

Are Malaysian Bumiputera Grocery Retailers Still Relevant? Consumers' Perspective in Sarawak.

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Abstract

The long history of multilateral economics nexus among the early settlers of Sarawakians has seen the mushrooming of supermarkets and rising population of affluent society. The study is intended to evaluate retailing relevance based on customers' satisfaction in the short term, and customers' continuous support for existence and survival of the Malaysian bumiputera retailers in the long term. The study is primarily focused on consumers residing in Sri Aman, a town which is predominantly rural based and the other part which is more plural-oriented, are consumers residing at the city of Kuching, Sarawak. About 270 over structured questionnaires were distributed and collected from randomly selected respondents from these two main areas. Empirical studies show that consumers in the rural areas are more inclined to buy from bumiputera grocery stores. However, the consumers in the city adopt a different trend, as the latter are more apt to shop at the mega stores. There exists a continuity of consumers buying practice in the rural areas, implying long run relevance. In the city, the urban bumiputera retailers have to be receptive to consumers needs for satisfaction, and to embrace the new art of trading and strategizing in order to remain relevant.

Key words: Bumiputera retailers, customers' perspective, short term relevance, long term existence.

1.0 Introduction

Sarawak has some history of multilateral trading, especially its barter trade activities with the early traders who are non-*bumi*. Soon the *bumiputera* managed to pick up the skill of hawkers' trading, initially forming a small retail stores emulating the non-*bumi* retailers. With the passing of times, while some retailers have grown in size and variety, there are retailers who are contented with the current size and continue to sell traditional products such as bitter nuts stuff, brown sugar and yeast for brewing purposes. When the society becomes more financially affluent, the retailer sees this as an opportunity to shift from small scaled retailing to supermarket retailing (Maruyama and Trung, 2007)

Looking back at the retailing industry in Malaysia, the growth rate has been moderate. In the year 2002, retail industry grew at an average rate of 3.0 percent (Sofee, 2007). Perhaps the nation could have experienced a lean domestic demand couple with uninspiring external factors such as the slowing recovery of US and Japan economies, weaker Singapore economy. Economic melting down recurred in 2007, and the Malaysian economy was not spared, largely due to the impact of decreasing global demand, high commodity prices such as energy price and the US sub-prime crisis (Bikash, 2007). Household needs become more costly to meet, with Malaysian public having to fork out more for costs of their transportation, food and other daily necessities. In 2008, the growth rate of the country's real gross domestic product was maintained at 5% mainly from increase in domestic demand and retailing in comparison to year before that. (MeCD, 2007).

The Malaysian government has continued to urge more *bumiputera* graduates to be more entrepreneurial and be involved in retail business in order to be more self-sufficient and non-dependent on public sectors for employment and simultaneously it is hoped that successful *bumiputera* entrepreneurs could bring about the retail industry to new dimension. The term *bumiputera* was introduced in the Pan-Malaysia Census to accommodate the emergence of a large variety of indigenous communities after the creation of Malaysia in 1963. The *bumiputera* group is now divided into Malays and other *bumiputer*.

The latter refers mainly to the Orang Asli in West Malaysia and the numerous small indigenous tribes in Sabah and Sarawak. The definition of Malay is enshrined in Article 160 (2) of the Constitution of Malaysia, which specifies that a term Malay is a “person who professes the Muslim religion, habitually speaks the Malay language and conforms to the Malay custom” (Saw, 2007).

Bumiputera, literally means “son(s) of the soil,” which is a modern Malay word that was first used in the Malay Peninsula during the second and third decades of the twentieth century. *Bumiputera* refers to the indigenous person(s) or people of Malay stock and the native communities of the country. It is often interchangeable with *peribumi* (native, indigenous) and sometimes with *anak negeri* (sons of the country). With the formation of Malaysia in 1963, the term *bumiputera* was entrenched in the Malaysian Federal Constitution which is also referred to the native of Sabah and Sarwak, who were accorded a “special position” previously granted to the Malays in peninsula (Ooi, 2004).

The *bumiputera* retailer normally originates from a small based or rural based trading enterprise and when the populations become more plural-oriented, the marketing activities are adjusted correspondingly. However, by and large the rural based retailers continue to maintain status quo and are quite contented with their traditional ways of conducting trading in the form of community-based retailing.

