

**APPAREL RETAIL BUYERS' ATTITUDE AND ACCEPTANCE
BEHAVIOR TOWARD MANUFACTURER'S PROMOTIONAL SUPPORT:
EFFECTS OF RETAIL ORGANIZATION'S ORIENTATION, SIZE, AND
DEGREE OF CENTRALIZATION**


by

Haesun Park

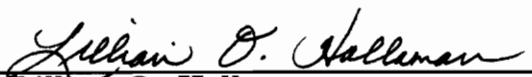
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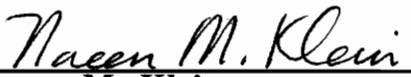
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(ABSTRACT)

Manufacturer's promotional support is an important factor in buyers' selection of their suppliers. Research into retail customers' needs examined apparel retail buyers' attitude and acceptance behavior toward manufacturer's promotional support, and the effects of retail organization's characteristics (i.e., orientation, size, and degree of centralization) on the attitude and acceptance behavior toward the promotional support. Promotional support items were categorized into four through literature review (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). Differences between importance perception and offering frequency of promotional support, and differences between importance perception and acceptance and cooperation level with promotional support were also examined. A mail survey (postal or fax) was designed to collect data. Apparel retail buyers from one hundred apparel retail organizations with annual sales volume over \$100 million, randomly selected from Hoovers Online Search on the internet, participated in the survey. Forty-eight organizations agreed to participate. A total of 397 questionnaires were mailed, with follow-up phone calls to increase the response rate. Data analysis was conducted on the 137 questionnaires out of 141

questionnaires returned (response rate: 35.52%). Pearson's correlation coefficient revealed a positive relationship between importance perception and offering frequency of promotional support, and between importance perception and acceptance or cooperation level. Analysis of variance (ANOVA) revealed the existence of significant differences among levels of orientation and degree of centralization in apparel retail buyers' attitude and acceptance behavior toward three promotional support components (i.e., promotional materials, selling aids, motivating salespeople). Specific differences in attitude and acceptance behavior among levels of organizational variables are discussed, and some recommendations for apparel manufacturers' promotional support strategies to their specific retail customers are proposed.

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TABLE OF CONTENTS

ACKNOWLEDGEMENT.....	<i>iv</i>
TABLE OF CONTENTS.....	<i>v</i>
TABLES.....	<i>x</i>
FIGURES.....	<i>xii</i>
CHAPTER I. INTRODUCTION.....	1
Statement of Problem.....	1
Theoretical Framework.....	5
Purpose of the Study.....	9
Objectives of the Study.....	10
Assumption of the Study.....	11
CHAPTER II. REVIEW OF LITERATURE.....	12
Relationship between Manufacturers and Retailers.....	12
Channel Relationship.....	13
Channel Efficiency.....	14
Factors in the Relationship.....	15
Power and dependence.....	15
Power and conflict.....	16
Satisfaction and cooperation.....	17
Relationship in Apparel Industry.....	18
Summary.....	19
Retail Buying.....	20
Historical Trends of U.S. Apparel Retailing.....	20
Retail Buyer.....	23
Retail Buying as Organizational Buying.....	25
Vendor Selection.....	28
Organizational Characteristics as factors of the Buying Decision.....	32
Organizational orientation.....	32
Organization size.....	33
Degree of centralization.....	34
Summary.....	35
Promotional Support.....	39

Push Promotion Strategy.....	37
Promotional Support.....	39
Promotional materials.....	41
Monetary support.....	41
Selling aids.....	43
Motivation of salespeople.....	43
Effect of Promotional Support.....	44
Flow of the promotional support.....	44
Consumer response.....	45
Retailer response.....	47
Retailers' Attitude and Acceptance or Cooperation Behavior toward the Manufacturer's Promotional Support.....	48
Summary.....	50
 CHAPTER. III. METHODOLOGY.....	 52
Research Objectives.....	52
Definitions.....	53
Hypotheses.....	54
Hypothesis 1.....	54
Hypothesis 2.....	55
Hypothesis 3, 4, and 5.....	56
Research Design.....	58
Sampling.....	59
Preliminary Research.....	60
Instrumentation.....	62
Development of the questionnaire.....	62
Pilot test.....	63
Data Collection.....	63
Data Analysis.....	64
 CHAPTER IV. FINDINGS AND DISCUSSION.....	 68
Return Rate of the Survey.....	68
Retail Organization's Characteristics among Respondents.....	71
Validity and Reliability of Measures.....	73

Relationships among Variables.....	75
Mean Ratings of Buyers' Perceptions of the Promotional Support.....	77
Importance Perception Mean rating.....	77
Offering Frequency Mean Rating.....	79
Acceptance or Cooperation Level Mean Rating.....	79
Tests of Hypotheses.....	82
Test of Hypothesis 1.....	83
Test of Hypothesis 2.....	85
Test of Hypothesis 3.....	86
Relationship between fashion orientation and importance perception.....	88
Differences among levels of fashion orientation in importance perception toward the promotional materials component.....	89
Differences among levels of fashion orientation in importance perception toward the selling aids component.....	89
Differences among levels of fashion orientation in importance perception toward the motivation of salespeople component....	89
Relationship between price orientation and importance perception.....	91
Differences among levels of price orientation in importance perception toward the promotional materials component.....	92
Differences among levels of price orientation in importance perception toward the selling aids component.....	94
Differences among levels of price orientation in importance perception toward the motivation of salespeople component...	94
Relationship between fashion orientation and acceptance or cooperation level.....	95
Differences among levels of fashion orientation in acceptance or cooperation level toward the promotional materials component	96
Differences among levels of fashion orientation in acceptance or cooperation level toward the selling aids component.....	98
Differences among levels of fashion orientation in acceptance or cooperation level toward the motivation of salespeople..... component.....	98

Relationship between price orientation and acceptance or cooperation level.....	99
Differences among levels of price orientation in acceptance or cooperation level toward the selling aids component.....	100
Differences among levels of price orientation in acceptance or cooperation level toward the motivation of salespeople component.....	102
Test of Hypothesis 4.....	103
Relationship between organization size and importance perception.....	104
Relationship between organization size and acceptance or cooperation level.....	105
Test of Hypothesis 5.....	107
Relationship between degree of centralization and importance perception.....	108
Differences among levels of centralization in importance perception toward promotional materials component.....	108
Differences among levels of centralization in importance perception toward selling aids component.....	109
Differences among levels of centralization in importance perception toward motivation of salespeople component.....	111
Relationship between degree of centralization and acceptance or cooperation level.....	112
Differences among levels of centralization in acceptance or cooperation level toward the promotional materials component.....	113
Differences among levels of centralization in acceptance or cooperation level toward the selling aids component.....	114
Differences among levels of centralization in acceptance behavior toward the motivation of salespeople component....	114
 CHAPTER V. SUMMARY, CONSLUSIONS, IMPLICATIONS, AND RECOMMENDATIONS.....	
Summary.....	117

Overall Mean Ratings of Variables.....	118
Relationships between Buyers' Importance Perception and Perceived Offering Frequency of Promotional Support.....	118
Relationships between Buyers' Importance Perception and Acceptance or Cooperation Level toward Promotional Support.....	119
Effects of Organizational Characteristics.....	120
Effect on apparel retail buyers' attitude.....	120
Effects on apparel retail buyers' acceptance behavior.....	121
Conclusions and Implications.....	121
Recommendations.....	125
 BIBLIOGRAPHY.....	 127
 APPENDIX.....	 142
Appendix A. Questionnaire and Letter for Apparel Retail Buyer.....	143
Appendix B. Letter for Director of Human Resources in Retail Organization....	151
Appendix C-1. Manuscript about Promotional Vendor Support and Its Effect on Sales as Perceived by Apparel Retail Buyers.....	153
Appendix C-2. Questionnaire and Letter for Apparel Retail Buyers for Manuscript.....	191
VITA.....	198

TABLES

Table 1. A Comprehensive List of Vendor Selection Criteria from the Literature.....	31
Table 2. Promotional Support Items in the Literature.....	40
Table 3. Summary of Variables Formation to Test H1 and H2.....	65
Table 4. Summary of Variables Formation to Test H3, H4, and H5.....	67
Table 5. Number of Questionnaires Mailed to Retail Organizations.....	70
Table 6. Response Rates for Originally Mailed and Follow-up Phone Calls.....	70
Table 7. Percentage Distribution for Retail Organization’s Characteristics of Respondents.....	72
Table 8. Organization Size Distribution of the Sample.....	73
Table 9. Standardized Cronbach’s Coefficient Alphas of the Measures.....	75
Table 10. Chi-square value for Correlation among Organizational Characteristics Variables.....	76
Table 11. Scale Means and Standard Deviations for Importance Perception of the Promotional Support.....	78
Table 12. Scale Means and Standard Deviations for Offering Frequency of Promotional Support.....	80
Table 13. Scale Means and Standard Deviations for Acceptance or Cooperation Level of Promotional Support.....	81
Table 14. Correlation Coefficients between Variables for Hypothesis 1.....	85
Table 15. Correlation Coefficients between Variables for Hypothesis 2.....	86
Table 16. Result of ANOVA for Importance Perception toward Promotional Support by Fashion Orientation.....	88
Table 17. Comparison among Levels of Fashion Orientation in Importance Perception toward Promotional Support.....	90
Table 18. Result of ANOVA for Importance Perception toward Promotional Support by Price Orientation.....	92
Table 19. Comparison among Levels of Price Orientation in Importance Perception toward Promotional Support.....	93
Table 20. Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Fashion Orientation.....	96
Table 21. Comparison among Levels of Fashion Orientation in Acceptance or Cooperation Level toward Promotional Support.....	97

Table 22. Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Price Orientation.....	100
Table 23. Comparison among Levels of Price Orientation in Acceptance or Cooperation Level toward Promotional Support.....	101
Table 24. Result of ANOVA for Importance Perception toward Promotional Support by Organization Size.....	105
Table 25. Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Organization Size.....	106
Table 26. Result of ANOVA for Importance Perception toward Promotional Support by Degree of Centralization.....	109
Table 27. Comparison among Levels of Centralization in Importance Perception toward Promotional Support.....	110
Table 28. Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Degree of Centralization.....	113
Table 29. Comparison among Levels of Centralization in Acceptance or Cooperation Level toward Promotional Support.....	115
Table 30. Existence of Difference in Attitude Mean Response	121
Table 31. Existence of Difference in Acceptance Behavior Mean Response.....	122

FIGURES

Figure 1. Retail buying process.....	8
Figure 2. Push vs. pull promotion strategy.....	38
Figure 3. Flow chart of promotional support.....	45

CHAPTER I

INTRODUCTION

Statement of the Problem

The 1936 Robinson-Patman Act states that it is legal for a seller to provide services and to pay for services that a buyer performs, provided these are made available to all competing customers on proportionally equal terms (Wingate & Friedlander, 1978). During the depression years of the 1930s, the issue of the big buyer came to the forefront with the increasing number of multi-unit chain stores and discount stores (Dickinson, 1974). The Robinson-Patman Act was passed to prevent the large buyer from using his bargaining power to obtain disguised discounts from his suppliers. This practice is referred to as price discrimination.

The Robinson-Patman Act declared price discrimination to be illegal when it substantially lessened competition or tended toward a monopoly. Further, the Act declared unlawful the payment or receipt of a brokerage commission to, or from, any party who is affiliated with the buyer or the seller. Services or facilities from sellers, including promotional support, must be made available to competing customers on proportionally equal terms. The buyer for the retail organization is not permitted to induce or receive concessions as proscribed by the Act (Dickinson, 1974; Kintner, 1970; Warren, 1956; Wingate & Friedlander, 1978). Retailers cannot make business decisions without taking into account the constraints of the legal framework of the competitive system within which they operate (Dickinson, 1974; Tarpey, 1972). According to the Robinson-Patman Act, manufacturers cannot negotiate with each retail customer in provision of promotional support.

To achieve their ultimate business purpose, manufacturers must build their promotional strategy on the basis of understanding their customers' needs. The effectiveness of a manufacturer's overall promotional strategy depends on how skillful the manufacturer is in securing cooperation from independent channel members in providing promotional support (Rosenbloom, 1990). A retailer's perspective is useful for manufacturers' strategic planning. Information about retail buyers' perception of promotional support is important for manufacturers to build appropriate promotional support strategies that coincide with their selected channel members' needs. Furthermore, to maximize effective promotion strategies, manufacturers can select future channel members according to their promotional needs. Retailers are the intermediary link between manufacturers and ultimate consumers; therefore, manufacturers' strategies may not reach consumers effectively without the retailers' cooperation (e.g., use of store space for promotion event).

The retail buyer's buying decisions are influenced by various factors: expectations, organizational factors, product-specific factors, and situational factors (Sheth, 1973). Supplier accessibility, as an effort to make a retailer select the manufacturer, is influenced by retailer's expectations. Many factors related to supplier accessibility and retail organization influence the retail buyer's decision making in terms of purchasing. Buyers will select suppliers who provide favorable promotional support services to their organization and who fit their organization's business objectives.

In the apparel industry, manufacturers provide promotional support in various forms to retailers. Wingate and Friedlander (1978) proposed a checklist of support services available to the retail buyer from manufacturers. It includes provision of promotional materials (e.g., display fixtures), monetary support (e.g., advertising allowances), selling aids to stores (e.g., consumer incentives), and motivation of salespeople (e.g., rewards to salespeople). It is necessary to seek retailers' cooperation in

providing promotional support, so that the services mutually benefit the manufacturers and the retailers. Manufacturers commonly use a pull promotional strategy (i.e., national advertising) to secure channel members' cooperation by attracting final consumers to the product; however, this practice is often not sufficient to attract retailers (Rosenbloom, 1990).

As Rosenbloom (1990) noted, the overall trend in promotional emphasis, as measured by dollars spent, has been toward push promotion rather than pull promotion. Push promotion strategies are used currently to secure retailers' cooperation directly. Promotional support from manufacturers is a push type promotion strategy, because the effort of the strategy, the push, is toward the retailers and the strategy is to sell to consumers. Retail buyers can be motivated by extra price incentives, advertising allowances, dealer contests, or even pep talks by the manufacturer (Rosenbloom, 1990). These strategies require more direct involvement by manufacturers with their retailers. Strategies that involve retailers in development stand a higher probability of being received favorably (Rosenbloom, 1990). To secure maximum cooperation of the retailers, manufacturers have to be informed about their retailers' attitude and acceptance behavior toward the promotional support strategy they provide. In previous research, retailers' attitude toward promotional support affects the buyer's acceptance of or cooperation with the promotional support (Blattberg, Eppen, & Leibermann, 1981; Chevalier & Curhan, 1976; Curhan & Kopp, 1988; Levy, Webster, & Kerin, 1983).

