Stores

Variable Name	Resources
Promotion, Price, Product, Order, Chain, Location	Grval and et al in 2009
Music, smell and Aroma	Michael Morrison in 2011
Quality of goods and services	Ganrh 2006
Satisfaction, brand image and decisions about brand choice	Grace and Akas 2003
Store Space	Martinez & et al 2010
Characteristics of the goods, Price and dress and brand name - Buyer image (the store)	Hank Rost 2010
Customer attitudes and feelings	Meloy 2005
Timely delivery, Appropriate Price, After Sales Service, Proper communication with client staff, Quality of service or goods	Russell 2000
Music Store	Jane - Charles Chybat 2001
Buyer image, Quality of goods and services, Brand Image (Brand name),Price, Customer confidence (no risk)	Paul C.S. Wu,2011

In this study, the independent variable stores considered as independent latent variables and risk variables, Brand Image, price, Proximity, Sorting, quality, store image, atmosphere, Facilities and Parking have been considered as effective measures. These variables are summarized in the table below:

Table 2. Research variables

Measurement Parameters	Independent latent
Risk	
Image of Store	
Facilities	
Quality of service and goods	
Closeness to Home	Store Selection
Environment (color, scent, music, lighting)	
Parking	
Lay out	
Image of products with brand	
Price	

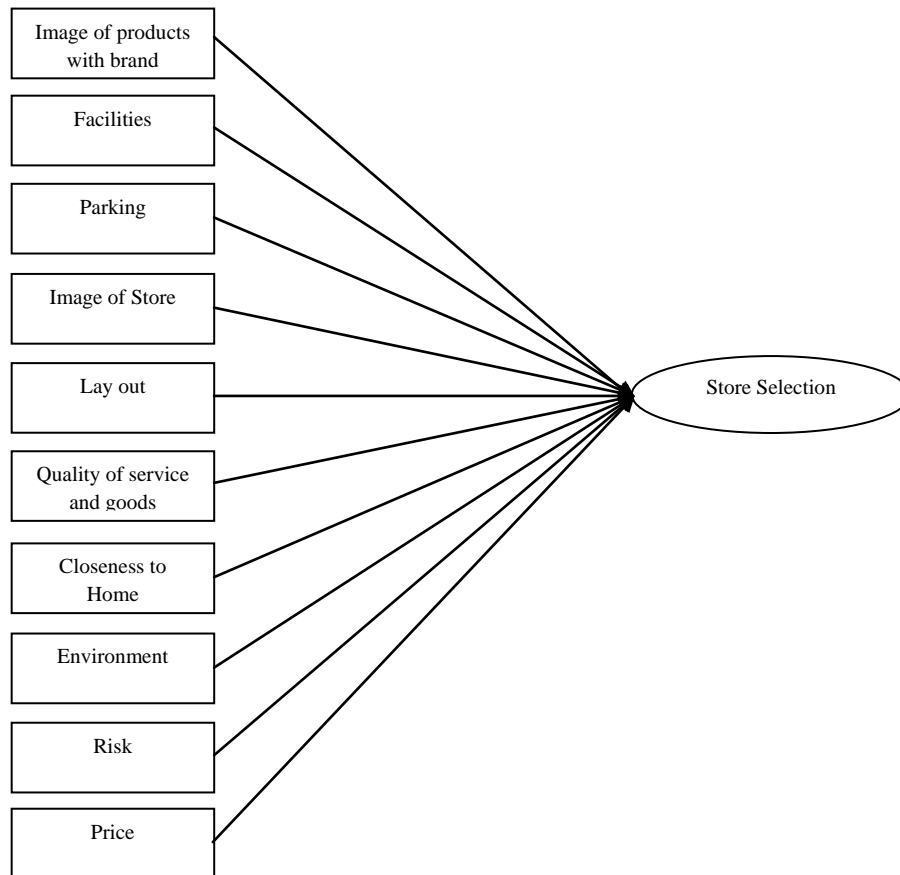At least the conceptual model is presented as follows:

Figure 1. Research conceptual model

3. RESEARCH METHODS

The present study in terms of the aim is practical and in terms of data collection is descriptive research method (non-trial) and is considered as the field study and in terms of the relationship between variables in study is scientific. A conducted research method was survey that the main advantages are generalizability of the results.

Using data obtained from the questionnaires and Using SPSS statistical software reliability was calculated. Cronbach's alpha coefficient for the total questions was 0.86 and it means that the questionnaire is reliable.

3-1. METHODS OF COLLECTING INFORMATION

The most important methods of collecting data in this study are as follows:

1- **Library Studies:** In order to gather information on the theoretical and research literature on the subject, library resources, Specialist Articles, books needed, Information from the World Wide Web is used.

2- **Field Research:** Data collection for this study was a questionnaire containing 29 questions that the views of respondents in each category on a Likert scale 5 from totally agree to totally disagree is specified. In designing the questionnaire taken carefully to the questions are simple and clear enough.

To assess the validity of content-related validity is used and during those few university professors validity confirmed. Ninety percent of Cronbach's alpha was calculated to assess the reliability of the questionnaire that indication of the reliability of the questionnaire.

3-2. COMMUNITY AND STATISTICAL SAMPLE:

Sample includes all customers of stores in Tehran that has been done by the simple random sampling method. The information needed is gathered through a questionnaire containing 29 questions. Sample size was estimated at about 250.