According to Bikash, (2007) the *bumiputera* participation rate in the Malaysian wholesale and retail trade is about 15% which is relatively low in comparison to the non-*bumiputera* involvement in similar sectors. *Bumiputera* retail businesses are mainly found in the form of hawker business, F&B outlet services and sundry shops in the Malay-dominated residential areas and rural areas. In the city areas, the small number of *bumiputera* retailers are predominantly selling batik and handicraft items.. *Bumiputera* retailers normally face huge pressure from big time retailers who will dominate the retail businesses and eventually squeezing or pushing out the small retailers out of business (Crewe and Forster, 1993).

However, nowadays the retailing sector particularly, the halal related retailed industry is growing and will continue to grow with the recovering economy. In year 2005, the trading business which covered the wholesaling, retailing, super and hyper market and other business stores recorded a sum of RM 206 billion sales where the *bumiputera* only contribute RM40 billion or 19.4 percent of total sales (MeCD, 2007). In the halal industry the *bumiputras* involvement today is still very low at both the local and international level (Sofee, 2007).

Under The Ninth Malaysia Plan it was reported that as many as 30,000 entrepreneur *bumiputera* would be developed through the *Program Peruncitan Bumiputera*. This program was created to encourage more *bumiputera* to participate in retailed business.

Grocery goods are essential items which customers partake and use regularly. Thereby grocery business provides huge potential and opportunity for people who want to be part of it. However, most of the retailed stores are owned by non-*bumiputera*. This poses a big challenge to the *bumiputera* who may have to compete and trade on equal terms. Most local retailers in Malaysia are not prepared for this new wave of globalization and may find it more financially difficult on how to compete head-on especially against those incoming foreign powerhouses and mushrooming super and hyper market.

The numbers of *bumiputera* who are involved in the retailed industry are fluctuating every year. Some of the *bumiputera* retailers only exist for a short-period of time and after thereon they may just disappear or stop operating. While some customers remain loyal there are those who will never come back.

New and modern retailers embark on promoting products and launch new marketing strategies. Conversely, the conventional *bumiputera* retailers may prefer to remain status quo and may not believe in spending additional cost for promotional activities. The *bumiputera* retailers may soon realize that retailing business today is becoming more challenging and difficult to manage. Does it mean that their business will continue to exist and sustain with the way the retailed business is being managed today.

2.0 Rationale/ Objective/ Contribution

Usually, each consumer has different reasons for selecting *bumiputera* grocery store for them to buy goods and other products. Woodside and Trappey (1992), believe that this attitude is the outcome of an automatic cognitive processing of consumers, personal and social motives that are a precursor to behavior: stay loyal, or switch allegiance.

The reason could be due to the fact that the product are clean, fresh, unique or halal from muslim perspective; the store is conveniently located; the goods is not perishable; the store is clean and well portrayed; and many other reasons and these different perception may be influenced by diversity of behavior, which may be either positive, neutral or negative. The paradigm of long history of buying cash crop from consumers in return for buying basic necessities from retailers perhaps may have shifted.

Indeed it is interesting to learn about how the *bumiputera* has reacted to a shift in the business landscape. Are the *bumiputera* retailers ready or receptive to the new business paradigm? If they are sensitive they would react positively in order to improve the level of performance of their business. On a corresponding term, the *bumiputera* retailers are also expected to be receptive to the customers' needs, wants and satisfactions?

In the light of the above the following objectives have been formulated:

1. Determine if there is any significant difference among customers towards retailers in plural and rural based localities.
2. Identify the influence of dyadic, customers and sellers focal antecedents on customer satisfaction in the short term.
3. In the long term, to determine if the current *bumiputera* retailers are relevant in the way the business is managed and located.