Apparel buyer's vendor selection criteria differ somewhat from the criteria for other retailing goods, and include product/vendor fashionability and newness, fit, fast delivery, and specification (Francis & Brown, 1985-1986; Hirschman, 1981; Shim & Kotsiopoulos, 1991). Moreover, fashion promotion differs from the promotion of other goods because of the uniqueness of the fashion product (Winters & Goodman, 1984). Promotion of apparel has a major influence on consumers (Frings, 1994; Shim & Drake, 1991). Apparel buyers

are more concerned about fashionability and distinctiveness of the product (Francis & Brown, 1985-1986; Frings, 1994; Shim & Kotsiopoulos, 1991); therefore, promotion in the apparel sector may differ from promotion for other businesses. Both promotion at both the retail level and the consumer level have been examined by researchers. Although some researchers have studied and determined manufacturers' promotional supports at the retail level, no study deals specifically with promotional supports in apparel retailing. It is necessary to determine the promotional supports specific to apparel retailing, to categorize them, and to examine buyers' attitude and acceptance behavior toward these supports.

Today's retailers have higher expectations and demand more nontraditional services from their manufacturers (Cedrone, 1991). Mergers, takeovers, and consolidations have resulted in major changes in apparel retailing (Cohen, 1989). More power is concentrated in the hands of fewer retailing firms. The concentration of buying power means that a smaller pool of megamerchant buyers are working with suppliers (Anderson & Narus, 1990; Palmieri, 1992; Robicheaux & El-Ansary, 1976; ZuHone & Morganosky, 1995). Previous research has noted the higher power of apparel retailers in channels of distribution (Dickerson & Dalecki, 1991; ZuHone & Morganosky, 1995). Research about these buyers has increased in importance for the apparel manufacturer.

To gain more buying power, retailers select manufacturers who will present something more attractive and useful for their sales. The decision making in terms of purchase may include the acceptance of or cooperation with many services provided by the manufacturer. Shim and Kotsiopoulos (1991) found that promotional aids and support are important criteria in buyers' selection decisions. Shim and Kotsiopoulos (1991) and Wingate and Friedlander (1978) noted that services such as promotional support are crucial factors in retailers' selection of manufacturers; however, these researchers made only a general examination of promotional support. Information about retailers' specific

perceptions of promotional support and reasons for acceptance is needed for manufacturers to build effective promotional strategies.

Sheth (1973) posits that an organization's characteristics influence the buying process; therefore, the relationship with the organizational characteristics is also examined in this study. Retail organization's characteristics are adapted from Sheth (1973) model: these include organization orientation, organization size, and degree of centralization. Research has shown the importance of these organizational characteristics to other retailing activities (Berman & Evance, 1992; Ko, 1995; Rosenbloom, 1990).

Theoretical Framework

Organizational buying is the process of decision making in formal organizations. Webster and Wind (1972) defined organizational buying behavior as the decision making process by which formal organizations (a) establish the need for purchased products and services and (b) identify, evaluate, and choose among alternative brands and suppliers. Organizational buying includes purchasing goods or services for future production, for use in operations, or for resale to other customers. Organizational customers can be divided into four types: goods producers, service producers, resellers, and government (Boyd, Walker, & Larreche, 1995). Retailers are included in the resellers type. Retail buying can be defined as the decision making process used by a retail buyer to identify, evaluate, and select merchandise for resale to the ultimate consumer (Ettenson & Wagner, 1986).

The decisions related to purchasing for and resale of merchandise to the consumer are crucial to the success or failure of a retail firm. Compared to the consumer buying process, retail buying involves more complex and more formalized buying decisions (Kotler & Armstrong, 1995). Purchasing for a company often involves large sums of

money, complex technical and economic considerations, and interactions among many people at many levels of the buyer's organization. Therefore, a retail organization's profitability is dependent on the performance of the retail buyer (Fairhurst & Fiorito, 1990). For this reason, the buying decision process is important to achieve business objectives of a retail organization.

Sheth's (1973) model of Industrial Buying Process provides a better understanding of the relationship between variables regarding the retail buyer's decision making process and the factors that affect the process. This model contains expectations, industrial buying process, conflict resolution, and situational factors. According to Sheth's model (1973), a buyer's decision making process is influenced by environmental or situational forces such as individual, product, buying situation, and company characteristics. The strength of the Sheth model is its explanation of the factors that affect the expectations of the individual buyer (Engel, Warshaw, & Kinnear, 1982). The expectations "refer to the perceived potential of alternative suppliers and brands to satisfy a number of explicit and implicit objectives in any particular buying decision" (Sheth, 1973, p. 52). The expectations are conditioned by direct-control information sources as well as indirect-control influences, such as individual backgrounds and satisfaction with past purchases. Buyers seek manufacturers who present the best purchasing conditions, including delivery, price, quality, and services. Promotional support from manufacturers is an important service available to the retailers.

Another component of Sheth's model (1973) is the buying process. The buying process is influenced by the expectations, product-specific factors, and company (organization)-specific factors. The model suggests three components which account for product-specific factors: time pressure, perceived risk, and type of purchase, and three components which account for company-specific factors: organization orientation, organization size, and degree of centralization. In this study, of the apparel industry,

company-specific factors (i.e., the retail organization's characteristics) are adapted as variables. In addition, the model contains conflict resolution and situational factors. Conflict resolution is an outcome of the joint buying decision, and it influences a buyer's supplier or brand choice; however, as retail organizational buying is differentiated by the autonomous buying decision, the resolution of conflict resulting from the joint decision is excluded in this study.

Sheth (1973) himself suggests that similarities exist between retail buyers and industrial buyers. Researchers also have found the Sheth industrial buying model is appropriate to apply to retail buying (Anthony & Jolly, 1991; Ettenson & Wagner, 1986; Francis & Brown, 1985-1986; Wagner, Ettenson, & Parrish, 1989). An apparel retail buyer's decision making process and the factors that affect this process can be explained by the model. Based on appropriateness, many researchers have applied the model to their study of retail buying (e.g., Anthony & Jolly, 1991; Francis & Brown, 1985-1986; Miller & Drake, 1987; Shim & Kotsiopoulos, 1991; Shim & Kotsiopoulos, 1994; Summers & Church, 1987). This study also is based on the model. Figure 1 is adapted from Sheth's model for this study. Bold flow shows the concentration of this study. This study includes (a) the retail buyer's attitude toward promotional support from the manufacturer as a component of expectation, (b) the buyers' acceptance behavior as decision making, and (c) the effect of the retail organization's characteristics.

The definitions of organizational buying by many researchers posit that buying behavior is a process of decision making (Boyd, et al., 1995; Ettenson & Wagner, 1986; Kotler, 1988; Kotler & Armstrong, 1994; Moriarty, 1983; Sheth, 1973; Webster & Wind, 1972). The two important buying decisions are the selection of merchandise and selection of suppliers (Wagner, et al., 1989). Some researchers examined the selection of the merchandise (Ettenson & Wagner, 1986; Francis & Brown, 1985-1986; Hirschman, 1981; Hirschman & Mazursky, 1982; Mazursky & Hirschman, 1987) and some examined the

selection of suppliers (Feinberg, 1988; Hirschman, 1981; Shim & Kotsiopoulos, 1991; Wagner, et al., 1989). The basic premise of these studies was that successful retail buying depends on the ability to select merchandise and vendors (i.e, manufacturers) that meet the needs and wants of the retail organization and its customers.

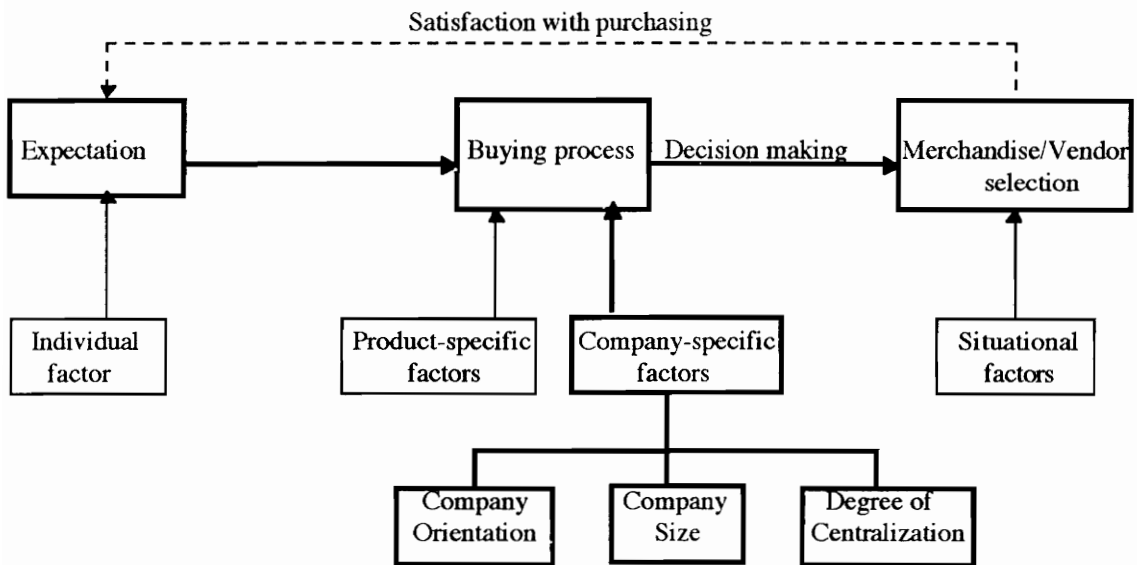


Figure 1. Retail buying process. Adapted from Sheth’s Industrial Buying Model (1973).

Expectations are formed by the buyer’s perceptions that the merchandise and vendor can satisfy the buyer’s needs and purchasing objectives (Sheth, 1973). Researchers who have studied vendor selection reported that services from manufacturers are important decision criteria (Hirschman, 1981; Shim & Kotsiopoulos, 1991; Wagner, et al., 1989). Manufacturers provide promotional support both to promote selection by

buyers and to satisfy buyers. Since this study examines the promotional support from apparel manufacturers, vendor selection decision of retail buyers is the focus. Sheth (1973) proposed that expectations about the promotional support from manufacturers influence the buyer's acceptance of or cooperation with the support services. Buyers only accept and cooperate with promotional support that they expect to have a beneficial effect for their stores. For this study, acceptance or cooperation will serve as a proxy for the buyer's expectations.

Purpose of the Study

The purpose of this study is to define promotional supports to apparel retailers from manufacturers, to identify the retailers' perceptions of the importance and offering frequency of the promotional support, and to investigate the relationship of the retail organizational variables with the retailers' importance perception and acceptance or cooperation level of the offered promotional support. Using customers rather than suppliers as a sample frame gives more accurate information about manufacturers' support services (Gilmour, 1979; Levy et al., 1983). Retail buyers' perceptions of promotional support are important to manufacturers in defining retailers' needs and building a better strategy toward retailers. This study will also provide a direction for future channel member selection to manufacturers by identifying the relationship of retail organization characteristics to the buyers' attitude and acceptance behavior toward the promotional support.

Objectives of the Study

The purpose of this study was to investigate the apparel retail buyers' importance perception, perceived offering frequency, and acceptance or cooperation level of a manufacturer's promotional support, to define the relationship between importance perception and perceived offering frequency, and between importance perception and acceptance or cooperation level of the manufacturer's promotional support, and to investigate the effects of the attitude and acceptance behavior on the organization's characteristics. Based on pretest findings that small apparel retailers commonly are not provided promotional support from their manufacturers (Park & Kincade, 1995), apparel buyers from various large retail organizations will be examined in this study. The objectives of this study are as follows:

1. To categorize the promotional support items in the apparel industry through the literature review.
2. To determine the organization's characteristic variables through the literature review.
3. To identify the relationship between apparel retail buyer's importance perception and perceived offering frequency across promotional support categories.
4. To identify the relationship between the apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) across promotional support categories.
5. To examine the effects of the retail organization's characteristics on the apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support.
6. To suggest appropriate promotional supports according to retail organization's characteristics.

Assumption of the Study

This study was done with the following assumptions:

1. The apparel retail buyers' attitude toward manufacturer's promotional support is defined by measuring the retailer's importance perception.
2. All major promotional support items are included in the study.
3. Categorization of the promotional support items is reasonable.
4. The most important retail organization's characteristics are organization orientation, organization size, and degree of centralization, based on Sheth's model (1973).

CHAPTER II

REVIEW OF LITERATURE

The review of literature includes three sections: (a) the relationship between manufacturers and retailers in the apparel retail industry, (b) retail buying, containing retail buyers' buying decision process and factors and the retail organization's characteristics, and (c) promotional support, as a manufacturer's strategy that seeks the cooperation of retail customers.

Relationship between Manufacturers and Retailers

The concept of a distribution channel is presented in this study to describe the complicated relationships between manufacturers and retailers in competitive apparel retailing. This concept presents not only what manufacturers offer to retailers but also how manufacturers interact with retailers to accomplish business objectives. Rosenbloom (1990) defined "the distribution channel as the external contractual organization which management operates to achieve its distribution objectives"(p. 6). The distribution channel consists of institutions that perform all the functions required to move a product from production to ultimate consumption (Bucklin, 1966). Members of the distribution channel participate in building channel structure and allocating decisions.

Channel Relationship

Distribution channels are systems created to link buyer and seller, such as a retailer and a manufacturer, or a consumer and a retailer (Park & Zaltman, 1987). A typical channel structure for consumer goods includes some forms of intermediaries. As most fashion goods are marketed through a type of retail outlet, retailers are a very important link in the apparel distribution channel. Most fashion retailers buy directly from the manufacturers, because the shorter channel decreases obsolescence and markdown, which is important to retain apparel fashionability (Rogers & Gamans, 1983). Therefore, the producers (e.g., manufacturers)-intermediaries (e.g., retailers)-final users (e.g., consumers) structure represents the typical apparel distribution channel. For apparel manufacturers, the opportunity of getting a company's merchandise to end-use consumers depends on retailers' buying behavior (Frings, 1994). Manufacturers' strategies, based on the understanding of retail buyers' buying behavior, make the manufacturers' product have an opportunity to reach to ultimate consumers.

