

## **Is Location a competitive advantage on retail convenience shopping?**

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### **ABSTRACT**

Retail sector is not sustainable although it is considered to be one of the biggest employment sectors in Tanzania. This is due to established retail shops which end up being closed after short period of time. The main objective of this study was to examine location as a competitive advantage on retail convenience shopping. Specifically, to assess the influence of parking facilities on retail convenience shopping, to determine the impact of accessibility on retail convenience shopping and to delineate the influence of shop visibility on retail convenience shopping. Data was collected through structured questionnaires which were distributed to 242 retail shop customers in Kinondoni- Dar es Salaam region. Convenience sampling was used to select retail shops in Kinondoni. Multiple linear regression was used to test the hypotheses. Findings of this study reveal that parking facilities, accessibility to the shop and shop visibility have positive and significant impact on retail convenience shopping at  $p > 0.001$  significance level. Therefore, when choosing where to locate a retail shop, retailers should consider these three factors in order to be competitive in the market. We recommend future studies to focus on location and convenience shopping, as well as large supermarkets in Zanzibar.

**Keyword:** location, parking facilities, accessibility, visibility, retail shops

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## **1.0 INTRODUCTION**

Location of retail shops has been vigorously researched during the past century (Kateryna, 2005; Colomé & Serra, 2003; Craig & Ghost, 1983). Several key areas in the literature on the shop location as a competitive advantage in convenience shopping have not been researched (Hernández & Bennis, 2000; Lits, 2008; Karl, 2013). Previous studies on location and convenience shopping have concentrated on examining different models and variables in choosing location of retail shops, and the choice of retail store location based on retailers' point of view. However, the literature on location and retail convenience shopping based on customer's view is missing. There are scant studies on assessment of location and its impact on retail convenience shopping (Hernández & Bennis, 2000; Lits, 2008; Karl, 2013). While Tanzania is moving towards industrialization, entrepreneurs should be able to know what customer's are looking for when they decide to shop in retail stores. This paper poses the research question of which state that "is location a competitive advantage on retail convenience shopping?"

Retail shops in Tanzania are considered to be one of the biggest employment sectors. However, the sector is not sustainable due to established retail shops which end up being closed after short period of time. According to Kotler (2005), economic activity will take root if there is competitive advantage and niche that is hard to replicate elsewhere. Kotler added that if businesses are to prosper, they must find a compelling competitive reason for locating in the area. A coherent strategy for development starts with the fundamental economic principle on where the business should be located. In a market economy, where one of the main driving forces are rivalry, the choice of a location for retail and service firms in the broader context of a well-formulated competitive strategy is crucially important. Business location is a unique factor which competitors cannot imitate. Location can give a strong competitive advantage. Good location is the key element for attracting customers to the outlet. A well located retail shop makes supply and distribution easier. Retail business draws customers to a shop location; the site must be convenient to the customer. It means that, location must be easily accessible and provide customers with a sense of safety upon their arrival and exit. Location of the shop can be closer/on the way home or work place. The issue of convenience is of great importance in today's consumers; a retail shop can prosper or fail solely based on its location. While other marketing mix elements may be easily changed in response to a changing environment, retail shop location represents long-term investment that can be changed only at considerable cost. Therefore, a critical element of the retailer's strategic plan is a location strategy that considers future changes in the environment (Colomé & Serra, 2003).

According to Runciman *et al.* (2001), retailers compete by attempting to gain a competitive advantage over their rivals. They do this in one of four ways. First, they can use pricing of their products. Second, they can use geographic location whereby they select a more suitable site of the market to locate in. Third, they can use product selection, differentiation or packaging. Finally, they can differentiate themselves from their competition by offering better customer service. The relative importance of these factors to each retailer varies. Runciman *et al.* (1998) argues that no retailer competes based on only one of these factors; instead, they compete by combining a number of these strategies. However, others argue that geographic location is the prime factor because prices and product selection, differentiation or packaging, as well as customer service can all be imitated by competitors, but it is difficult to assail the location of a competitor (Litz & Rajaguru, 2008). Similarly, Scarborough and Zimmerer (2003) attribute the failure of many good potential retail firms to the inability of their owners to find a location that is compatible with the nature of the business.