The findings from this research may provide information reflecting behavioral pattern of the consumers on their needs and wants which will provide a queue to *bumiputera* retailers on where to locate their business and what forms of products to offer. Being receptive to customers' needs is imperative as assured and satisfied customers would come back (Tinggi, et al., 2011). Satisfied customers improve customers' experiential value and in effect may imply revenue potential (Kao et al., 2008). The retailers would be mindful in their plan to achieve a commercial strategy in order to enhance customers' satisfaction (Betancourt et al., 2007)

The government realizes the importance of enhancing the involvement of *bumiputera* retailers or entrepreneurs as part of its economic policy to increase *bumiputera* wealth and job creation in a business community; assisting the government to identify what form of direct or indirect incentive to stimulate or nurturing in order to provide the scheme or fund in order to help *bumiputera* in starting, improving and developing their retailed business. The government can also give motivation and incentives to *bumiputera* entrepreneurs in order to encourage them to create more values to their business and gain some competitive advantage. The community can realize the uniqueness of *bumiputera* retail shop and always support local people retail business with the hope of enhancing confidence of the *bumiputera* retailers and subsequently able to provide the services and products that can satisfy the consumers' needs and wants.

3.0 Literature Review

Retailing is a business process undertaken by an entrepreneur which would involve selling those goods directly to consumers. Retailing consists of the final activity required to place merchandise made elsewhere into the hands of the consumers or to provide the services to the consumers for personal, family or household use (Dunne, Lusch and Griffith (2002). In the production chain it acts as a final link which begins at the extractive stages, moving through the manufacturing processes and ends by the distribution of goods to the final consumers (Cox and Brittan, 2004). The function of the retailing involve provision of service, convenient location, uniqueness of product, assortment of merchandise which are appropriate to the particular market, product guarantees, after-sales service and dealing with consumer's complaint. Retailing not only focuses on selling products but also creating an opportunity to enhance the relationship between the seller and buyer (Osman, 1988).

Increasing competition in the grocery retail sector in Malaysia has moved many retailers regardless of size, to find competitive edges that could place them ahead of the rest. *Bumiputera* entrepreneurs, in particular, possess several unique strengths that may give them a competitive advantage in the sector. Entrepreneurship is a process of starting a business venture, organizing the necessary resources and assuming the associated risks and rewards. Carland et al. (1984) argue that entrepreneurship could be defined in term of innovative behavior allied to a strategic orientation in pursuit of profitability and growth; Gartner (1989) defines it as the creation and management of new business and the characteristics and special problems of entrepreneurs; while Hisrich and Peters (1992) suggest it is the process of "creation something different with value by devoting the necessary time and effort, assuming the accompanying financial, psychological, and social risk and receiving the resulting rewards of monetary and personal satisfaction".

Store choice is recognized as a cognitive process. It is as much an information processing behavior as any other purchase decision. Store choice behavior of shoppers has been found to share many similarities with brand choice (Sinha and Banerjee, 2004) or a store is chosen based on the self-confidence that the customer has regarding the store; about the nature and quality of product and service he will receive. In a study conducted by Mattson (1992), it was found that situational attributes, such as time pressure and gift-versus self shopping, can influence store choice and attribute salience. Besides that, store choice behavior also dependent on socio-economic background of consumers, their personality and past purchase experience (Dodge and Summer, 1969).

According to Monroe and Gultinan (1975), store choice is considered to be a function of attitudes and behavior toward the various stores in the shop. Identifying the underlying store attributes that serve as the bases for shopper's attitude or image is the first step in modeling store choice (Monroe and Gultinan, 1975). Academic researchers have examined the issue of grocery store on several occasions. Some of the most frequently constructs of store image have been price, quality, selection, service and convenience of location. These factors have also consistently been found to influence store choice. A consumer's choices of store at any given moment in time depend on the shopping situation (Mattson, 1982) and the situational characteristics that act to shape choice behavior (Belk, 1975).

These situations include physical surroundings, social surroundings, temporal, antecedent states and task definitions. Task definition means the orientation, intent role, or frame of a person through which certain aspects of the environment may become relevant (Foxall and Goldsmith, 1994) or the reasons that occasions the need for consumers to buy or consume a product or service (Belk, 1975). According to the Thelen and Woodside (1996), an understanding of situational determinants in store choice is important because retail strategies are more likely to achieve desired consequences when they are linked to specific consumer need and problems which may vary from one shopping situation to the next. While Van Kenhove et al. (1999) and Van Waterschoot et al. (2008) find that store choice is differentiated by the nature of the task. They study the store choice decision across various tasks as described by the respondents such as urgent purchase, large quantities, and difficult job and regular purchase of goods. The urgent purchase basically influence consumer to choose the store nearest to their locations.