Today, environmental changes in retailing in the U.S., caused by various mergers, takeovers, and consolidations, change the relationships between apparel manufacturers and retailers. Retailers have turned increasingly to low-cost imports for their apparel inventories, and domestic manufacturers have felt the impact of lost sales (Dickerson & Dalecki, 1991). Retailers have become more proficient at overseas sourcing, particularly for private-label lines, and manufacturing through offshore production. As a result, retailers have ignored domestic manufacturers to a greater degree. The relationship has created an imbalance in power. ZuHone and Morganosky (1995) examined the power held by apparel retailers and manufacturers in their relationship. Results indicated that retailers perceived themselves to have significantly more power than manufacturers in decision making areas. Both retailers and manufacturers felt that retailers would continue to have greater overall power than manufacturers in the future. This finding indicated that retailers

can control decision making, and manufacturers must give more effort to understanding retailers' needs and developing relationships with retailers.

A behavior change at any point in the channel causes change throughout the channel (Stern, 1969); therefore, apparel manufacturers are able to build good relationships in the channel by providing a support program or service system to retailers. Apparel manufacturers need to initiate efforts to improve those relationships. They have to become more sensitive to retailers' needs and try to serve those needs more effectively than they have in the past (Dickerson & Dalecki, 1991). The Quick Response system is an effort to serve retailers and improve the relationship through shortening reorder cycle and enhancing retailer performance by reducing markdowns and stock-outs (Cotton, 1986; Harding, 1988; Kincade, 1995). As U.S. manufacturers offer retailers advantages in using domestic sources for their products, retailers have shown an increased willingness to work with domestic products (McLean, 1986). A domestic manufacturer's offer of better promotional support based on the retailer's needs should also increase the retailer's demand for the domestic sources of apparel.

Channel Efficiency

"The bulk of consumer goods passes through a channel of distribution with retailers standing at one end and various types of suppliers placed at one or more earlier stages in the channel" (Mallen, 1963, p. 24). Manufacturers give some of the selling job to retailers. The manufacturers' use of retailers results from their greater efficiency in marketing goods available to target market. Retailers usually offer the manufacturing firm more than manufacturers can achieve on their own (Kotler & Armstrong, 1993). This process gives retailers, especially mass merchants, enormous power in the channel relationship (Dickerson & Dalecki, 1991).

Several factors influence channel efficiency. Conflicting and cooperating objectives in the manufacturer-retailer relationship in the soft goods industry are factors affecting channel efficiency (Mallen, 1963). Many researchers noted that greater channel efficiency resulted from less conflict and greater satisfaction in the channel relationship (Alderson, 1965; Lusch, 1976; Mallen, 1963; Rosenbloom, 1990). Effectiveness of the channel is reduced and efficient distribution is impeded when the conflicting objectives outweigh the cooperating objectives (Mallen, 1963). Cooperation, such as shared marketing efforts or activities, including manufacturer's offer and retailer's acceptance of promotional support leads to greater channel efficiency. In summary, the cooperative relationship between manufacturers and retailers determines channel efficiency.

Factors in the Relationship

Power and dependence. Although the relationship between manufacturers and retailers is based on economic concerns, social relationships or behavioral interactions underlie economic connections (Stern, 1969; Stern & Brown, 1969). Stern (1969) listed three implications of the social system approach: (a) each member of a distribution channel is dependent upon the behavior of other channel members; (b) a behavior change at any point in the channel causes change throughout the channel; and (c) the whole channel must operate effectively if the desires of any one member are to be realized.

In the social and behavioral context, the relationship between manufacturers and retailers is influenced by who holds power over and who has dependence on their channel members. In the marketing channel context, Rosenbloom (1990) defined 'power' as the capacity of a particular channel member to control or influence the behavior of another channel member. The power of a channel member lies in the ability to control the decision making of another channel member (El-Ansary & Stern, 1972). Relationships between manufacturers and retailers are influenced by the amount of power received and held by

each channel member, specifically in terms of decision-making areas (ZuHone & Morganosky, 1995).

Emerson (1962) claimed that one person's or group's power resides in the dependency of another. According to him, if the two groups are equally dependent on one another for valued outcomes, the relationship is said to be 'balanced' with neither person or group having a power advantage. If two groups are unequally dependent, the less dependent group has a power advantage over the other, and the relationship is 'imbalanced'. Many researchers, who studied the dependence concept in channel relationships, concluded that dependency is an inverse function of power held (Emerson, 1962; Frazier & Summers, 1986; Gaski, 1984; Michaels & Wiggins, 1976; Molm, 1987; ZuHone & Morganosky, 1995). In other words, relative dependence is found to be a significant antecedent of influence in the channel relationship.

Much research on channel dependence considered that a firm's perception of dependence was relative to its partner's dependence in the relationship (Anderson & Narus, 1990; Frazier & Summers, 1984, 1986; Gaski, 1984; Robicheaux & El-Ansary, 1976; ZuHone & Morganosky, 1995). These researchers indicated that a less dependent firm can successfully enact influential strategies, and a more dependent firm should seek ways to add value to the exchange for the partner firm at a relatively small cost to itself.

Power and Conflict. Some of the power related research examined power with respect to conflict in the channel relationships (Brown & Day, 1981; Etgar, 1976; Frazier, 1983; Gaski, 1984; Lusch, 1976; Lusch & Brown, 1982; Rosenberg & Stern, 1971; Wilkinson, 1981). Conflict represents the overall level of disagreement in business relationships (Anderson & Narus, 1990). For a cooperative relationship between manufacturers and retailers, avoiding conflict by retailers is important to manufacturers. Power and conflict have been studied in several empirical projects focused on channel control as perceived by channel members. Gaski (1984) found a negative causal

relationship between power over the partner firm and conflict. The greater the power a firm has over its partner firm the less conflict the firm encounters, because it is in the best interest of the partner to comply with the firm's request for action.

Satisfaction and Cooperation. A cooperative relationship among distribution channel members can provide a sustainable competitive advantage (Day & Wensley, 1983). Lusch (1976) stated that satisfaction of a channel member reduced interchannel conflict and resulted in channel efficiency. To retain their business effectively, domestic manufacturers must pay attention to getting retailers' cooperation. Although there are various types of channel relations in the marketing channel, relations among channel members are often characterized by cooperation (Wingate & Friedlander, 1978). Researchers found that cooperation among distribution channel members is necessary for organizations to join together in a system and to maintain business relationships (Anderson & Narus, 1984; Anderson & Narus, 1990; Dwyer, Schurr, & Oh, 1987; Narus & Anderson, 1987).

Some researchers have studied channel relationships by focusing on channel member satisfaction. Satisfaction is defined as "a positive affective state resulting from the appraisal of all aspects of a firm's working partnership with another firm" (Anderson & Narus, 1984, p. 66). A partner's performance contributes to satisfaction with a channel relationship (Wilkinson, 1979). Anderson and Narus (1990) found that meeting or exceeding the performance objectives through cooperation leads to trust and satisfaction with the working partnership. Satisfaction stems from perceived self-control over decision areas and perceived cooperativeness of partners in the channel (Dwyer, 1980). Dwyer (1980) found that cooperative channel systems exhibit higher levels of satisfaction within the system. Satisfied channel members are likely to be more cooperative (Hunt & Nevin, 1974). For a cooperative relationship, each manufacturer must take actions to provide a coordinated effort focused on jointly satisfying the retailer's need in the market place.

Relationship in Apparel Retail Industry

The apparel retail sector is characterized by imbalanced power in channel relationships (Arpen, de la Torre, Toyne, Bacchetta, Jedel, Stephan, & Halliburton, 1982; Dickerson & Dalecki, 1991; Shooshtari, Walker, & Jackson, 1988; ZuHone & Morganosky, 1995). Apparel retailers have more power, and manufacturers are more dependent on retailers. ZuHone and Morganosky (1995) noted two changes in the apparel industry related to power-dependence of manufacturers: (a) growth of mergers and acquisitions among retailers and (b) acceleration of importing by retail buyers. These changes may cause power held by each channel member to be in “imbalance”, with retailers holding more power and having less dependency. Considering this power holding situation in the apparel industry, Arpen, et al. (1982) noted that apparel manufacturing firms that became too dependent on a limited number of large retail accounts invariably became vulnerable to the retailers’ demands. El-Ansary and Stern (1972) and Skinner and Guilinan (1985) noted that the apparel retailers’ power means that the retailers are successful in achieving influence over the decisions of the manufacturers; therefore, it is important for apparel manufacturers to provide or offer services, such as promotional support, to obtain retailers’ satisfaction within the relationship. Morgan and Hunt (1994) noted that suppliers frequently responded to channel change by providing support services to emphasize the value of the present relationship. Supports provided by manufacturers are expected to give mutual benefits and consequently build good buyer-supplier relationship. In a study, manufacturers perceived that services, as well as lower prices and improved products, were the primary means of improving their marketing ability to retailers and reducing difficulty in their relationships with retailer customers (Dickerson & Dalecki, 1991).

Summary

The effect of promotional support from manufacturers reaches the ultimate consumer through retailers. In other words, as middlemen of the distribution channel, retailers are the vehicles for transferring promotional funds from manufacturers (Blattberg, Briesch, & Fox, 1995). Researchers noted that not all of the promotional support provided from manufacturers to retailers are passed through the distribution channel (Blattberg & Neslin, 1990; Chevalier & Curhan, 1976; Curhan & Kopp, 1986; Walters, 1988). Although promotional support is provided at the expense of manufacturers and for mutual benefit, not all the supports provided from manufactures are accepted by retailers. To maximize the efficiency of promotional support strategy from manufacturers, it is important to secure retailers' acceptance of or cooperation with the promotional support. Retail buyers' attitude toward promotional support from manufacturers affects their acceptance behavior (Curhan & Kopp, 1988). For channel optimization, it is important to investigate the buyers' attitude and acceptance behavior toward promotional support and to define efficient promotional support strategies for apparel manufacturers.

Manufacturers use middlemen for channel efficiency. Various channel relationships and factors have been researched. Cooperative and long-run channel relationships are recommended from previous studies. Many researchers view channel relationships to be related to power, dependence, conflict, satisfaction, and cooperation. Power-holding channel members may be less dependent and show less conflict and higher satisfaction over their dependent channel members and, consequently, they may be more cooperative in the relationship. Apparel retailers have gained more power, through recent changes, such as mergers, acquisitions, and consolidations. This shift implies that the apparel retailers are less dependent, while the manufacturers are more dependent on the retailers. As apparel manufacturers lose power and control of the channel, they need to understand the retailers'

need for support and to find ways to manage their channel relationships (e.g., providing promotional support).

Retail Buying

Activities within the larger retail firm are influenced by organizational philosophy (Dickinson, 1974). Organizational characteristics have been shown to affect many of the retailer's activities; therefore, organizational characteristics may influence the retail buyer's activities. Buying models include organizational characteristic as a contributing factor in the buying process (Kotler & Armstrong, 1994; Sheth, 1973; Wingate & Friedlander, 1978). In this section, organizational characteristics in apparel retail organizations are defined through a review of previous studies related retail organizations.

Historical Trends of U.S. Apparel Retailing

As intermediaries in the marketing channel, retailers consist of business firms engaged primarily in selling merchandise to the final consumers and rendering services contingent to the sale of the goods. Retail establishments in the U.S. form an extremely complex and diverse collection of firms (Rosenbloom, 1981). The form of many retail organizations has changed over the past forty years.

Traditional department stores grew rapidly through the first half of this century. After World War II, they began to lose market share to other types of retailers, including discount stores, specialty chains, off-price retailers (Kotler & Armstrong, 1994). The decade of the 1970s was characterized as "soaring, then sinking, then shaky due to the long predicted recession, the energy crisis, and ending with the highest post-Second World War inflation rate" (Dubbs, 1979, p. 9). In the 1970s, retailers targeted the high earnings and

spending power of the 'baby boomer' generation. Manufacturing production exceeded the capacity of distribution channels and created an over-supply of merchandise (Siegel, 1990). As a result, discounters took advantage of these conditions, offering consumers brand names at reduced prices. Women entered the workforce, households incomes increased, and women's time to shop decreased (Kotler & Armstrong, 1994). The more affluent consumers moved to the suburbs, and the retailers followed (Hethcote, 1995). Urban retail was replaced by discount department stores, until discount retailers were affected by over-storing (Hethcote, 1995).

In the early 1980s, the trend of smaller product quantities with more style began (Cohen 1989). Store and brand loyalty were eroding, because consumers were willing to spend money to satisfy their desire for individuality. Specialty stores that were able to distinguish their merchandise from the competition's merchandise continued to be an expanding retail segment (Cohen, 1989). The specialty store emerged following the trend of personal relationships in selling and buying (Gist, 1968). Increasing use of marketing tools and the changing lifestyle of consumers resulted in success for specialty stores. These stores were characterized by high-quality products, convenient locations, good hours, excellent service, and quick entry and exit. This trend toward niche marketing included the opening of many small owner-operated specialty stores (Cohen, 1989). Many of these stores merged into specialty store chains (Rogers & Gamans, 1983). When the market dimensions are similar and well defined and customers have the same taste and income, it is easier to merchandise stores in a variety of geographic locations from a central location and with a single format.

In this time period, the trend of private labeling increased with the growth of specialty stores. Many large retail stores reacted by creating their own private brands to build their own images (Frings, 1994). Higher markups on commodity products and price protection for private label products were the benefit of private labeling (Cohen, 1989).

Sources for private label apparel were retail selling offices, wholesale buying offices, and wholesale importers (Cohen, 1989). Some large retailers opened their own overseas corporate buying offices to handle factories located outside of the U.S. Large retailers became involved in direct contracting both domestically and internationally. Retailers developed licensing agreements with well-known designers in order to bring creativity and new idea to their lines (Cohen, 1989). Apparel manufacturers were owning retail stores, or retail stores were owning manufacturing plants. Distribution by vertical integration caused retailers to face direct competition with their own suppliers (Frings, 1994).

In the late 1970s and 1980s, the suburbs flourished. As central city districts deteriorated, retailers renovated older flagship stores, and neighborhood shopping flourished (Dubbs, 1979). Department stores began emphasizing direct mail catalogues to increase traffic, while specialty stores used catalogues to reach non-local customers (Gluck, 1977). Non-store retailing has great potential to change customer shopping patterns (e.g., limited shopping time) and to increase efficiency of operation (e.g., relatively low employment). Non-store retailing accounts for more than 14 percent of all consumer purchases, and it may account for a third of all sales by the end of the century (Kotler & Armstrong, 1994). Although they also have store locations, some companies do the bulk of their business through catalog sales.