Convenience shopping has been one of the concerns of marketers for many years (Parasuraman, Zeithaml & Berry, 1985; Reinartz, Dellaert, Krafft, Kumar & Varadarajan, 2011; Clulow & Reimers, 2009). This is because it is one of the best tools for marketers to retain and attract customers especially in the competitive environment (Prinsloo, 2016). Location, Price

competitiveness, extended shopping hours as well as the variety of the stock that is offered are among the factors that customers look at for convenience of shopping in retail shops.

## **2.0 LITERATURE REVIEW**

### **2.1 Location concept**

Mendes and Themindo (2004) define shop location as the physical space occupied by a shop. They further attribute that it is the catchment area of a shop which experiences intense economic and commercial activities. Shop location incorporates trade area analysis and retail site analysis. A trade area as defined by Jaravaza and Chitando, (2013) is a contiguous geographic area that accounts for the majority of a shop's sales and customers. The trading area analysis usually provides the basis for delineating both the trading area of a new shop and that of an existing shop. This is usually done by evaluating the demographic characteristics of the area. Many retailers use the Geographic Information Systems (GIS) software to determine their trading areas. On the other hand, retail site analysis is the next step in evaluating alternative specific shop sites which can be an isolated shop, unplanned business district and the planned business district coupled with site characteristics, such as traffic flow, visibility, and terms of occupancy just to name a few.

Location is typically one of the most influential considerations in a customer's store choice decisions. For instance, a working couple can easily decide to shop nearest to their bus station on their way from work. Most consumers similarly shop at the retail stores closest to them. Location decisions have strategic importance because they can be used to develop a sustainable competitive advantage. If a retailer has the best location, the location that is most attractive to its customers, competitors are relegated to occupying the second-best location (Levy, Roggeveen, Compeau & Grewal, 2012)

A good location may enable a retailer to succeed even if its strategy mix is ordinary. On the other hand, a poor location can have liabilities that even the able retailer could not overcome. There are three types of location available for retail shops which are solitary sites, unplanned shopping areas and planned shopping areas. Each of the basic types is associated with specific advantages and disadvantages according to, the size of the catchment area, occupancy costs, pedestrian or vehicle customer traffic, restrictions placed on shop operations or convenience of the location.

-Solitary sites (Isolated sites) - This type of location relates to single, free standing outlets that are isolated from other retailers. They can be positioned on roads or near other retailers or shopping centers. Such sites are used by large store formats in food and non food retailing or for convenience shops.

-Unplanned shopping areas - Are retail locations with several outlets, in close proximity to each other that have evolved over time. The retail mix is not a result of long range planning and for such locations, there is no centralized management. The main kind of unplanned shopping areas are (1) central business areas traditional downtown areas in cities/towns), (2) secondary business areas in larger cities and main streets or high street location in smaller cities, (3) neighborhood area, and (4) strip or string location (locations along a street or motorway).

-Planned shopping centers - are retail locations that have been architecturally planned to provide a unified theme for a number of outlets. These sites are developed deliberately and usually have some large, key retail brand shops (anchor shops) and a number of smaller retailers to add diversity and special interest. The basic types of shopping centers are retail parks that consist of a purpose built cluster of free standing retails outlets. There are (large) parking facilities and shopping centers that consist of single building which are marketed as a unified shopping destination, usually with one name and logo. The retail mix is different from retail parks, as the range of stores is wider and often includes luxury and leisure items as clothing, footwear and other typical central location merchandise.

The decision for selecting retail location depends on the consumer'/buyer's interests. The selection of a store location generally requires extensive decision making by the retailer because of the number of factors or criteria to be considered. These include the size and characteristics of the

surrounding population, the level of competition, access to transportation, the availability of parking, and the attributes of nearby stores, property costs and the length of a lease agreement as well as legal restrictions. A store location usually requires a sizable financial investment and long term commitment by the retailer (Grewal, Levy & Kumar, 2009).