Comparing between the young and elderly shoppers, the senior citizen basically were less price-conscious and proximity of residence to store was not an important factor for them compare to the young shoppers (Lumpkin et al., 1985). They consider shopping as recreational activity and thus chose a store that is perceived to be high on "entertainment" value. According to Hutcheson and Mutinho (1998), the shoppers use a combination of the quality staff and the occurrence of low price and the frequency of promotions in choosing a store. Nowadays, consumer are more price conscious while purchasing goods because the cost of living has always increase every year but at the same time they are also concern about the quality of some products. In recent time, Leszczyc and Sinha (2000) indicate that store choice was a dynamic decision and could be conceptualized as a problem of deciding when and where to shop.

Having the right location is imperative for consumers' convenience but it is most important to the retailer because a mistake in choosing the right location is almost impossible to rectify (Recker and Kostyniuk 1978). The accessibility and proximity of the store improve customers' convenience (Goswami and Mishra, 2009). The position and destination of the retail store was an important factor for the retailer in order to maintain their loyalty of customers. According to Fotheringham, 1988; Meyer and Eagle, 1982 store choice is very much influenced by location. Kahn and Schmittlein, 1989 find that consumers may go to a local store for short "fill-in" trips and to a more distant grocery store for regular shopping trips. Convenience of location carries greater weight and does play a role in choice of the grocery store (Herrington, 2001).

Customers seek value for money they pay and thus consider price as an important criteria.

Corstens and Corstens, (1995) study showed that 90% of all retails advertising is price related and 70% is exclusively on price. On the other hand, retailers can select a price format on a continuum ranging from every-day-low-pricing at one end to high-low-pricing at the other end, but high-low pricing formats generally also provides larger assortments and better service than every-day-low-pricing formats (Solgaard and Hansen, 2003). Customers are normally glued to a market place where the product could be easily available. The availability of the product or certain brand in the retailed shop can attract more consumers to come and the percentage of repurchase is high because they already know that store has many type of products attributes (Semeijin and Vellenga, 1995).

Besides that, the selection of grocery store was also influenced by perceptions of assortment of merchandise at the store (Thelen and Woodside, 1997) who believed that all the merchandise sections should be accessible to the customers. Everyday purchase like canned fruits, vegetables and soups should be placed near the entrance to start the customer buying (Cox and Brittian, 2004) as the availability of the merchandise or goods in the store can encourage good perception in customer mind about the store and that is one way to make them come back to the store.

The timing of operating hours is another driver. Consumer may prefer to go to the grocery store that has long opening hours because it gives flexibility for last minutes purchase. The expanded store hours seems to support the long held controversial notion that longer hours would lead to an increase in the overall retail sales (Gru'nhagen and Grove, 2003). Besides that, the opening hours of store during weekend also contribute more sales compared to the weekday. Most of the people who work likes to buy grocery goods in early evening after they went back home and on Saturday or Sunday (Baker and Wood, 2010; East et al., 1994). For instance, a study by Barnes (1984) revealed that 55 percent of her sample was serious Sunday shoppers, 40 percent were recreational Sunday shoppers, and 5 percent were anti-Sunday shoppers.

The sustaining of a store image and effective services can create opportunity to achieve differentiation and positioning relative to other chains and sell profitable store brands. Bumiputera retailers should focus on aspects such as store environment, merchandise value and customer services (Semeijin and Vellenga, 1995). Zimmer and Golden (1988) find that the right image of the store must be formed so that the customers' obedience can be enhanced. According to and Sirgy et al. (2008) and Garton (1995), customers' loyalty mirror consumers self image of the store. Bloemer and De Ruyter (1998) contend that the relationship between perceptions of the store loyalty is mediated only by store satisfaction.

With the dominating effect of media, promotional effort of the retailers cannot be disregarded. In-store promotion that are usually done by the retailers is brings about immense benefit in the number of customers and their satisfaction of goods and services (Urbany et al., 2000; Kumar and Leone, 1988). In recent years, retail promotion such as non-price merchandise activity likes as special displays and store features has had an increase important effect on consumer choice behavior. Promotional activity serves to draw the consumer's attention to the brand and thereby enhance his or her evaluation of the store itself.