Another tool for selling directly to consumers is using TV and electronic devices. Retailers air television spots, often 60 or 120 seconds long, that persuasively describe a product and give customers a toll free number for ordering. Some retailers use 'home shopping channels' which are dedicated to selling goods and services (i.e., Home Shopping Network [HSN]). Electronic shopping is a two-way system that links consumers with the seller's computer data banks by cable or telephone lines (Kotler & Armstrong, 1994). Consumers can interact with a special keyboard device connected to the television, or they can link to the system by telephone using a home computer.

During the 1980s, traditional retailers suffered from financial pressures, reduced profit margins, and erratic sales (Barmash, 1989). Off-price stores and manufacturers' outlets experienced significant market share gains, while traditional forms of retailing (e.g., department stores) lost market share. Morganosky (1993) found that customers wanted high quality and low prices. In the late 1980s, apparel retailing suffered from a flood of mergers, acquisitions and consolidations due to the recessed economy (Cohen, 1989; Palmieri, 1992). Four advantages of mergers and acquisitions are: (a) large retail purchasing power, (b) cheaper method to acquire stores than to develop a new business, (c) diversification to spread risk, and (d) tax considerations and other personal reasons (Cohen, 1989; Frings, 1994; Kotler & Armstrong, 1994; Schumann, Hethcote, & West, 1991; Shulz, 1985).

Retail Buyer

Retailers serve as the link between manufacturers and consumers. In short, retailers buy to resell, ultimately, to consumers. Buyers use many factors in their decision making. Some of these factors are manufacturer-related issues. The ultimate business purpose for manufacturers is maximizing profit, and retailers also seek this in their businesses. When both parties are profit driven, the manufacturer-retailer relationship is difficult (Wittreich, 1962). Wittreich (1962) asserted that the corporate management in supplier firms has a responsibility to achieve an understanding of the retailer and the retailer's needs. Understanding of retail buying may help to achieve the manufacturers business objectives.

Decisions related to purchasing is very important to a retail organization, because the merchandise bought has to be sold. Decisions related to the acquisition of merchandise are critical to the profit potential of a retail firm (Diamond & Pintel, 1976). A major portion of an apparel buyer's job is spent satisfying company profit objectives by making accurate

and timely decisions. The actions of retail buyers reflect the purchasing policy of the retail organization (Diamond & Pintel, 1976; Frings, 1994; Sheth, 1981). A retail organization's success is dependent on the buyer's performance, and the fit with organization specific factors: company orientation, organization size, and degree of centralization (Sheth, 1973). Frings (1994) defined the factors that apparel retail buyers should consider in their planning and buying: (a) store's fashion image and merchandising policies; (b) market and fashion trends; (c) the effect of economic conditions on demand for types and prices of merchandise; (d) basic stock-merchandise with consistent demand throughout the year or the same season each year; (e) competitors' merchandise offerings; (f) individual department's ability to house and display the merchandise; and (g) type of promotional activities that are needed to support the merchandise.

Bohdanowicz and Clamp (1994) defined factors that make fashion marketing different from marketing other types of goods and services: strong influence of environmental pressures, time constraints, and the role of buyers. Among these factors, the buyer's role has an important meaning to apparel manufacturers, as it contains manufacturer-related as well as consumer-oriented factors. In this way, a retail buyer has two basic roles: buyer and seller. A successful buyer will be the one who can combine those roles. Rogers and Lutz (1990) noted that the job responsibilities focus on the one goal of providing goods that the ultimate customer wants. Buyers should select merchandise that customers need or want by style, size range, color assortment, and fabrics at appropriate price and manufacturer services. The buyer's decision includes the acceptance of or cooperation with the provided promotional support from manufacturer.

In addition to selecting the merchandise, buyers have more extended roles. The buyer's responsibilities in decision making involve planning, analyzing, purchasing, and controlling merchandise investments (Fairhurst & Fiorito, 1990). Packard, Winters, and Axelrod (1978) stated that the retail buyer's role includes controlling stock, promoting

merchandise, budgeting, maintaining sales records, supervising other employees, clerking, and handling returns to manufacturers.

Packard, Winters, and Axelrod (1978) noted that the need of trained professionals in retail buying has been accelerated by changes in market structure, consumer demands, and available products. In this respect, some researchers have investigated the importance of the professional retail buyer's role in apparel retailing. Francis and Brown (1985-1986) studied the differences between apparel and appliance buyers and found that purchase negotiating skills were necessary for the apparel retail buyer, and buying tasks were dependent on the line of merchandise being bought. Fiorito and Fairhurst (1989) investigated the job content of buyers in small apparel stores and found that judging quality, decision making, knowing consumer behavior, and giving attention to detail were rated as most important and most used buyers' job components. Kean (1985) investigated the discount store buyer's job perception and found decision making, negotiating, and relating well to others were rated important. Kotsiopulos, Oliver, and Shim (1993) investigated the differences in perception of retail buyer's job competencies among retail buyers, managers, and students studying merchandising. The competency ranked most often as important by buyers was the ability to negotiate effectively with sales representatives, while both students and managers selected the ability to understand customers' needs. The same finding in all studies is that the negotiating skills with manufacturers' sales representatives was perceived as an important job role by apparel retail buyers.

Retail Buying as Organizational Buying

Retail apparel buying is classified as a type of organizational buying (Anthony & Jolly, 1991; Ettenson & Wagner, 1986; Francis & Brown, 1985-1986; Hirschman & Mazursky, 1982; Shim & Kotsiopulos, 1991; Webster & Wind, 1972). Organizational

buying behavior is defined as the decision-making process by which individuals in a formal organization establish the need, identify, evaluate, and choose among alternative brands and suppliers (Moriarty, 1983; Webster & Wind, 1972). Retail buying is conducted by apparel retail buyers in a retail organization. Compared to consumer buying, buying for a company involves larger sums of money, more complex technical and economic considerations, and interactions among many people at many levels of the buyer's organization (Fairhurst & Fiorito, 1990; Kotler & Armstrong, 1995).

Just as analyzing consumer buying is important to retailers or other vendors, retail buying is important to manufacturers. The buying process has received a large amount of research attention. Many researchers investigated organizational buying in the context of industrial buying. These researchers adapted the industrial buying model for organizational buying behavior. There are two opinions about the adaptation of the industrial buying model to organizational buying: (a) adaptation is inappropriate because substantial differences exist and (b) adaptation is appropriate because many similarities exist.

Some researchers highlight the differences between apparel retail buying and industrial buying. The retail buyer's primary role is to select merchandise for private consumers, whereas industrial buyers are primarily engaged in procuring merchandise for the manufacturing process (Hirschman & Mazursky, 1982). The industrial buying decision can be made either autonomously or jointly, whereas the retail buying decision is generally made autonomously (Sheth, 1973). An apparel retail buyer plays an important role as an intermediary in providing apparel products for ultimate consumer consumption. This process is different from the role of an industrial buyer who buys component parts and equipment to be used in manufacturing and who is usually not concerned with resale of the purchased product. Several researchers (Hirschman, 1981; Hirschman & Mazursky, 1982; Mazursky & Hirschman, 1987) mentioned that apparel retail buying is vastly different from industrial buying, which suggests that it is inappropriate for researchers to

generalize industrial buying results to the apparel retail buying situation. This position adds support to the argument that separate research needs to be conducted in the area of apparel retail buying.

On the other hand, other researchers reported on the appropriateness of adapting industrial buying to organizational buying (Anthony & Jolly, 1991; Assael, 1981; Ettenson & Wagner, 1986; Francis & Brown, 1985-1986; Shim & Kotsiopoulos, 1991; Wagner, et al., 1989). Assael (1981) suggested that it is reasonable to expect similarities between industrial buying behavior and retail buying behavior, particularly in terms of vendor loyalty, information sources, and interpersonal influences. Shim and Kotsiopoulos (1991) concluded that a traditional model of industrial buyer behavior is useful in the study of retail buyer behavior and could serve as a foundation for developing a model of retail buyer behavior. Anthony and Jolly (1991) asserted that the process of industrial buyer decision making rather than consumer decision making is applicable for retail apparel buyers. In short, it is suggested that both retail and industrial buyers make company purchase decisions, and the fundamental purchasing process is similar (e.g., establishing objectives, seeking information). Although some differences exist between industrial buying and apparel retail buying, industrial models can be used as a basis for theory building in retail buying (Anthony & Jolly, 1991; Ettenson & Wagner, 1986; Francis & Brown, 1985-1986; Shim & Kotsiopoulos, 1991; Wagner, et al., 1989). This study examines the buying process with respect to manufacturer-related factors and retail organizational factors. Direct consumer-related factors are excluded; therefore, the application of the industrial buying model is more reasonable.

Sheth (1973) described the complexity of organizational buying process through his Industrial Buying Process Model. The model focuses on factors influencing the buying process and the output of the buying decision. It defines the interaction of dependent variables on the buying decision. It identifies many variables including: individual

variance, expectations from information search, product specific factors, company-specific factors, situational factors, and conflict resolution. This study focuses on the expectation factor and company-specific factors. The expectations can be defined as the individual's perceptions of the extent to which each vendor or brand can satisfy the individual's needs and purchasing objectives (Sheth, 1973).

The definitions of organizational buying by many researchers posit that buying behavior is a process of decision making (Boyd, et al., 1995; Ettenson & Wagner, 1986; Kotler, 1988; Kotler & Armstrong, 1995; Moriarty, 1983; Sheth, 1973; Webster & Wind, 1972). The important buying decision is the selection of suppliers (Wagner, et al., 1989). Some researchers examined the selection of suppliers (Hirschman, 1981; Shim & Kotsiopulos, 1991; Wagner, et al., 1989), on the premise that successful retail buying depends on the ability to select manufacturers who meet the needs and wants of the retail organizations and its customers.

Although Sheth's model (1973) serves as a conceptual framework for this study by showing the flow of the factors that influence the buying process, it does not detail the buyer's decision making process, such as vendor selection criteria. Since vendor selection is a component of the buying process (Sheth, 1973), the factors of the buying process can be inferred from factors of the buyer's vendor selection (e.g., expectations and company-specific factors). This study examines the selection of promotional support from apparel manufacturers in relation to the buyer's expectations and the retail organization's characteristics (e.g., company-specific factors).

Vendor Selection

To be competitive, apparel manufacturers must be marketers with a grasp of the very latest market data, as well as producers using the most up-to-date production methods to reduce cost and risk (Lin & Kincade, 1992). Understanding current market factors such

as vendor selection factors is important for manufacturers to be successful. For manufacturers, the important role as marketers is how to persuade retailers to purchase, merchandise effectively, and sell their products (Anderton & Workman, 1994).

On the other hand, buyers must seek and examine many aspects of fashion products in a short time. Selecting the most appropriate source of supply has long been regarded as one of the purchasing department's most important functions (Soukup, 1987). For success of the retail business, buyers must find suitable merchandise resources, select the most appropriate style, and negotiate the most profitable price and terms (Packard & Carron, 1982). Buyers select resources based on their own evaluation of what the resources can do for the organizations that the buyers represent. Their selection decisions reflect the choices they have made in terms of supplier accessibility. Supplier accessibility refers to the manufacturers that could be selected to satisfy the buyer's needs (Fairhurst & Fiorito, 1990). Retail buyers' vendor selection is basically related to their perception of who can make their sales and profit increase (Wingate & Friedlander, 1978); however, vendor support, such as promotional aids and incentives to increase marketability, is also an important factor in vendor selection.

Sheth (1973) suggests that vendor selection is likely to be affected by a set of explicit and implicit criteria. Explicit criteria such as quality, service, delivery, and price have been found to dominate vendor selection in industrial buying (Crow, Olshavsky, & Summers, 1980; Dempsey, 1978; Wind & Robinson, 1968). Sheth (1973) identified implicit criteria as three variables utilized in supplier accessibility: competitive environment of the industry; relative marketing effort put forth by suppliers; and corporate image, which is influenced by the reputation of the vendor and its product. Many researchers have searched, identified, and evaluated vendor selection criteria in the apparel industry (Arbuthnot, Sisler, & Slama, 1993; Hirschman, 1981; Hirschman & Mazursky, 1982; Shim & Kotsiopulos, 1991; Wagner, et al., 1989). They combined explicit and implicit

criteria and developed vendor selection variables for each study. Although the components of the criteria and the description of the criteria are slightly different among the researchers, in general, quality, delivery, price, service, and supplier accessibility are the major vendor selection criteria. Table 1 shows the different use of vendor selection criteria as indicated in the literature. Bolded variables are the variables of this study, and the variables are extended into 21 promotional support items from the related literature (see Table 2).

The strength of selling history and size of the markup are benchmarks used in retail buying. Retail buyers are purchasing agents, in that they are responsible for buying the right goods at the lowest possible cost, and they are marketing managers, in that they make pricing decisions and are evaluated in terms of sales (Wagner, et al., 1989). As delivery is a criterion that Sheth's (1973) model suggests is likely to affect vendor selection in any type of organizational buying, all researchers posit the importance of delivery. According to the researchers, buyers' vendor-oriented objectives, based on Sheth's (1973) model, are important criteria: reputation of vendor, selling history, financial condition of vendor, and brand name/image (Francis & Brown, 1985-1986). Hirschman's (1981) finding is consistent with Francis and Brown (1985-1986). Vendor selection depends primarily on the basis of factors concerning the buyer-manufacturer relationship for store needs and profitability goals, rather than the buyer-consumer relationship for consumer needs. Differentiated from vendor selection criteria in industrial buying (Crow, et al., 1980; Dempsey, 1978; Wind & Robinson, 1968), vendor selection for apparel buyers includes fashionability/newness, fit, and fast delivery, which show the uniqueness of apparel retailing. Researchers reported the importance of these variables by apparel retail buyers (Francis & Brown, 1985-1986; Hirschman, 1981; Shim & Kotsiopoulos, 1991).