Critical to our understanding of the Resource Based View theory of the firm is the definition of resources, competitive advantage, and sustained competitive advantage. First, Barney (1991) asserts that resources fall into three categories: physical-capital resources (e.g. a firm's plant, equipment, and geographical location), human-capital resources (e.g. experience, judgment, and intelligence of individuals), and organizational-capital resources (e.g. a firm's structure, planning, controlling, and coordinating systems). Based on this view, location of retail shops are the important element when the consumer is looking for convenience of shopping. Consumers consider various factors in choosing location such as accessibility, parking area and visibility. The article "Stability in Competition" by Working and Hotelling (1929) was one of the first to address the issue of retail competition with respect to location. Working and Hotelling (1929) assumed a world of two firms competing for customers in a linear market in which population distribution is even. Both the firms and consumers behave rationally, and consumers would only shop at the location that was the closest to them. At any time, each firm can have only one location, but firms do not incur any cost by changing location (Phlips & Thisse, 1982; Ofori-Amoah, 2007). Under these assumptions, showed how the two firms would alter their locations to achieve an advantage. Each firm would locate on either end of a theoretical linear market. In order to gain an advantage, firms would change location to gather more customers. In the end, they would reach a state of equilibrium where both shops would locate close to each other in the center of the market. Working and Hotelling (1929) also believed that firms would compete efficiently by selling the same products; he called this the principle of minimum differentiation. This pioneering work led to the development of spatial competition theory, which refers to the mechanism by which competing firms attempt to capture the largest share of the market after choosing a position in geographic space. Levy and Weitz (2012) argued that customers consider location in terms of parking facilities, accessibility of the place and area which is visible among important things when choosing where to shop from.

### **2.1.1 Parking Facilities**

According to Levy and Weitz (2012) the importance of good parking facilities must not be overlooked in assessing a location. The amount and quality of parking facilities are critical for evaluating a shopping centre and specific site within the centre. On the other hand, if there are not enough spaces or the spaces are too far from the store, customers will be discouraged from patronizing the store. Retailers need to observe the shopping center at various times of the day, week, and season. They also must consider the availability of employee parking certain assumptions (Phlips & Thisse, 1982; Ofori-Amoah, 2007). This theory has provided several insights on location and retail competition. For example, some research disputes the idea that firms will locate as close as possible, rather their work indicates that they would instead locate as far from the competitor's location whilst still being in the market (Economides & Chaney, 1983). In contrast, Litz and Rajaguru (2008) established that a retailer's proximity to rivals is more important than its proximity to the market. An issue closely related to the parking facilities, but extended into the shopping centre itself is the relative congestion of the area. Congestion is an excess level of traffic that results in customer delays. There is an optimal level of congestion for customers. Too much congestion can make shopping slow, irritate customers and generally discourage sales. However, a relatively level of activity in a shopping centre creates and stimulates sales.

### **2.1.2 Accessibility**

Levy and Weitz (2004) defines accessibility as the ease with which a customer may get into and out of a site. Accessibility analysis considers the primary trading area. To assess a site's accessibility, a retailer simultaneously evaluates several factors such as road patterns, road conditions and barriers.

In road patterns, primary trading areas needs major arteries or freeways so customers can travel easily to the site. Road condition includes congestion and general state of repair of roads in the primary trading area. According to Levy *et al.* (2012), one of the most important factors affecting retail shop sales is the number of vehicles and pedestrians that pass by the site (traffic flow). Thus, retailers often use traffic count measures to asses a site's attractiveness. Good traffic flow and accessibility offers the one hundred percent type of location which in turn optimizes shop performance. There are two types of traffic flow, namely pedestrian traffic and vehicle traffic. *Pedestrian Traffic*: This is the number and type of people passing by; it is probably the most important measure of locations and site's value. However, the site with the highest pedestrian traffic does not necessarily mean potential customers; retailers should be able to convert the traffic into sales. According to Berman and Evans (1995) a proper pedestrian traffic count should encompass these four elements: A separation of the count by age and gender - children under a certain age should not be counted. A division of the count by time – this allows the study of peaks, low points and changes in the gender of people passing by the hour. Pedestrian interviews – these enable researchers to find out the proportion of potential shoppers. Spot analysis of shopping trips – these allows observers to verify the stores visited. *Vehicle Traffic*: The quantity and characteristics of vehicle traffic must be examined, especially by retailers appealing to customers who drive there. Grocery stores, convenience stores and car washes are often examples of retailers that rely on heavy vehicular traffic. Vehicle customers always avoid heavily congested areas and shop in areas where driving time and driving difficulties are often minimized. However, in down town areas, closeness to mass transportation is important, particularly for people who do not own cars and commute to work. The availability of buses, taxis, commuters or any other kinds of public transit creates areas that are at the hub of mass transportation network, therefore allowing people from all over a city to shop there. Research has shown that with the increase in number of working women worldwide, shopping time is fast becoming a scarce resource; as a result, many persons do their shopping on their way back home from work, hence public transport ranks are becoming popular with retailers as they provide an easy flow of potential customers. Only shop managers were interviewed.