Family members and traditional family-retailers relationship has been the cornerstone of trade relationship between customers and the retailers in the rural based areas. Women more than men prepared and used grocery list (Blaylock and Smallwood, 1987), and at-home wives were more likely use products list compared to wives who work for income (Polegato and Zaichkowsky, 1999). This form of shopping behavior may influence by the type of grocery store where they will go for purchasing activities. According to Sirohi et al., 1998 family member recommend the store they usually visited, to their relatives because the good image of that store is already implanted in the consumer's mind. The retailer has to play important role in built good relationship with their customer because it will encourage their customer to recommend their store to the others.

Customers buy products and wear attires which may be cultural or religious based.

The consumers will prefer to go the store which have been assured that the products they are about to buy may guarantee quality which will conform to their cultural and religious belief. Some of the values are perceived in terms of customers' belief in the cleanliness of certain products and store and may encourage them to go to that store. Mutual benefit is a dyadic antecedent which may propel the retailers and the consumers to work and trade towards the benefits of both parties (Reynolds and Beatty, 1999). Benefits that are earned may have been developed and nurtured over times through earlier and simple barter trading. This form of trading behavior normally start with consumers in the rural based selling their cash crop to the grocery store in return for daily necessities such as sugar, rice, oil, and others. Basically, if the price of the cash crops down, the villagers will obtain credit term for groceries goods and will pay it back when the price of crops goes up. It gives beneficial to consumers as well as the retailer themselves.

4.0 Research Methodology

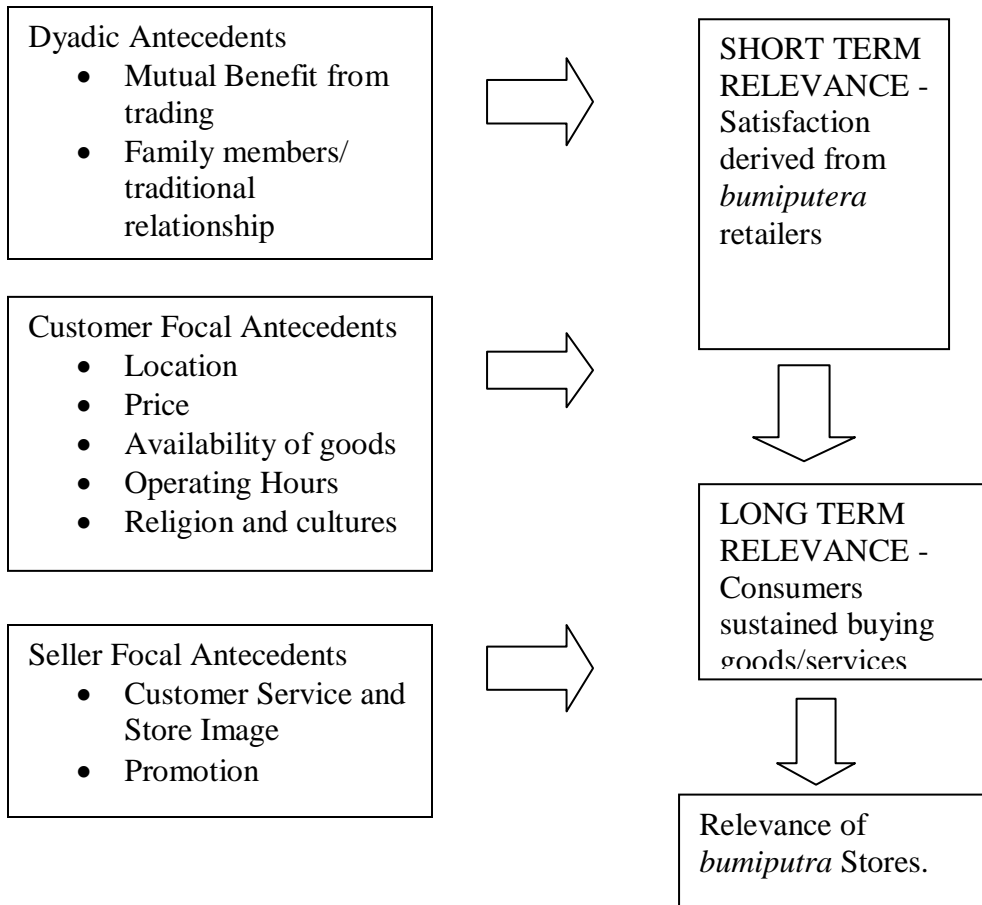
This research is based on the quantitative research, an approach which will use questionnaire to gather primary data and obtain information from respondent who have been selected from a set of population (Mohd. Majid, 1996).