Table 1

A Comprehensive List of Vendor Selection Criteria from the Literature

	Hirschman (1981)	Francis & Brown (1985-1986)	Wagner, Etenson, & Parrish (1989)	Fairhurst & Fiorio (1990)	Shim & Kotsiopoulos (1991)	Arbutnot, Sisler, & Slama (1993)
Brandname/image	*	*		*	*	*
Competition				*	*	*
Delivery	*	*	*	*	*	*
Fashionability/ Newness	*	*	*	*	*	*
Financial condition of vendor	*	*	*	*	*	*
Margin/Mark up	*	*	*	*	*	*
Order/Reorderreliability			*	*	*	*
Origin						
Price	*	*	*	*	*	*
Product availability	*	*		*	*	*
Promotional aid		*		*	*	*
Quality/Fit	*	*	*	*	*	*
Return policy		*		*	*	*
Sales reps					*	*
Selling history	*	*	*	*	*	*
Specification		*		*	*	*
Vendor marketability	*	*		*	*	*
Vendor reputation	*	*		*	*	*
Vendor service/ support	*	*	*	*	*	*
Vendor size	*					

Vendor selection develops as a mutual relationship between retailers and manufacturers. Long-term relationships that focus on joint objectives and mutual understanding become important factors in vendor selection. Buyers often offset dependence by using multiple supply sources (Heide & John, 1988). The strategies offered across multiple suppliers may vary and may influence the retailers' vendor selection. Manufacturers frequently respond to retailers' selection methods by providing support services to emphasize the value of the present relationship (Morgan & Hunt, 1994). Support services contribute to the resellers' success and influence their decisions. Some researchers have investigated the effect of support services in maintaining satisfactory relationships and resellers' supplier selection (Frazier, 1983; Morgan & Hunt, 1994). They found that support services reinforce the value of the relationship and gain a superiority among multiple suppliers by buyers.

Organizational Characteristics as Factors of the Buying Decision

Sheth's model (1973) proposed that the buyer's decision making process is influenced by environmental or situational forces such as individual, product, buying situation, and company characteristics. Cravens and Finn (1983) stated that vendor selection criteria is influenced by services from manufacturers and buying organizations. Shim and Kotsiopulos (1994) found that organizational characteristics influenced satisfaction of retail buyers in their buying. Sheth (1973) identified organizational factors in his Industrial Buying Model: organization orientation, organization size, and degree of centralization.

Organization orientation. The organization's orientation is the company culture or policy that is a system of values and beliefs shared by people in an organization (Kotler, 1994). Fashion concept is important to apparel retail organizations. Apparel retail buyers buy merchandise according to their organization's fashion oriented policy (Packard,

Winters, & Axelrod, 1978). The apparel retail organization's fashion oriented policy is determined by fashion leadership associated with the organization's target customers. Fashion leadership is positively related to price policy (Frings, 1994; Packard, Winters, & Axelrod, 1978). Frings (1994) categorized fashion leadership with price policy across apparel retailers into three categories: fashion-forward with high price, moderate fashion and price, non-fashion oriented with low price. Fashion-forward retailers carry fashionable merchandise for customers who can afford the cost or have an interest in fashion newness (e.g., Bergdorf Goodman, Saks Fifth Avenue, Neiman Marcus). Retailers who are oriented by moderate fashion and price carry popular fashion merchandise. Most department stores are included in this category (e.g., Macys, Dillards). Non-fashion oriented retailers carry merchandise of proven styles with low price. They appeal to fashion followers and to people who simply cannot or will not spend more money on their clothing. Most mass merchandisers fall into this category (e.g., Wal-Mart, Sears).

Organization size. Apparel buyers are located within both large and small organizations. Their role and responsibility, according to organization size, may be somewhat different, because the organizational structure of large and small stores is different. The typical small store is often managed by one person, usually the owner. He or she assumes many roles in the store's operation, including buyer (Frings, 1994). Large retail organizations usually have complete buying offices with separate buyers for each merchandise classification. Fiorito and Fairhurst (1993) investigated differences in apparel retail buyers' job content between large and small retail firms. According to their report, large store buyers tend to be more quantitatively oriented, and small store buyers tend to be more customer and community oriented. Sheth (1973) stated that a large company's decision making tends to be a joint process.

Organization size can be divided by two methods: annual sales volume and number of employees. Paolillo (1984) defined a large organization as a company who with 300

employees, while a small organization has less than 300 employees. Deshpande and Golhar (1994) defined a large organization as a company who with 500 employees. Shim and Drake (1991) defined a small apparel store as a store with annual sales volume under \$1 million. Kotsiopoulos, Oliver, and Shim (1993) defined a large store as a department store or a specialty store with annual sales volume over \$100 million. Arbuthnot, Sisler, and Slama (1993) simply defined a small apparel store as an independently owned store. Fiorito and Fairhurst (1993) also simply defined a small store as an owner owned store and a large retail firm as a department chain store.

Although the size of the retail organization is a factor in the buyer's decision making, as indicated in the preliminary study, small retailers rarely are provided promotional support. This study focuses on the large retail organization in terms of annual sales volume (see Appendix C).

Degree of centralization. "Centralization in buying is the buying activities of a group of centrally controlled or associated stores; generally for merchandise uniformly carried, where bulk purchase can influence the purchase price" (Packard, Winters, & Axelrod, 1978, p.331). Retailing functions are generally divided into six areas of responsibility: marketing, merchandising, store operations, sales promotion, finance and control, and personnel (Frings, 1994). Buyers have responsibility in all functions. While a small independent store's buying is done as one function by the manager/owner, large chain organizations may split the merchandise function into departments with separate buyers and/or separate accounts for sales, purchases, inventories, profit margins, and expenses (Kotler & Armstrong, 1994; Wingate & Friedlander, 1978). Multi-unit retailers, usually large retail organizations, particularly those with locations across the country, generally operate through centralized buying (Shuch, 1988; Packard, Winters, & Axelrod, 1978; Wingate & Friedlander, 1978). Modified central buying combines central buying and store buying. Some of the purchasing and reordering is done at the individual store

level, either by the store manager or in combination with department managers (Shuch, 1988; Wingate & Friedlander, 1987).

Centralized buying gives the company more purchasing advantages, which can produce substantial savings (Kotler & Armstrong, 1994). Rogers and Gamans (1983) and Wingate and Friedlander (1987) identified the advantages of centralization: (a) provides steady flow of merchandise from market to store; (b) allows for more accurate forecasting and controlling of style movements; (c) provides a high-grade buying specialist who provides more saleable style, higher quality merchandise, and lower price; (d) reduces expenses; (e) leads to better stock control; and (f) leads to specialization selling because experts develop plans for selling, advertising and displaying merchandise.

Rogers and Gamans (1983) and Wingate and Friedlander (1987) identified the disadvantages of centralization: (a) hard to adjust its shipments to local conditions; (b) lack of cooperation between buyers and store managers, accompanied by difficulty in fixing responsibility of non-selling style; and (c) difficult to maintain an informed and enthusiastic selling organization. Highly centralized organizations usually have difficulty reacting to the changing environment (Chakravarthy, 1982; Minzberg, 1979).

Summary

The changes of apparel retailing in the U. S. give some implication that the apparel manufacturers will have to be sensitive to the retailer's needs. The understanding of the retailer's buying behavior is important to develop the manufacturer's future strategy to retailers. Retail buying, as organizational buying, is defined as the decision-making process by which individuals in a formal retail organization establish need, identify, evaluate, and choose among alternative brands and suppliers (Webster & Wind, 1972). Sheth's Industrial Buying Model (1973) serves as a theoretical framework for this study and gives structured flow to the buying process. A manufacturer's effort to satisfy a

retailer's needs can affect the retailer's positive expectation, an important factor in the buying process.

Vendor selection is influenced by company-specific factors (i.e., organization orientation, organization size, degree of centralization), and is further influenced by the marketing effort put forth by vendors (Cravens & Finn, 1983; Sheth, 1973). The decision making of a buyer's purchase include factors other than the merchandise and the price (Wingate & Friedlander, 1978). In previous research, retail buyers reported that promotional aids and vendor support are the important vendor selection criteria along with the traditional vendor selection criteria of price, quality, delivery, and services. A retail buyer wants to encourage problem solving early in a negotiation by developing specific proposals for consideration, such as ideas for increasing store displays and cooperative advertising (Ganesan, 1993). For these reasons, the vendors (i.e., manufacturers) are often willing and able to provide services to the buyer, along with the goods.

Promotional Support

With the advent of huge diversified companies in the fashion business, promotion activities conducted by all levels of firms, including the activities sponsored by channel members, become more important in their function (Winters & Goodman, 1984). Retailers develop a distinctive image that projects their uniqueness and service to their consumer audience (Winters & Goodman, 1984). The emergence of designer labels, status labels, and fashion brands has made apparel manufacturers' promotions more important. Promotion can build a positive image and can increase recognition of the products by consumers. Promotion activities have been developed by all levels of the apparel industry. In the competitive apparel retail industry, many retailers use increasing amounts of media or

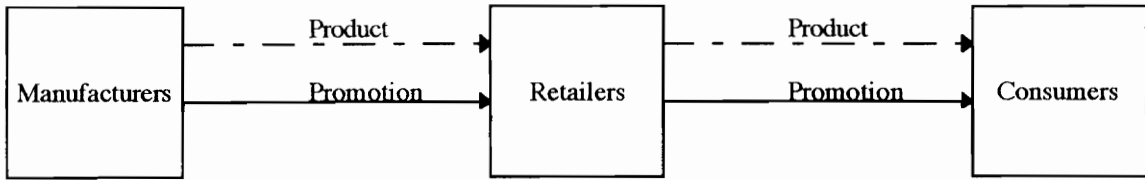
promotional materials to be competitive in satisfying the better educated and fashion conscious customers (e.g., in-store and point-of-purchase videos, infomercials [commercials that blend editorial information with advertising message], teletex [one-way transmissions of textual material]).

Push Promotion Strategy

Engel, Warshaw, and Kinnear (1983) define promotional strategy as “a controlled, integrated program of communications methods and materials designed to present a company and its products to prospective customers; to communicate need-satisfying attributes of products toward the end of facilitating sales and thus contributing to long-run profit performance”(p. 6). Modern marketing is more than just developing a good product, pricing it attractively, and making it available to target customers. Companies must also communicate with their customers, and what they communicate should not be left to chance (Kotler & Armstrong, 1994).

The promotional strategy can be conducted in two ways: push or pull (Kotler & Armstrong, 1994). A push strategy involves pushing the product through the distribution channel to final consumers. The manufacturers direct their marketing effort such as promotional support toward the retailers to induce them to carry the product and to promote it to final consumers (Kotler & Armstrong, 1994) (see Figure 2). In a pull strategy, the product is pulled through the distribution channel from manufacturers by ultimate consumers. The manufacturers direct their marketing activities toward final consumers to induce them to demand their products at the point of sale (Winters & Goodman, 1984) (see Figure 2).

Push strategy



Pull strategy

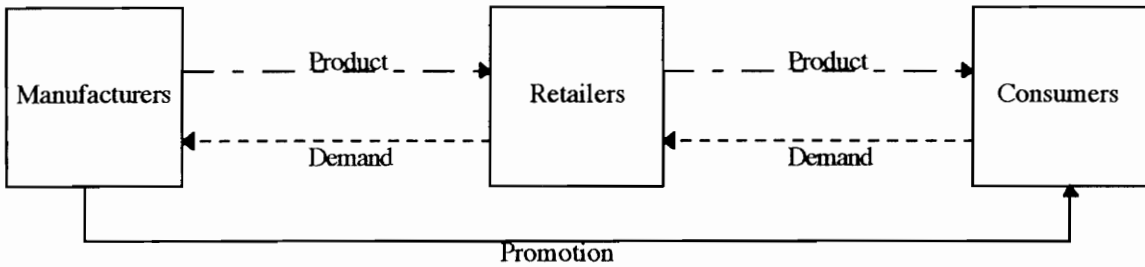


Figure 2. Push vs. pull promotion strategy. Adapted from Kotler & Armstrong (1994) and Rosenbloom (1990).

Manufacturers commonly use a pull promotional strategy (i.e., national advertising), to encourage retailers to carry merchandise, by attracting final consumers to the product; however this practice is often not sufficient to attract retailers (Rosenbloom, 1990). A push strategy that directly demands that retailers carry the products to reach final consumption is used currently. As Rosenbloom (1990) noted, the overall trend in promotional emphasis, as measured by dollars spent, has been toward push promotion rather than pull promotion. In conducting push strategy, many firms use a new media mix

and search for new effective ways to promote their product and motivate channel members (i.e., retailers).

Promotional strategies can create additional profit opportunities within the channel (Levy et al., 1983). To be an effective promotional strategy, a push strategy requires more direct involvement by the manufacturers with the retailers than a pull strategy (Levy & Jones, 1984; Levy, et al., 1983). An effective push promotional strategy requires mutual effort and cooperation between the manufacturer and retailers in the development and implementation of promotional strategy (Brown & Timmins, 1981). The push strategy is conducted through forms of promotional support: promotional materials, monetary support, selling aids, and motivation of salespeople (Rogers & Gamans, 1983; Weiss, 1958; Wingate & Friedlander, 1978). Manufacturers provide those services to retailers to secure the retailers' cooperation.

Promotional Support

Shim and Kotsiopoulos (1991) found that promotional aids and vendor support are important vendor selection criteria influencing apparel retail buyers' decision making. Promotional support from manufacturers can persuade retailers to carry a brand, give it shelf space, promote it in advertising, and push it to consumers. To get retailers to purchase the product, manufacturers often have to offer price-offs, allowances, or free goods to retailers (Kotler & Armstrong, 1994). A retail buyer wants to be involved by developing specific proposals with manufacturers, such as ideas for store displays, cooperative advertisements, and selling aids from manufacturers (Ganesan, 1993). Blattberg, et al. (1995) noted that promotions should be considered in a broader context than simply price reduction and should include cooperative advertising funds (advertising allowances), display allowances (promotional allowances) to the retailers, as well as display and feature advertising activities and incentives direct to the consumer. Table 2

Table 2

Promotional Support Items in the Literature

Promotional Support Component	Promotional Support Items	Weiss (1958)	Wingate & Friedlander (1978)	Rogers & Gammans (1983)
Promotional materials	<ul style="list-style-type: none"> • Advertising cuts or mats to prepare layout for newspaper or other media • Radio and TV scripts ready for use • Samples of merchandise for display • Swatches of material, sold by the yard or attached to finished merchandise • Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, and window display units) • In-store demonstration/Live models/Fashion show • Motion picture, video, or slides • Sales instructional booklets (e.g., pamphlets to distribute to customer) 		<ul style="list-style-type: none"> * * * * * * * * * * * * * * * * 	<ul style="list-style-type: none"> * * * * * * * * * * * * * * * *
Monetary support	<ul style="list-style-type: none"> • Price off (e.g., early order discount, quantity discount, long time order discount, new store discount) • Advertising allowances • Promotional allowances (e.g., payments for interior displays, plus installation costs) 	<ul style="list-style-type: none"> * * * * * * 	<ul style="list-style-type: none"> * * * * * * 	<ul style="list-style-type: none"> * * * * * *
Selling aids	<ul style="list-style-type: none"> • Provision of demonstrators • Training of store salespeople • Preticketing/Labeling/Packaging • Consumer incentives (e.g., premium, coupon, consumer contest) • Free merchandise for free distribution • Warranty/After-sale services (e.g., repair) • Detail persons who check inventory, put up stock, set up complete promotion, etc. • Store or distributor name mention in manufacturer's advertising 	<ul style="list-style-type: none"> * * * * * * * * * * * * * * * * 	<ul style="list-style-type: none"> * * * * * * * * * * * * * * * * 	<ul style="list-style-type: none"> * * * * * * * * * * * * * * * *
Motivation of salespeople	<ul style="list-style-type: none"> • Premiums and awards to salespeople • Contests for buyers, salespeople 	<ul style="list-style-type: none"> * * * * 	<ul style="list-style-type: none"> * * * * 	<ul style="list-style-type: none"> * * * *

presents the promotional support items available from apparel manufacturers (Rogers & Gamans, 1983; Weiss, 1958; Wingate & Friedlander, 1978).