3-3. METHODS OF STATISTICAL ANALYSIS AND RESEARCH FINDINGS:

To analyze the data collected in this study, both descriptive statistics and inferential statistics is used. To analyze the data, descriptive and inferential analysis software SPSS and LISREL software was used for data. In the descriptive statistics and statistical indicators of the relative frequency and cumulative percentage of inferential statistics is used structural equation.

4. RESEARCH FINDINGS

The results of the statistical analysis of data, as well LISREL software is provided in the following tables.

The results of the model to test the significance of individual coefficients and factor loadings are shown in the following table. Coefficients are significant that their calculated number by Lisrel bigger than 2 and smaller than 2. A significant number of errors are obtained by dividing load factor. According to the table, all coefficients are significant.

Table 3. Significance of individual coefficients and factor loadings

Latent Variables	Store Selection
Risk	2.90
Image of Store	5.52
Facilities	60.20
Quality of service and goods	7.00
Closeness to Home	7.47
Environment (color, scent, music, lighting)	8.13
Parking	9.33
Lay out	12.22
Image of products with brand	9.37
Price	12.53

Variables affecting on choice of store

Now, by using structural equation modeling approach, with help of software LISREL 8/54 can be extracted the causal relationship between the variables and the structural model. If variable χ^2 be

less, proportion χ^2 to degrees of freedom less than 3, RMSEA Less than 0.1 and GFI and AGFI should be greater than 90%. It is concluded that a good fit of the model is implemented.

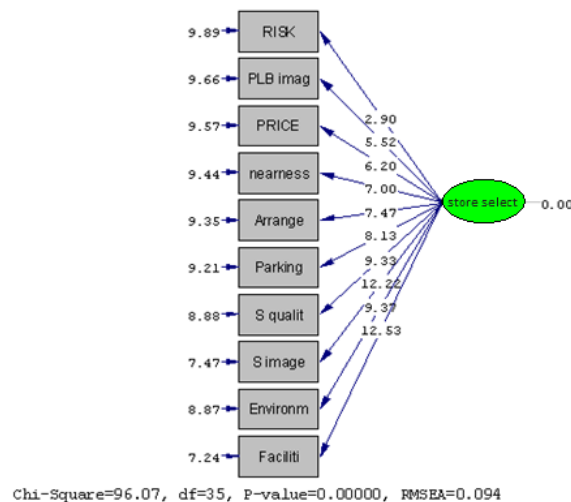Figure 2. Extraction of Factors influencing on the choice of model stores by customers

Chi-Square=96.07, df=35, P-value=0.00000, RMSEA=0.094

Table 4. Summary of Research Findings

Variables	Standard Coefficient (R)	t- value	Results
Risk on Store Selection	0.22	2.90	Not Rejected
Image of Store on Store Selection	0.40	5.52	Not Rejected

Facilities on Store Selection	0.45	6.20	Not Rejected
Quality of service and goods on Store Selection	0.53	7.47	Not Rejected
Closeness to Home on Store Selection	0.57	8.13	Not Rejected
Environment on Store Selection	0.63	9.33	Not Rejected
Parking on Store Selection	0.78	12.22	Not Rejected
Lay out on Store Selection	0.68	9.37	Not Rejected
Image of products with brand on Store Selection	0.79	12.53	Not Rejected
Price on Store Selection	0.50	7.00	Not Rejected

$$\chi^2 = 96.07 \quad df = 35 \quad RMSEA = 0.094 \quad GFI = 0.92 \quad AGFI = 0.91$$

5. CONCLUSION

Answer of research questions

According to the results, risk has a direct and significant effect on the risk of selecting a store that the extent of this impact is equivalent to 0.22 that based on its significance it is valuable.

According to the model, image brand products directly has an effect (0.4) on store choice. The most important findings of this study indicate that:

Product price is equivalent to 0.45 and has a direct effect on selection of stores.

Lay out of products (0.53) is directly and significantly affective.

Parking has a meaningful effect about 0.78 on store selection.

Quality of goods and services has a significant and direct effect.

Table 5. Hypothesis test results

Row	Hypothesis	Results
1	There is a positive relationship between facilities (Awards, discounts, coupon, auction, service time, payments, guarantee and warrantee) and store selection by customers.	Approved
2	There is a positive relationship between Image of store (Fame and name) and store selection by customers.	Approved
3	There is a positive relationship between general design of store (Lights, music, color, and scent) and store selection by customers.	Approved
4	There is a positive relationship between quality of service and goods on Store Selection (Fame and name) and store selection by customers.	Approved
5	There is a positive relationship between parking and store selection by customers.	Approved
6	There is a positive relationship between layout of products and store selection by customers.	Approved
7	There is a positive relationship between closeness of store to the home and store selection by customers.	Approved
8	There is a positive relationship between prices and store selection by customers.	Approved
9	There is a positive relationship between Image of products with brand and store selection by customers.	Approved
10	There is a positive relationship between shopping risk and store selection by customers.	Approved

According to the data analysis and importance of variables "Facilities" found as most important variable that plays the most significant role among other identified effective variables on selecting chain stores by customers. Variables in order of importance as follows:

Facilities > Image of Stores > Environment (Light, Music, and Color) > Quality of Goods and Services > Parking > Lay Out > Closeness > Price > Image of Brand > Risk

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