A sample of about 270 structured questionnaires on 5 points likert scale were distributed randomly in the ratio of 2:1 to customers based in Kuching and Sri Aman respectively, but in proximity to retail stores which are predominantly bumiputra retailers.. These two places were selected because of the contrasting consumers lifestyle, one mainly rural based and the other plural or urban based.

The study will be looking at both the short term objectives – customers’ satisfaction and the long term objectives – customers support and loyalty to allow for continued relevance of the existing *bumiputera* retailers.

The antecedents which will be sub-divided under dyadic, customer focal and seller focal will be used as proxy for independent variables and customer satisfaction as short term dependent variables, and customers continued purchase as proxy for the long term relevance independent variables.

Figure 1: Conceptual Framework . Antecedents affecting Consumer Behavior toward *bumiputera* retailers.



Source: (Reynolds and Beatty, 1999; Sinha and Banerjee, 2004).

Hypothesis Test

An hypothesis test is conducted to test for the presence of significance difference of the followings;

H1: By means of ANOVA to test if there are any significance difference among customers who are based in Kuching (predominantly urban-plural based) and the other in Sri Aman (rural based)

H2: To regress if, dyadic customers and seller focal antecedents have significant influence on consumer satisfaction in the short term at *bumiputera* retail shop.

H3: To test if customers continue to support and allow *bumiputera* retailers to sustain and making them relevant in the long term.

5.0 Findings and Discussion.

5.1 Reliability Test

The purpose of the reliability test is to examine the reliability of the coefficients and thus the consistency of the measurement. This research adopts Cronbach's value as a tool for carrying out the reliability test. Based on suggestion by Guelford (1965) and Coakes, et al., (2006), the higher is the Cronbach's value; the higher will be the internal consistency. If a value is larger than 0.7, then it shows the reliability of measurement is fairly high. The result of this research shows that, Cronbach's α value for the all variables particularly those factors which influence the consumer's behavior towards *bumiputera* grocery store in Kuching and Sri Aman is 0.962, which are relatively high. The Cronbach value for all the variables are shown in Table 1.

Table 1: Reliability of questionnaire for the Variable (N=51)

Cronbach's α value	N of items
0.962	51

5.2 Respondents Profile

There are 270 respondents consisting of 115 male (42.6%) and 155 female (57.4%). The age of the respondents ranges from 18 years old to 50 years old, of which 44.1% of them are married and 52.1% are still single. Most of the respondents are government servant (36.7%), while students make up 26.3% and private sector employees make up 18.5%. Respondents' income below RM1000 represents 30.7%, and the rest having income ranging from RM2000 to RM4000. With regards to racial composition, the Malays make up 39.6%, Ibans (31.9%), Bidayus (16.3%) and Chinese (12.2%).

5.3 Choice of Store

Table 2 shows the distribution of the customer choice of store which is located sparsely in Kuching and Sri Aman. This survey is also based on 135 respondents received from Kuching and Sri Aman respectively. The analysis shows that 47.8% of the respondents choose *bumiputera* grocery store while 42.2 % of respondents choose big retail store and the rest which make up 10.0% chose non-*bumiputera* grocery store.

Further analysis shows only 28.9% consumers in Kuching choose *bumiputera* grocery store while in Sri Aman about 66.7% consumers choose *bumiputera* grocery store as their convenience store to buy goods. Consumers in urban areas usually prefer store that have conducive surrounding with air conditioning, food outlets, elevators and other leisure provision environment which have become a main source of attraction, and indirectly affecting consumers' preference for store type (Sinha and Banerjee, 2004).