Promotional materials. Wingate and Friedlander (1978) addressed the importance of promotional materials supported by manufacturers. They included cooperative promotional materials and materials for display in stores. These include: advertising cuts or mats, radio and TV scripts, samples of merchandise for display, swatches of materials, visual display materials such as counter cards, display fixtures, window display units, advertising posters, and sales instructional booklets. A branded apparel manufacturer will usually specify the type of art and copy to be used in the advertising, and in some case, they supply photographs, photoprints or complete ad layouts except for the retailers' name and price. In addition, Rogers and Gamans (1983) included in-store demonstration such as fashion shows or live model display. Shim and Drake (1991) emphasized the importance of fashion shows and visual promotion in their study of apparel retail store promotion; therefore, that item is included in this study. They also found that profitable stores are involved with the use of visual promotion and free goods distribution.

Monetary support. Monetary support from the manufacturers to the retailers has an important role in the cooperative marketing efforts in the retailing industry (Walters & MacKenzie, 1988). McCammon (1970) suggested the available support activities, which manufacturers consider in their distribution, include: offering price concessions, offering financial assistance, and offering some kind of protection for the retailers. Combining monetary support with promotion activities, to get retailers to purchase the product, manufacturers often have to offer price discounts, advertising allowances, and promotional allowances (Kotler & Armstrong, 1994; Rogers & Gamans, 1983; Weiss, 1958; Wingate & Friedlander, 1978). Manufacturers may offer a straight price discount of the list price on each case purchased according to order quantity or during a stated period of time, which is also called price-off, discount off, off-invoice, or off-list (Kotler & Armstrong, 1994). Its

offer encourages retailers to buy in quantity or to carry a new item. Across industries, price discounts are an important part of the promotional support.

The forms of manufacturers' promotional supports most favorably received by retailers is that of cooperative advertising (Rosenbloom, 1990). Philips, Bloom, and Mattingly (1985) defined cooperative advertising as advertising that is paid by someone (i.e., manufacturer) other than the sponsor of the advertising. Although there are many variations of cooperative advertising, the amount of money typically depends on the amount of merchandise purchased from the manufacturer. The basic concept of cooperative advertising involves sharing advertising expenses with channel members for shared benefit. In the apparel industry, support of three and five percent support of retailers' advertising expenses is common (Winters & Goodman, 1984). When suggesting advertising allowances, apparel manufacturers commonly require their designer label or brand to be featured exclusively in the retailer's advertising (Winters & Goodman, 1984). Some researchers have addressed the importance of cooperative advertising (i.e., advertising with allowances) within promotional support. Crimmins (1985) stated that vendor support programs, which are designed to provide financial support to retailers for running specific promotions. The author suggested that cooperative advertising can solve problems of disagreement between manufacturers and retailers. Boyd, et al. (1995) also noted that cooperative advertising and promotional allowances are the most important of the retail promotional activities.

Promotional allowances offer the retailer a certain percentage of the purchase price on particular products if the retailer will agree to perform a promotional activity specified by the manufacturer (Rosenbloom, 1990). The purpose of this activity is to get prominent display space for the product. Promotional allowances are dependent on the amount of product purchased. Whether the promotion activity is simple or complex, promotional allowances from manufacturers will secure retailers' cooperation, but only when the

allowance program is consistent with retailers' needs and advertising strategy (Brown & Timmins, 1981; Quelch, 1983; Rosenbloom, 1990; Shapiro, 1977).

Selling aids. Manufacturers usually provide short-term incentives to retailers to increase sales of their products, especially in consumer packaged goods (Abraham & Lodish, 1987). Most commonly conducted incentives are temporary price-offs. The negotiations of the terms for a buyer's purchase typically include factors other than the merchandise and the price (Wingate & Friedlander, 1978). Manufacturers plan and provide selling aids to make retailers combine the manufacturer's promotion activities with the store's activities. Apparel retailers basically expect the offer of preticketing, labeling, and packaging of the merchandise. Labels indicate brand names, sizes, textile origins, handling instructions, and origin of manufacturing. Warranties or after-sale services are important to retailers to build loyalty from consumers. Consumer incentives (e.g., premiums, coupons, and consumer contests) can be conducted by manufacturers as well as by retailers. Shim and Drake (1991) found that sales promotions (e.g., special prices, purchase with purchase, free samples) are important promotion activities for a store's profitability. Those promotions from manufacturers help retailers to save on promotion costs. Manufacturers can provide a demonstrator or a person who can check the store's total promotion strategy and train the store people. All selling aids activities provide benefit to retailers as well as manufacturers.

Motivation of salespeople. To encourage salespeople to increase sales, manufacturers and retailers plan some incentives together. Manufacturers can sponsor sales contests to spur salespeople into making a greater selling effort than they normally make. Salespeople are also motivated by premiums and awards from manufacturers. Rosenbloom (1990) proposed that incentives provided by manufacturers to salespeople, especially during a recessionary period, have positive effects on a retailer's sales and profit. These positive effects return benefit to manufacturers by pushing their product.

Effect of the Promotional Support

Today, a major portion of a retailer's promotion is generated by manufacturers' push strategy, such as promotional support (Abraham & Lodish, 1987). Various approaches to study promotional support effects have been conducted. The most common research approach examines how the promotions affect individual consumer purchase behavior (Blattberg, Buesing, Peacock, & Sen, 1978; Blattberg & Levin, 1987; Cotton, & Babb, 1978; Dodson, Tybout, & Sternthal, 1978; Guadagni & Little, 1983; Nerasimhan, 1986; Neslin, Henderson, & Quelch, 1985; Reibstein & Traver, 1982; Shoemaker, 1979; Ward & Davis, 1978). The effect of the manufacturer's promotion on retail buyers has been neglected. Two researchers studied retail store performance with respect to sales volume as an effect of the promotional support (Abraham & Lodish, 1987). Some researchers have tried to study both sales effects and buyer effects; however, they used only numeric data, not retailers' perceptions (Kumar & Leone, 1988; Walters, 1988, 1989; Walters & MacKenzie, 1988).

Flow of promotional support. Promotional support is planned and conducted to produce a promotional effect on the retailer, consumer, or both. The performance of the offered promotional support is important to both manufacturers and retailers. Manufacturer's offers will be selected by retailers and will be altered through each retailer's own screening of the offers. Retailers can decide to accept or reject manufacturers' promotional support. Performance of the selected support should benefit retailers, with results such as sales increase or brand switching at the consumer level. Final consumers give feedback to both manufacturers and retailers. Manufacturers also gain feedback from retailers to whom they provide promotional support. Retailers' satisfaction with the performance of provided support results in further purchasing or long-term relationships between manufacturers and retailers. A retailer's acceptance or cooperation will be influenced by the performance of the promotional support; therefore, successful

promotional supports are expected to increase consumer purchases (Curhan & Kopp, 1988)(see Figure 3).

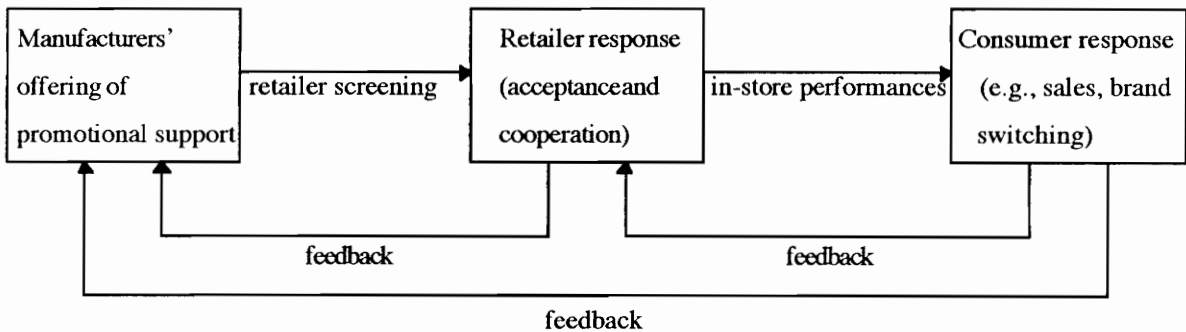


Figure 3. Flow chart of promotional support. Adapted from Curhan and Kopp's study (1988).

Consumer response. Promotional strategy is expected to be associated with improved profitability (Shim & Drake, 1991). Promotion can enhance a retail store's profitability by securing increased sales volume at a decreased total expense percentage (Edwards & Lebowitz, 1981). Manufacturers support a retail store's promotion activities by providing promotional support. When the promotional support is accepted by a retailer, it can be combined with the retailer's own promotion strategy and is expected to improve profitability. Researchers have examined the relationship between manufacturers' promotional supports and consumer response.

1. Temporary price discount or incentives to consumers cause a significant short-term sales increase (Blattberg & Wisniewski, 1987; Moriarty, 1985; Woodside & Waddle, 1975).
2. Display and feature advertising have strong positive effects on sales (Blattberg & Wisniewski, 1987; Bolton, 1989; Kumar & Leone, 1988; Woodside & Waddle, 1975).
3. Higher market share brands have lower deal elasticity, though the brands may have many potential switchable competitors (Bemmaor & Mouchoux, 1991; Bolton, 1989; Vilcassim & Jain, 1991).
4. Greater frequency of deals lower the consumers' reference price and reduces the brands' premium (Kalwani, Rinne, & Yim, 1990; Lattin & Bucklin, 1989; Mayhew & Winer, 1992).
5. The sales impact of promoting one category on a complementary or competing category is very likely a function of the types and characteristics of the categories themselves (Blattberg & Wisniewski, 1987, 1989; Mulhern, 1989; Mulhern & Leone, 1991; Walters, 1991; Walters & MacKenzie, 1988; Walters & Rinne, 1986).
6. Promoting higher quality brands impacts weaker brands or private label products disproportionately (Cooper, 1988; Krishnamurthi & Raj, 1988, 1991; Walters, 1991).
7. Promoting higher tier brands generates more switching than does promoting lower tier brands (Blattberg & Wisniewski, 1989; Kamakura & Russell, 1989; Mulhern & Leone, 1991).
8. In the study of promotion money from manufacturers, retailers pass through less than 100% of the trade deals (Blattberg & Neslin, 1990; Chevalier & Curhan, 1976; Curhan & Kopp, 1986; Walters, 1988). Brand characteristics affect the level of pass-through, and manufacturers' efforts to fit retailers' needs may increase the pass-through (Curhan & Kopp, 1986). Blattberg, et al. (1995) defined "pass-through" as the percentage of

funds offered by a manufacturer to a retailer, which are reflected in promotional discounts to the consumer.

9. Advertised promotions of some products and categories do have a positive impact on store traffic (Grover & Srinivasan, 1992; Kumar & Leone, 1988; Walters & MacKenzie, 1988; Walters & Rinn, 1986).

On the other hand, retailers' total profitability is not always increased from the promotion activities. A retail store carrying product lines for several manufacturers should be concerned not only with the sales of specific promoted brands but also with the sales of all other brands carried (see items 5, 6, and 7 in previous list). While the contemporaneous increment to sales of the promoted brand has potential beneficial outcomes for the retailer, the additional effects may have deleterious effects on a retailer's sales (Moriarty, 1985). Some researchers have discussed these side effects of promotion (Blattberg, Eppen, & Lieberman, 1981; Dodson, Tybout, & Sternthal, 1978; Frank & Massy, 1971; Moriarty, 1985). One effect is the borrowing of sales from future time periods (e.g., reduction of subsequent nonpromotional period retail sales). The other effect is sales decrease for other brands in the store, while sales of the promotional brand increases.

Retailer response. Retailers screen the offered promotional support from their manufacturers in terms of their organizational objectives, which are based on their organization's image and profitability (Chevalier & Curhan, 1976). Performance of promotional activities within their organizational objectives may influence retail buyers' selection of their manufacturer's promotional support as well as selection of their own promotional activities (see Figure 3). Rosenbloom (1990) found that manufacturers must be sensitive to retailers' promotional needs and problems in the use of promotional support. Curhan and Kopp (1988) identified the retailer response as the retailer's importance rating and the store's sales performance. Those factors affect the retailer's attitude toward the promotional support, which influences their acceptance behavior. Retailers' needs and

problems in the use of promotional support can be examined by identifying the retailers' perception of importance of the promotional support and their acceptance of and cooperation with the promotional support. Comparing the amount of attention from researchers on the consumer response to promotional activities from manufacturers (i.e., sales volume, brand switching), retailers' response (i.e., attitude and acceptance behavior) has received little attention in the academic literature.

Retailer's Attitude and Acceptance Behavior toward the Manufacturer's Promotional Support

Promotional support from manufacturers is supposed to be a cooperative marketing activity with retailers (Quelch, 1993). All support programs for motivating retailers must seek their cooperation. A manufacturer's push promotions should be developed as an integral part of a more comprehensive program of retailer cooperation (Quelch, 1983). Promotional strategies emphasizing the push approach, when initiated by the manufacturer, require a retailer's positive attitude and acceptance behavior toward the promotional strategy (Chevalier & Curhan, 1976; Hardy, 1986; Kopp & Greyser, 1987). Levy (1981) indicated that a significant difference exists in the attitude of manufacturers and retailers on the importance perception of manufacturers' support services. Manufacturers must be informed about their customers' needs to plan and modify support services appropriately.