### **2.1.3 Visibility**

As defined by Levy *et al.* (2012) visibility refers to a site's ability to be seen by pedestrian and vehicular traffic. High visibility makes passersby aware that a store exists and is open. On the other hand, placement in the location refers to a site's relative position in the district or centre. A corner location is often desirable since it is situated at the intersection of two streets and has "corner influence". Corner locations is often characterized by these advantages; greater pedestrian and vehicular passersby due to converging traffic flows from two streets, increased show-window display area, and less traffic congestion via the use of two or more entrances

### **2.1.4 Empirical Literature Review**

Many studies looked at location with regard to convenience of shopping (Kateryna, 2005; Colomé & Serra, 2003; Craig & Ghost, 1983). Jaravaza and Chitando (2013) studied on the Role of Store Location in Influencing Customers' Store Choice. It was descriptive study. Non convenience sampling was used in the selection of the two outlets, whereby Systematic sampling of respondents was done. It was found that income earned influence people's perceptions, lifestyles and shopping trends and generally affects store choice decisions.

Schranz (2013) studied Location as Competitive Strategy in Retail shops. The study was conducted in Peninsula, Michigan. This research was conducted using a case study approach. Data was taken from the United States Census Bureau spanning from 2000 and 2010 ten-years, a census populations from American Community Survey. The proximity and clustering analysis shows that GameStop locates and clusters consistently to its supercenter competition.

Kateryna, (2005) conducted a study on the optimal location of a retail store and its effects on consumers buying behavior in Ukrain. Two days' survey research was designed to capture

respondents from two supermarkets in Troeschina region of Kiev. Simple random sampling procedure was used. Factor analysis was employed to examine the patterns of relationship among variables. The results showed the highest factor loading for the variable that represents the convenience for parking and design and facilities.

## **2.2 Synthesis of Empirical Literature Review and Theoretical Review**

The empirical literature review indicates that studies have concentrated on the motivation for location on Convenience of shopping in the Retail shops based on retailers' view whereby, they looked at the best model that could be applied with regard to the place where they can locate retail shops. They believe that if a retailer has the best location, that is, the location that is most attractive to its customers, competitors are relegated to occupying the second-best location. Therefore, they consider location in terms of size and characteristics of the surrounding population, the level of competition, access to transportation, and the attributes of nearby stores, property costs and the length of a lease agreement, as well as legal restrictions. They didn't consider location in terms of parking facilities, accessibility and visibility which are the concern of customers. Resource Based View theory was applied to guide hypotheses developed from location as a competitive advantage in convenience shopping in the retail shops.

## **2.3 Hypotheses**

This study considers parking facilities, accessibility and visibility to contribute towards retail convenience shopping. When customers have parking space, retail shops are accessible and visible, there is convenience of shopping in the retail shops. Therefore, independent variables in this study are parking facilities, accessibility and visibility and retail convenience shopping being the dependent variable. Retail convenience shopping is measured by shop products price, extended shopping hours and availability of variety products. Therefore, it has been hypothesized that:

- (i) Parking facilities have a positive influence on retail convenience shopping;
- (ii) Accessibility has positive influence on retail convenience shopping; and
- (iii) Visibility has a positive influence on retail convenience shopping.

## **3.0 DATA AND METHODOLOGY**

This study assessed the impact of location as competitive advantage in convenience shopping in the retail shops in Kinondoni District. The study was undertaken in Kinondoni due to accessibility and convenience in data collection. Survey design approach was applied and questionnaires were designed in five point Likert scale formed in 1 strongly disagree to 5 strongly agree. Convenience sampling was used to select sample of retail shops due to absence of sampling frame. Kinondoni is the biggest compared to other district within Dar es Salaam region.

Convenience sampling was used to select sample of retail shops while purposive sampling was used to select retail shops which were located in the same area. Thereafter, respondents above 18 years were asked to give their views on what makes them shop from the shops they were shopping from. Two hundred and forty-five (245) structured questionnaires were distributed for data collection, whereby three of them were half filled and, therefore, they were regarded as incomplete. Therefore, two hundred and forty-two (242) respondents were able to complete the questionnaires.

After data were coded and cleaned by Software Package for Social Sciences (SPSS), descriptive statistics were obtained and multiple linear regression was employed to test the hypotheses. To validate the data, information that was used in the questionnaires was obtained from Levy *et al.* (2012) followed by pilot test of 20 customers from retail shops in Ilala Municipal Council to ensure clarity in instructions, questions and scale of items. Cronbach's Alpha was used to test consistency of responses.