Table 2: Choice of stores in Kuching and Sri Aman

Variables	Choice of Frequency	Percent
<i>Bumiputera</i> Grocery store	129	47.8
Non- <i>bumiputera</i> Grocery store	27	10.0
Big Retailed Outlet	114	42.2
TOTAL	270	100 percent

5.4 ANOVA Test

Table 3: One-way Analysis of Variance (ANOVA) test, whether there is any significant difference among customers based in Kuching (Urban) and Sri Aman (Rural)

Variables	F	Sig.
Location	7.718	0.006
Price	.826	.364
Availability of Goods	.088	.768
Operating hours	.066	.798
Mutual benefit	.018	.893
Customer service	1.585	.209
Family and Family relationship	16.926	.000
Religion and culture	1.554	.214
Promotion	.011	.916

According to Table 3, there is significant difference between the consumers in Kuching and Sri Aman which is $F=7.718$, $p=0.006$, and that the location of the retail store has significant influence on consumers' choice for retail shops. ANOVA test also shows that factor such as recommendation from family and relatives has a significant influence on the choice of retail shop in Kuching and Sri Aman ($F= 16.296$, $P= 0.000$).

In this analysis, the other seven factors such as price ($F=0.826$, $p=0.364$), availability of goods ($F=0.088$, $p=0.768$), store operating hours ($F=0.066$, $p=0.798$), mutual benefits ($F=0.018$, $p=0.893$), customer service ($F=1.585$, $p=0.209$), religion and culture ($F=1.554$, $p=0.214$) and promotion ($F=0.011$, $p=0.916$) shows that there are no significant difference among consumers in Kuching and Sri Aman. In effect the primary data used in this study is quite homogenous and therefore can be relied on. The significant difference in location and Family relationship for consumers residing in Kuching and Sri Aman will not cause much material impact, as right from the beginning we know that the consumers originated from two family backgrounds, one being urban-oriented and the other being rural based.

5.5 Regression to test if dyadic, customer and seller focal antecedents do influence consumer satisfaction in the short term.

Table 4: R-Square for Consumers satisfaction (Short term)

Model	R	R Square	Adjusted R Square	Std. Error f the Estimate
1	0.834 ^a	0.695	0.684	0.54383

Table 5: Coefficient of Consumer satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.error	Beta		
Location	.400	.054	.330	7.455	.000
Price	-.342	.058	-.331	5.876	.000
Availability of goods	-.034	.083	-.029	-.409	.683
Operating hours	.399	.062	.391	6.464	.000
Mutual benefits	.352	.051	.088	1.838	.067
Customer service and store image	-.023	.76	.247	4.631	.000
Family and Family relationship	-.085	.047	-.022	-.491	.624
Religion/culture	.185	.056	.196	3.28	.001
Promotion	.230	.040	.272	5.787	.000

a. Dependent Variable: I am satisfied with the *bumiputera* grocery store

Based on the analysis, the R-square of 0.695 (Table 4) shows that there is stronger relationship between the independent antecedents and customers satisfaction. The use of the R square is considered reasonable for cross-sectional data (Studenmund, 2001). According to Table 5, factors such as location ($\beta=0.330$, $p=.000<0.05$), where close proximity of the store location allows for easy access to the store especially for consumers in Sri Aman; price ($\beta=-0.331$, $p=.000<0.05$) where, cheaper price encourage increasing demand for the products offered by *bumiputera* grocery store ;store operating hours ($\beta=-0.391$, $p=.000<0.05$) that the consumers feel more convenient to shop at the store who has longer operating hours and are also open during weekend as well as public holiday; customers service ($\beta=0.247$, $p=.000<0.05$) that, the good customer service and strong retailed image provided by retailer also has strongly influenced the consumers in both areas to buy products from the *bumiputera* store; religion and culture ($\beta=-0.196$, $p=.001<0.05$), that customers are inclined to buy goods which are cultural and religious related; and promotional activities from seller ($\beta=.272$, $p=.000<0.05$) where promotion such as personal selling of their store or new products to their customers encourage consumers to feel more welcome to the store and that will encourage them to be attracted and spent more times at *bumiputera* grocery store.