Researchers measured retailers' acceptance behavior in their response to the promotional support. Acceptance of or cooperation with promotional support occurs when the promotional support assists buyers to achieve their business objectives: to maximize profits on the promoted item, to build store traffic and/or to increase total store volume, and to create a favorable store image among customers (Chevalier & Curhan, 1976; Curhan & Kopp, 1988; Kopp & Greyser, 1987; Levy, 1981; Levy, et al., 1983). Considering the retail organization's business objectives, some researchers investigated specific factors that

influence the retail buyer's acceptance of or cooperation with the manufacturer's promotional support. Chivalier and Curhan (1976) investigated specific factors related the retailers' acceptance of or cooperation with the promotional support for grocery items. They found two significant factors: (a)the brand's rate of movement and (b)the amount of promotional incentives offered to the retailers. Curhan and Kopp (1988) identified the criteria that grocery chain retail buyers employed in determining acceptance of or cooperation with promotional support from manufacturers. They identified factors influencing the retailer's acceptance of or cooperation with the manufacturer's promotional support: item importance, promotion elasticity, manufacturer brand support, manufacturer reputation, promotion wearout, sales velocity, item profitability, and incentive amount. This finding means that a wide range of factors, other than the monetary level of incentives, are important to retailers. Most researchers, however, dealt only with monetary support (e.g., cooperative advertising, price reduction) (Chivalier & Curhan, 1976; Curhan & Kopp, 1988; Kopp & Greyser, 1987; Levy, 1981; Levy, et al., 1983).

Total promotional support available to retailers and their acceptance or cooperation is essential information in a manufacturer's total management of a promotional support strategy. Levy, Webster, and Kerin (1983) identified the salient promotional activities pushed by the manufacturers that affected retailer's acceptance or cooperation for a product class (i.e., grocery items). They determined the level or amount of each activity (i.e., levels of cooperative advertising, coupons, terms of sale, service) as it affected retailer acceptance behavior, estimated the sales response and costs associated with these promotional support activities, and actually calculated the profit impact of alternative promotion activities. The retail buyer's preferred promotional support mix was a combination of a high level of advertising frequency with a low level of price reduction, loose credit terms, a middle level of manufacturer newspaper coupon support, and a middle level of manufacturer service to the retailer.

Levy (1981) noted that vendor support standards and policies should be defined within the retail organization and within the industry. Promotional support in the apparel industry needs to be defined in view of the retail organization's characteristics. Although some researchers examined promotional support with respect to retailers' attitude and acceptance behavior, organizational characteristics were not considered. Those studies were limited in their subjects (i.e., large grocery retail buyers). While grocery items are characterized as having product sensitiveness to incentives and non-durable good characteristics, apparel items have different characteristics (e.g., importance of fashion/brand image, classification of shopping good) (Frings, 1994).

Summary

Promotional support is an important component of a promotional strategy pushed by manufacturers, and cooperation of retailers is a crucial factor in the successful promotional support of a manufacturer. Researchers reported that product promotions, supported by a manufacturer, produce improved profitability by increasing sales volume, motivating salespeople, and reducing store costs (Blattberg & Wisniewski, 1987; Edwards & Lebowitz, 1981; Shim & Drake, 1991; Walters & MacKenzie, 1988).

Successful promotional support from manufacturers depends on the buyers' acceptance of or cooperation with the offers. To be successful in a promotional support strategy, manufacturers are required to have more direct involvement with the retailer, including searching and being informed about the retailer's needs (Levy & Jones, 1984; Levy, et al., 1983). Retailers' attitude and acceptance behavior toward the provided promotional support is important information. Although researchers examined promotional support with respect to retailers' attitude and acceptance behavior, those studies are limited to grocery retailing (Chevalier & Curhan, 1976; Curhan & Kopp, 1988; Kopp & Greyser, 1987; Levy, 1981; Levy, et al., 1983). Apparel items have unique characteristics (e.g.,

importance of fashion/brand image) (Frings, 1994). Apparel retailers may prefer long-run promotional activities in their selection of a manufacturer's offer; however, no study exists that investigates apparel promotional support activities. In this study, promotional support from apparel manufacturers to apparel retailers is studied in terms of characteristics of the retail organization and in consideration of the buyer's attitude and acceptance behavior.

CHAPTER III

METHODOLOGY

The purpose of this study was to define the promotional supports in the apparel industry, to identify the retail buyers' importance perception, perceived offering frequency, and acceptance or cooperation level of the promotional support, and to investigate the effect of the retail organizational variables (i.e., retail organization's orientation, size, degree of centralization) on the retail buyers' attitude and acceptance behavior toward the provided promotional support.

Research Objectives

1. To identify the relationship between apparel retail buyer's importance perception and perceived offering frequency across promotional support categories which were identified in literature review.
2. To identify the relationship between the apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) across promotional support categories.
3. To examine the effects of the retail organization's characteristics on the apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support.
4. To suggest appropriate promotional supports according to retail organization's characteristics.

The following section covers the procedure to achieve the research objectives: (a) definitions, (b) hypotheses, (c) research design, (d) sampling, (e) preliminary research, (f) instrumentation, (g) data collection, and (h) data analysis.

Definitions

Attitude: A mental position or feelings with regard to promotional support (Chevalier & Curhan, 1976; Malhotra, 1993). For this study, importance perception was used as a proxy for attitude.

Offering frequency: Rate of manufacturer's offering occurrence of promotional support (Malhotra, 1993).

Acceptance behavior: One's manner of receiving act toward promotional support (Chivalier & Curhan, 1976; Curhan & Kopp, 1988; Malhotra, 1993). For this study, acceptance or cooperation level was used as a proxy of acceptance behavior.

Promotional materials: The cooperative promotional materials and materials for display in stores for supporting and promoting sales provided by a manufacturer (e.g., display fixture) (Rosenbloom, 1990; Wingate & Friedlander, 1978).

Monetary support: Offer of support in the form of discount or taking some portion of expenses of retailers' promotion from a manufacturer (e.g., quantity discount, advertising allowances) (Chivalier & Curhan, 1976; Curhan & Kopp, 1988; Kopp & Greyser, 1987; Rosenbloom, 1990).

Selling aids: Manufacturer-sponsored materials or programs that promote sales in point-of-purchase (e.g., incentives, labeling, training salespeople) (Rosenbloom, 1990; Wingate & Friedlander, 1978).

Motivation of salespeople: Offer of programs from manufacturers to retailers or cooperative programs to stimulate salespeople sales efforts for their merchandise (e.g., awards, contests) (Rosenbloom, 1990; Wingate & Friedlander, 1978).

Hypotheses

Based on the theoretical framework and review of the literature, the following hypotheses were formatted. These hypotheses were used to investigate research objectives of 1, 2, and 3, which are addressed previously. Hypothesis 1 was formed to achieve Objective 1. Hypothesis 2 was formed to achieve Objective 2. Hypothesis 3, 4, and 5 were formed to achieve Objective 3.

Hypothesis 1

The main job of retail buyers is selecting merchandise and suppliers. Retailers expect services from their manufacturers that fit with their needs (Cedrone, 1991). In a competitive environment, the offering of appropriate promotional support is a critical factor in manufacturers' success and a key to their selection by buyers (Diamond & Pintel, 1976; Frings, 1994; Sheth, 1973). To provide appropriate and desirable promotional support, manufacturers must understand the needs of retail customers. The positive relationship between a manufacturer's offering and buyers' attitude and acceptance behavior depends on the manufacturer's understanding of their retail customers. In a dependent channel relationship, manufacturers should provide services that buyers judge as important (Brown & Timmins, 1981; Zuhone & Morganosky, 1995).

H1: A manufacturer's offering frequency of promotional support is positively related to apparel retail buyers' attitude (i.e., importance perception) toward the promotional support.

Hypothesis 1 was formatted into four sub-hypotheses according to promotional support components: (a) promotional materials, (b) monetary support, (c) selling aids, and (d) motivation of salespeople.

H1-a. A manufacturer's offering frequency of promotional materials is positively related to apparel retail buyers' importance perception about the promotional materials.

H1-b. A manufacturer's offering frequency of monetary support is positively related to apparel retail buyers' importance perception about the monetary support.

H1-c. A manufacturer's offering frequency of selling aids is positively related to apparel retail buyers' importance perception about the selling aids.

H1-d. A manufacturer's offering frequency of motivation of salespeople is positively related to apparel retail buyers' importance perception about the motivation of salespeople.

Hypothesis 2

Expectations or attitudes formed by information search and previous experience are related to the buying process and to the making of buying decision (Sheth, 1973). In the grocery industry, retail buyers' attitude toward promotional support from the manufacturers affected their acceptance or cooperation (Curhan & Kopp, 1988). In other previous research, a retail buyer's positive attitude toward promotional support led to the buyer's positive acceptance of or cooperation with the promotional support (Blattberg, Eppen, & Leibermann, 1981; Chevalier & Curhan, 1976; Levy, Webster, & Kerin, 1983).

H2: Apparel retail buyers' attitude toward manufacturer's promotional support is positively related to their acceptance behavior (i.e., acceptance or cooperation level) toward the promotional support.

Hypothesis 2 was formatted into four sub-hypotheses according to promotional support components: (a) promotional materials, (b) monetary support, (c) selling aids, and (d) motivation of salespeople.

H2-a. Apparel retail buyers' importance perception about promotional materials provided by manufacturers is positively related to their acceptance or cooperation level with the promotional materials.

H2-b. Apparel retail buyers' importance perception about monetary support from manufacturers is positively related to their acceptance or cooperation level with the monetary support.

H2-c. Apparel retail buyers' importance perception about selling aids from manufacturers is positively related to their acceptance or cooperation level with the selling aids.

H2-d. Apparel retail buyers' importance perception about motivation of salespeople provided by manufacturers is positively related to their acceptance or cooperation level with the motivation of salespeople.

Hypothesis 3, 4, and 5

According to the proposed theoretical framework adapted from Sheth (1973), the retail buyer's main job role is decision making for buying, which includes vendor selection. Promotional support is an important component of the vendor selection criteria and a factor in the retail buyer's buying decision. Retail buyers reflect the purchasing policy of their retail organization in their buying (Diamond & Pintel, 1976; Frings, 1994;

Sheth, 1973); therefore, retail buyers' attitude and acceptance behavior toward the manufacturer's promotional support should differ with the retail organization's characteristics. Sheth (1973) suggested that the organizational characteristics fit into three categories: organization orientation, organization size, and degree of centralization. Hypothesis 3 covers the characteristic of a retail organization's orientation, Hypothesis 4 covers the characteristic of a retail organization's size, and Hypothesis 5 covers the characteristic of a retail organization's degree of centralization.

H3: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to the retail organization's orientation.

H3-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's orientation.

H3-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's orientation.

H4: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to the retail organization's size.

H4-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's size.

H4-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's size.

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H5: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to retail organization's degree of centralization.

H5-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's degree of centralization.

H5-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's degree of centralization.

Research Design

A descriptive research design was developed to investigate the apparel buyers' attitude and acceptance behavior toward the promotional support and to identify the effect of retail organization's characteristics on their attitude and acceptance behavior toward the promotional support. Descriptive design is useful for describing the characteristics of relevant groups (e.g., consumers, salespeople, organizations, or market area), for estimating the percentage of units in a specified population exhibiting a certain behavior, and for determining the perceptions of product characteristics (Malhotra, 1993). For this

descriptive research design, a clear statement of the problem, specific hypotheses, and detailed information have been discussed in prior sections.

The survey method was used to collect data. Most survey research is descriptive research, because it helps to identify characteristics of a particular group, measure attitudes, and describe behavioral patterns (Zikmund, 1991). Malhotra (1993) also stated that the survey method is useful for obtaining information regarding the respondents' behavior intentions, attitudes, awareness, motivations, demographics, and lifestyle characteristics, and for determining the interrelations among variables. The advantages of the survey method include quickness, low cost efficiency, and accuracy for accessing information about a population (Sheatsley, 1974). The structured survey is the most popular data collection method (Malhotra, 1993), and is useful in descriptive research (Zikmund, 1991).

Sampling

Gilmour (1979) and Levy et al. (1983) noted that more accurate information is obtained using customers rather than suppliers as the sample frame. For this reason, retail buyers were chosen as subjects in this study to investigate manufacturer's promotional support in apparel retailing. Preliminary research had revealed that small apparel retail stores were rarely offered manufacturer's promotional support (see Appendix C). For this reason, buyers from large retail organizations were selected as the subjects. One hundred organizations whose annual sales are over \$100 million were randomly selected from a list that was identified on Corporate Directory from Hoovers Online Search on the internet. Kotsiopoulos, Oliver, & Shim (1993) selected this sales figure to represent large retail organizations for the sample in their study. The list was obtained from the company lists of five retail business categories: apparel and shoes, major department stores, regional

department stores, mail order and direct, and discount and variety. Telephone numbers and fax numbers for precontacts with buying executives were also obtained through Corporate Directory from Hoovers Online Search. A twenty questionnaire limit per organization was applied to provide an equitable distribution among the organizations. Assuming an expected completion rate of 30%, 400 questionnaires were distributed to obtain a sample size of 120. A sample size of 120 is comparable with previous research with apparel retail buyers (e.g., Anthony and Jolly [1991], n=212; Fiorito and Fairhurst [1993], n=100; Kotsiopulos, Oliver, and Shim [1993], n=86; Shim and Drake [1991], n=104; Shim and Kotsiopulos [1991], n=73; Wagner and Ettenson, and Parrish [1989], n= 62; ZuHone and Morganosky [1993], n=125). Statistically, a minimum of 30 samples in each independent variable component are required to obtain an adequate normal distribution for processing an analysis of variance (ANOVA) (Malhotra, 1993). Each independent variable (i.e., organization orientation, organization size, degree of centralization) has three levels; therefore, a sample size of 120 is reasonable to get a minimum of 30 responses for each level. Researchers investigating apparel retail buyers have done precontacting and follow-up contacting to increase the return rate (e.g., Anthony and Jolly [1991], 48.1%; ZuHone and Morganosky [1993], 44.8%). A low return rate can cause nonresponse bias (Malhotra, 1994). To minimize the nonresponse bias, director of Human Resources Department of each retail organizations were precontacted by fax and telephone, and non-respondents were recontacted by telephone.

Preliminary Research

Exploratory research to examine manufacturer's promotional support in apparel retailing was conducted in the Spring of 1995 (see Appendix C) (Park & Kincade, 1995).

The purpose of the study was to identify all possible promotional vendor supports provided to apparel retail stores and to determine their effectiveness on sales as perceived by apparel retail buyers. Participants in this study were apparel retail buyers involved in retail organizations located in a mid-Atlantic U.S. state. Face-to-face interviews using a structured questionnaire were completed. For the instrument, 18 manufacturer's promotional support items were selected from a previous study (Wingate & Friedlander, 1978).