## **4.0 FINDINGS and DISCUSSION**

#### 4.1 Respondents Profile

Table 1 indicates respondent's profile for this study. It is indicated that respondents' aged between 31 to 40 years scored the largest percentage (47%) in the retail shopping, while respondents aged above fifty years are the least (2%) respondents. Female respondents constitute the largest percentage (69%) to their male counterpart (31%). University degree holders dominate the group by 49% followed by college (35%), secondary school (12%) and primary school (4%) leavers. Middle class earners 500,000-999,999 are the largest percentage (45%) of retail shoppers, followed by the respondent earning 500,000 and below (26%) and 1,000,000 to 2,999,999 (23%). The respondents earning 3,000,000 and above were the least in the group (6%).

**Table 1:** Respondent Profile;  $n = 242$

Characteristics	Percent
<b>Age of respondents</b>	
18-30	29
31-40	47
41-50	22
Above 50	2
<b>Sex</b>	
Male	31
Female	69
<b>Education level of respondent</b>	
Primary education	4
Secondary education	12
College	35
University	49
<b>Monthly Income in Tshs</b>	
Below 500,000	26
500,000-999,999	45
1,000,000-2,999,999	23
3,000,000 and above	6

US\$ 1 = TShs. 2285 May (2018)

#### 4.2 Variable multicollinearity test

Multicollinearity was measured using the variance inflation factor (VIF). VIF measures how much the variance of the estimated coefficients increases over the case of no correlation among the variables (Field, 2013). If no two variables are correlated then the VIF will be less than 5 (Field, 2013). If a variable has a VIF value of equal to or above 5, there is a threat of multicollinearity associated with that variable. Table 2 indicates the independent variables used were within the recommended range of below 5, meaning that there was no threat of multicollinearity in the data (Hair & Lukas, 2014).

**Table 2:** Multicollinearity test;  $n = 242$

Variable	Collinearity Statistics	
	Tolerance	VIF
Parking facilities	0.870	2.316
Accessibility	0.816	2.394

Visibility	0.852	2.330
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Source: Field data (2018)

### 4.3 Kaiser-Meyer-Olkin (KMO)

To assure that variables do not correlate with other variables in the analysis, the adequacy of the sample that is appropriate for factor analysis was tested, as recommended by Hair et al.. (2010). The sampling adequacy of the items was tested using the Kaiser-Meyer-Olkin (KMO), which measures the sampling adequacy (Kaiser, 1974). The results of KMO tests was  $\chi^2(212) = 1623.520$ ,  $P < 0.001$  (Table 3), which indicates that the correlation matrix is significantly different from the identity matrix where the variables would not correlate with each other, and the variables being appropriate for factorization. The KMO index of 0.760 indicates that variables are good for factorial analysis. This index is well above the minimum criterion of 0.6 (Field, 2013).

Bartlett's measure tests the null hypothesis that the original correlation matrix is an identity matrix, and shows that the test is sig 0.000,  $p < 0.001$ . A visual check on communalities noted that all the values were around 0.5 and above as proposed by Hair and Lukas (2014). Table 3 presents the Kaiser-Meyer-Olkin measure of sampling adequacy, calculated as 0.760, indicating that the latent constructs can predict the variability in the response on the observed variables. Both tests provide evidence that support factor analysis.

**Table 3:** KMO and Bartlett's Test for the Variables;  $n = 242$

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.760
Approx. Chi-Square	1623.520
Bartlett's Test of Sphericity	210
df	210
Sig.	0.000

Source: Field data (2018)

Exploratory factor analyses were performed for independent variables, particularly parking facilities, accessibilities and visibilities, and retail convenience shopping as dependent variable (Table 4). Exploratory factor analysis items that had cross-loadings and an Eigen value of lower than 0.40 were dropped from further analyses (Field, 2013). Thereafter, the items under each dimension were summated and the averaged with the latter used for subsequent inferential tests.