5.5 Regression to test if in the long run customers continue to buy from *bumiputra* grocery store.

Table 6: R-Square for Consumer Continuous Buying Behavior

Model	R	R Square	Adjusted R Square	Std. Error f the Estimate
1	0.748 ^a	0.559	0.554	0.70156

Table 7: Coefficients of Consumer Continues' Buying Behavior

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std.error	Beta		
Location	.509	.069	.391	7.357	.000
Price	-.096	.075	-.087	-1.283	.201
Availability of goods	.672	.107	.532	6.268	.000
Operating hours	-.072	.080	-.066	-.901	.368
Mutual benefits	.015	.066	.013	.229	.819
Customer service and store image	.245	.098	.160	2.497	.013
Family and Family relationship	.011	.061	.010	.183	.855
Religion/culture	.041	.073	.041	.567	.571
Promotion	.159	.051	.176	3.107	.002

a. Dependent Variable: I will continue to buy goods *Bumiputera* grocery store.

Based on the analysis, the R-square (Table 6) of 0.559, the relationship between the independent variables and the dependent variable are quite moderate. Table 7, shows that location ($p=.000<.05$), availability of goods ($p=.000<.05$), customer service ($p=.013<.05$), and promotion ($p=.002<.05$) are the driving force behind consumers' continued visit to the *bumiputera* retail shop.

The consumers feel more comfortable and are more likely to go to *bumiputera* grocery store which is in close proximity to their home, and this finding is consistent with early researcher (Recker & Kostyniuk, 1978; Meyer and Eagle, 1982; Fortheringham, 1988; Woodside and Trappey, 1992), that the choice of a store is very much influenced by location. Basically, the shopper would like to reduce their travel time when purchasing only the groceries goods (Sinha and Banerjee, 2004).

Pricing is significant as the retailer would usually offer lower price for certain product which the consumers can afford to buy. This trend and culture is dominant for the consumers and shoppers in Sri Aman. The price of product is reasonable and competitive and it has significantly influenced consumers to choose *bumiputera* grocery store which is consistent with literature by Corstens and Corstens, (1995) and Sinha and Banerjee, (2004) that store who offered discounted price are always visited by consumers.

The shopper want a longer operating hours and comfortable store, as they tend to stay longer on each visit (Sinha and Banerjee, 2004).

Better customer service and store image of retailers increase the probability of consumer to come shopping at particular store (Sirohi et al., 1998; Palma, Emerson &House, 2003).

Promotion increases shopper interest and confidence in the store which is consistent with studies by Kumar and Leone (1988), and Urbany et al., (2000), which indicated that retail stores which have regular special price allowed for limited periods of time on selected items and goods provide opportunity for customers to enjoy additional value for money or to buy an item that they would have not ordinarily afforded.

6.0 Conclusion

Consumers in Kuching prefer to buy grocery products at the big retail store compared to the consumers in Sri Aman who prefer to go to *bumiputera* grocery store as their convenience store. In Kuching, the big super markets or mega stores provide all kinds of products under one roof, making it very convenient for customers in Kuching to buy and take home. The choice of stores location among the retailers are still very imperative for both short term and long term needs of the *bumiputera* retailers, and the long history of locating grocery shops near to the local communities remain significant.

Generally in the short term, *bumiputera* retailers have to be mindful of the impact of making customers satisfied, in terms of the business location, attractive pricing, convenient, flexible and long operating hours, customer and personalized service, the needs to provide for cultural and religious necessity and retailers must continue to promote their shop and product.

Nevertheless for long term survival and continued relevance, the *bumiputera* retailers should know that their shop must be easily accessible to customers, goods must be available when required by customers, and the retailers cannot take for granted the need to provide good customer service and from time to time promoting its products and shop. In other words, the *bumiputra* retailers need to embrace the arts of trading, strategizing their business. Consumers' satisfaction is imperative and that customers' loyalty and continuous support cannot be discarded for long term existence and survival.

In the part of the government who would like to see more *bumiputera* becoming retailers, the existing and the prospective *bumiputera* retailers should be encouraged to be knowledgeable on the arts of marketing and retailing. An understanding of some of those contributing elements towards business strategy may potentially help them to grow and sustain business in the future.

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