**Table 4:** Exploratory Factor analysis

Factor	Code	Components				Cronbach's Alpha
		1	2	3	4	
Retail convenience shopping	Competitive price	0.918				0.903
	Extended shopping	0.797				
	One stop shop	0.994				
	Variety products	0.906				
Parking facilities	Parking area		0.822			0.761
	Free parking		0.764			
	Security		0.698			
Accessibility	Near home			0.992		0.943
	Near work place			0.898		
	Pediatrician traffic			0.934		
	Vehicle traffic			0.948		
Visibility	Easy to see				0.778	0.818
	Along the road				0.862	
	Signs				0.814	

Source: Field data (2018)

Table 5 below shows the value of individual variable and its relationship with retail convenience shopping. The study found that location (parking facilities, accessibility and visibility) has positive effect and significant impact on retail convenience shopping ( $b = 0.220$ , sig 0.000;  $b = 0.94$ , sig 0.000 and  $b=0.104$  sig 0.001) respectively. R square indicates that location (parking facilities, accessibility and visibility) contribute 88% on retail convenience shopping. Adjusted R square indicate that even when the whole population would be taken into consideration still location would be contributing 85% in retail convenience shopping with F value of 48.001 which is significant at 0.000. Durbin-Watson (a test for serial correlations between errors) indicates the value of 2.004 showing that the residuals are uncorrelated which was supported by Field (2013); Durbin and Watson (1951) as the best value.

**Table 5: Regression Analysis**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	3.558	0.654		5.664	0.000
Parking Facilities	0.220	0.042	0.412	14.332	0.000
Accessibility	0.94	0.031	0.102	6.038	0.000
Visibility	0.104	0.033	0.187	7.504	0.001
R = 0.882, R <sup>2</sup> = 0.884, Adjusted R <sup>2</sup> = 0.850 F value 48.001 (sig. 0.000) Durbin-Watson 2.004					

Source: Field data (2018)

## 5.0 CONCLUSION

This study assessed location as competitive advantage on retail convenience shopping. Three hypotheses were drawn from location and convenience shopping literature. Convenience sampling was used to select sample of retail shops while purposive sampling was used to select retail shops which were located in the same area. Descriptively, this study finding indicates that, the middle age (31-40 years) are the people who regularly do shopping for their families and that, in this context women normally are the ones who are responsible for family caring and therefore are the ones who do shopping. This implies that if a retailer would like to establish a retail shop, one would consider the place where women could easily reach. In establishing a retail shop, a retailer should keep in mind that the most buyers are the people of the middle income earners (500,000-999,999 Tshs equivalent to 220-340 USD) who are degree holders and therefore, marketing mix should be planned to reflect this group of people.

The result of multiple linear regression lead to non-rejection of three hypotheses indicating retail convenience shopping to be influenced by independent variables. Such finding complement with Levy *et al.* (2012) which noted that good location may enable a retailer to succeed even if its strategy mix is ordinary, and that, a poor location can be such liabilities that even the able retailer may be unable to overcome it. Compared to Mendes and Themindo (2004) who looked at location and retail convenience shopping on the retailers' view and concentrated on the factors to consider when making decision on the location of retail store, this study focuses on the location and retail

convenience shopping based on customers view. Considering the importance of customers in determining the survival of businesses and that they are the ones who would make decision on where to buy, it was very important to do this research. On the other hand, a retailer should bear in mind that when selecting shop location, parking space should not be overlooked. This study supports Levy and Weitz, (2004) in that, if there are no enough spaces or the spaces are too far from the store, customers will be discouraged from patronizing the store. This study also indicates that customers shop where there is accessibility to the stores, meaning that no car trafficking or congestion. Customers would like to save time and that if the shop located at the place with too much traffic it would be wastage of time.

Customers also like to do shopping at the place where there is a proper pedestrian traffic. Pedestrian traffic could affect shopping behavior of customers due to that the security of their staff such as handbags and phones would be at risk. This is in line with Levy and Weitz (2004) in that the number and type of people passing by the shop is probably the most important measure of locations. Respondents indicate that retail shops near their work places and homes are likely to be visited. Customers also like to shop where the shop is easily seen or easy to direct. If a shop is not easily seen, then there is possibility for someone to get lost. This study shows that respondents tend to shop where there is billboard and other signs. This is in line with Levy and Weitz (2012) in that high visibility makes passersby aware that a store exists and is open.

#### **STUDY LIMITATION**

*This study was conducted in just one district of Dar es Salaam region being Kinondoni. It was done in retail shops which indicate that only specific (low and medium class earners) group of people would like to shop within. Therefore, this study opens room for further studies. One would expand the study by looking at location and convenience shopping in different places, such as Zanzibar where culture is a bit different due to the facts that men are the ones who do shopping and therefore may yield different results. The same study could be conducted in large supermarkets where all kind of buyers' shop so as to taste their shopping location preferences.*

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