Apparel retail buyers perceived that servicing the goods sold (e.g., repair) was the most important item to influence sales. Visual displays, sales instructional booklets, and unit packaging, labels, and price tickets were also important for sales as perceived by buyers. Apparel retail buyers received visual displays most frequently as promotional support from their manufacturers. Next frequent items were specially designed fixtures to contain and display products; unit packaging, labels, and price tickets; and sales instructional booklets. The least frequently provided promotional support was the item of provision of demonstrators. Since the degree of frequency of each promotional support item was similar to the perceived degree of importance, the suppliers of these retailers seemed to understand well their customers' needs and conducted their promotional support appropriately. One item did not match. Services on goods after sale from suppliers was not provided at a frequency to match retailers' expectation level.

Department store buyers rather than specialty store buyers perceived that building a cooperative relationship with their suppliers is more dependent on manufacturer's promotional support. Specialty store buyers' overall perception of a cooperative relationship with manufacturers was less dependent on promotional vendor support than perception of department store buyers. Reviewing buyers' perceptions, the study reported a significant implications. Large stores (e.g., department store chains) had higher usage of vendor supports than small stores (e.g., specialty retailers). Small independent apparel

retail buyers were rarely offered promotional support from their manufacturers. Following this finding, this study investigated the promotional vendor support in large apparel retail organizations.

Instrumentation

Development of the questionnaire. A structured questionnaire for apparel retail buyers was developed as an instrument for this study (see Appendix A). The instrument was divided into two sections. Section I included four questions asking about the apparel retail organization's characteristics (Q1-Q4). The characteristic classification was adapted from Sheth's study (1973). Section II of the questionnaire contained questions about promotional support, with separate questions about importance perception, offering frequency, and acceptance or cooperation level (Q5-Q7).

In section I, Q1 and Q2 asked about the retail organization's orientation. The orientation classifications were adapted from Frings (1994): fashion orientation and price orientation of the merchandise. Q3 asked about organization size. Annual sales volume was used to measure the organization size. Since subjects were buyers from large retail organizations, range of the annual sales volume was limited as over \$100 million. This volume is the amount with which Kotsiopoulos, Oliver, and Shim (1993) defined a large apparel store. Q4 asked about the retail organization's degree of centralization. Three options for the answers describe the different level of responsibility of buying and merchandising.

Each question included the selected manufacturer's promotional support items available to retailers as noted from previous literature (Rogers & Gamans, 1983; Shim & Drake, 1991; Weiss, 1958; Wingate & Friedlander, 1978) (see Table 2). The list included

promotional support items used in the preliminary research from Wingate and Friedlander's study (Park & Kincade, 1995). Two items added from the apparel retail literature review: in-store demonstration/live models/fashion show and store or distributor name mention in manufacturer's advertising (Rogers & Gamans, 1983; Shim & Drake, 1991; Weiss, 1958).

In Q5, respondents were asked to indicate the perceived importance of the listed manufacturer's promotional support items. A five-point Likert-type scale was used for the responses in Q5 and Q7 in Section II, ranging from 1 (not at all important) to 5 (extremely important). The Likert-type scale has some advantages. It is easy to construct and administer, respondents readily understand how to use the scale, and it is suitable for mail, telephone, or personal interview (Malhotra, 1993). In the same way, Q6 asked the frequency of the manufacturer's offer of promotional support. A six-point Likert-type scale was used for the responses to Q6 in Section II, ranging from 0 (never provided) to 5 (very frequently provided). Q7 asked about overall acceptance or cooperation level, with the response ranging from 1 (under 20%) to 5 (81-100%).

Pilot test. To increase the content validity of the measure, the instrument was pilot tested with nine faculty from the Departments of Clothing and Textiles and Marketing. Ten apparel retail buyers not in the final sample also participated in the pilot test. Comments received in the pilot test were used to revise the instrument.

Data Collection

A combination of a telephone survey (i.e., traditional telephone method, computer assisted, fax) and a mail survey was used. Although the mail survey has the poorest response rate (15% without precontacting) (Malhotra, 1993), it was selected for a nationwide random selection of retailers.

The buying executives or directors of Human Resources were precontacted. By faxing and calling buying executives or directors of Human Resources at the selected retail organizations, the researcher obtained permission for surveying and received the buyers' names with postal or e-mail addresses. Computer assisted interviews can yield the highest response rate (typically more than 80%) (Malhotra, 1993). The e-mail survey was also expected to save mailing cost and time. To decrease nonresponse bias, non-respondents were recontacted. After two weeks from the first mailing, telephone interviews were used to maximize the response rate. Recontacting with telephone interviews was done until the minimum sample size was obtained ($n=120$). Malhotra (1993) noted the importance of monitoring response rates on a timely basis for corrective action.

Data Analysis

Promotional support items were divided into four *a priori* components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople) as identified from the literature review. Responses to the items for each component were summed to provide a score for each component. The component groupings were tested with Coefficient Alphas to evaluate the reliability of the *a priori* measures.

Descriptive statistics were used to achieve Research Objectives 1 and 2. For Objective 1, apparel retail buyers' importance perceptions across promotional support components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople) were identified as mean responses to Q5. In the same way, perceived offering frequencies across the promotional support components were identified as mean responses to Q6. To examine the differences between two variables (i.e., buyers' importance perception, perceived offering frequency) of each promotional support component,

Hypothesis H1-a, H1-b, H1-c, and H1-d were tested using Pearson's correlation coefficient.

For Objective 2, the means of retail buyers' acceptance or cooperation level were also identified from Q7 for the promotional support components. To examine the differences between two variables (i.e., buyers' importance perception and their acceptance or cooperation level) of each promotional support component, Hypothesis H2-a, H2-b, H2-c, and H2-d were tested using Pearson's correlation coefficient. Specific variable formations according to each hypothesis are shown in Table 3.

Table 3
Summary of Variables Formations to Test H1 and H2

Hypothesis	Variables	Question	Statistical Analysis
H1-a	Apparel retail buyers' importance perception of promotional materials, manufacturer's offering frequency of promotional materials	Section II: Q5-A and Q6-A	Pearson's correlation coefficient
H1-b	Apparel retail buyers' importance perception of monetary support, manufacturer's offering frequency of monetary support	Section II: Q5-B and Q6-B	Pearson's correlation coefficient
H1-c	Apparel retail buyers' importance perception of selling aids and manufacturer's offering frequency of selling aids	Section II: Q5-C and Q6-C	Pearson's correlation coefficient
H1-d	Apparel retail buyers' importance perception of motivation of salespeople, manufacturer's offering frequency of motivation of salespeople	Section II: Q5-D and Q6-D	Pearson's correlation coefficient

Table 3

(Continued)

Hypothesis	Variables	Question	Statistical Analysis
H2-a	Apparel retail buyers' importance perception of promotional materials, acceptance or cooperation level with promotional materials	Section II: Q5-A and Q7-A	Pearson's correlation coefficient
H2-b	Apparel retail buyers' importance perception of monetary support, acceptance or cooperation level with monetary support	Section II: Q5-B and Q7-B	Pearson's correlation coefficient
H2-c	Apparel retail buyers' importance perception of selling aids, acceptance or cooperation level with selling aids	Section II: Q5-C and Q7-C	Pearson's correlation coefficient
H2-d	Apparel retail buyers' importance perception of motivation of salespeople, acceptance or cooperation level with motivation of salespeople	Section II: Q5-D and Q7-D	Pearson's correlation coefficient

To achieve Objective 3, analysis of variance (ANOVA) was employed to test hypotheses (H3-a, H3-b, H4-a, H4-b, H5-a, and H5-b). ANOVA is usually used as a test of means for two or more populations (Malhotra, 1993). The differences in the mean values of the dependent variables are associated with the effect of the controlled independent variables. Dependent variables were the retail organization's characteristics (i.e., retail organization's orientation, size, degree of centralization), and independent variables were the apparel retail buyers' attitude and acceptance behavior (i.e., importance perception, acceptance or cooperation level) toward the promotional support. Specific variable formations according to each hypothesis are shown in Table 4.

Table 4

Summary of Variables Formation to Test H3, H4, and H5

Hypo-thesis	Independent variables	Dependent variables	Questions	Statistical analysis
H3-a	organization's orientation	importance perception of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q1 and Q2, Section II: Q5-A, B, C, and D	ANOVA
H3-b	organization's orientation	acceptance or cooperation level of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q1 and Q2, Section II: Q7-A, B, C, and D	ANOVA
H4-a	organization size	importance perception of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q3, Section II: Q5-A, B, C, and D	ANOVA
H4-b	organization's size	acceptance or cooperation level of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q3, Section II: Q7-A, B, C, and D	ANOVA
H5-a	degree of centralization	importance perception of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q4, Section II: Q5-A, B, C, and D	ANOVA
H5-b	degree of centralization	acceptance or cooperation level of promotional materials, monetary support, selling aids, and motivation of salespeople	Section I: Q4, Section II: Q7-A, B, C, and D	ANOVA

CHAPTER IV

FINDINGS AND DISCUSSION

The purposes of this study were to define the promotional supports to apparel retailers from manufacturers, to identify the retailers' importance perception, offering frequency, and acceptance or cooperation level of the promotional support, and to investigate the effects of the retail organizational variables (i.e., retail organization's orientation, size, degree of centralization) on the retailers' attitude and acceptance behavior toward the promotional support. The study was based on Sheth's Industrial Buying Model (1973). Promotional support items were categorized into four components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). Apparel retail buyers from various apparel retail organizations with annual sales over \$100 million participated to the study. Buyers responded to a structured questionnaire that was designed for the study. The findings and discussion of the study are presented under the following headings: (a) return rate for the survey, (b) retail organization's characteristics among respondents, (c) validity and reliability of measures, (d) mean ratings of buyers' perceptions of the promotional support, and (e) tests of hypotheses.

Return Rate of the Survey

A total of 397 structured questionnaires were distributed to apparel retail buyers in April, 1996, through mail or fax. The sample included apparel buyers from various kinds of retail organizations (e.g., apparel & shoe retailers, department stores, mail order, discount stores) with annual sales over \$100 million. Among the 100 retail organizations that were contacted, 48 organizations agreed to participate in the study. Letters by fax were

used to contact the Director of Human Resources, or the person in an equivalent position, in each organization (see Appendix B). Fax numbers and names of the Directors of Human Resources were obtained from the Corporate Directory from Hoovers Online Search on the internet. Four organizations could not be reached because the listed fax number was wrong. Among the 100 organizations identified for the study, 48 organizations refused to participate. The reasons given were no time to participate and security of business information. Among the 48 retail organizations that participated, 18 organizations provided a list of their buyers, and the remainder (30 organizations) requested the researcher to send the questionnaires, as many as they indicated, as a package. Table 5 shows the number of organizations that were contacted, the number that participated, and the total number of questionnaires mailed. Retail organization type was categorized by Corporate Directory from Hoovers Online Search. Regional department stores' participation rate was the highest (64.3%). The participation rate of major department stores (27.3%) and mail order & direct retailers (20%) was low. The most frequent reason given for nonparticipation was security of business information.

Ninety-seven questionnaires were returned by mail or fax within two weeks after the last mailing. An additional 19 questionnaires were returned by fax and an additional 25 questionnaires were received by mail, after follow-up phone calls (see Table 6). The total number of returned questionnaires was 141, representing a 35.52% response rate. Among the 141 returned questionnaires, 84 respondents requested an executive summary of the study by filling out a request form attached to the questionnaire (see Appendix A). The response rate is similar to other survey studies with apparel retail buyers (Hirschman [1981], 40%; Shim & Drake [1991], 19%; Shim & Kotsiopoulos [1994], 23%; Wolken & Good [1995], 32.6%). Among the 141 returned questionnaires, four questionnaires were omitted, because they indicated under \$100 million as their organization's annual sales volume. The total number of questionnaires used in the data analysis was 137.

Table 5

Number of Questionnaires Mailed to Retail Organizations

Retail Organization Type	Organizations Contacted	Organizations Participating	Participation Rate (%)	Questionnaires Mailed
Apparel & Shoes	43	23	53.5	179
Major Department Store	11	3	27.3	31
Regional Department Store	14	9	64.3	79
Discount & Variety	22	11	50	100
Mail Order & Direct	10	2	20	8
Total	100	48	100	397

Table 6

Response Rates for Originally Mailed and Follow-up Phone Calls

Questionnaire response	Frequency (<i>n</i>)	Percent (%)
Originally Mailed	397	100.00
Original responses	97	24.43 ^a
Follow-up Telephone Call Made	90	22.67 ^a
-Refused to participate	4	5.00 ^b
-Already mailed	6	7.50 ^b
-Cannot reach by voice mail	49	54.44 ^b
-No more work	7	8.75 ^b
-Too busy	5	6.25 ^b
-Follow-up responses	44	48.89 ^b
Total Responses	141	35.52

Notes. ^a Percentage is based on the total number mailed. ^b Percentage is based on total number of follow-up phone calls.

Retail Organization's Characteristics among Respondents

This study adapted the three company-specific factors from Sheth's Industrial Buying Process Model (i.e., organization's orientation, size, degree of centralization) for the characteristics of retail organizations. Section I of the questionnaire requested that the apparel buyers indicate their organization's characteristics. Organizational characteristics included their product's fashion orientation and price orientation, annual sales volume, and degree of centralization. Table 7 gives the frequency distributions for the measured retail organizations' characteristics.

With regard to the fashion orientation of merchandise that the organization carries, 53.28% of the respondents marked moderate fashion. This finding is supported by the fact that a large portion of clothing is made for mass appeal (Frings, 1994). The second largest group included organizations that carry fashion-forward merchandise (21.90%). Four respondents (2.92%) marked more than one answer. One respondent did not answer the question.

With regard to the price orientation of merchandise that the organization carries (57.66%) indicated moderate-price. This finding is supported by the fact that once fashion becomes popular, the price is lowered to increase market penetration (Frings, 1994). The second largest group of responses were from retail organizations that carry low price merchandise (24.09%). Four respondents (2.92%) marked more than one answer.

The size distribution of the 397 organizations that were mailed questionnaires and the size distribution of respondents are shown in Table 8. Annual sales volumes of the organizations to which questionnaires were distributed were obtained from Corporate Directory from Hoovers Online Search. The comparable percentages in the distribution of the mailed sample and the respondent sample support the nonbias response for the survey.

Table 7

Percentage Distribution for Retail Organization's Characteristics of Respondents

Retail Organizational Variable	Respondents	
	<i>n</i>	%
<u>Fashion orientation</u>	<u>136</u>	<u>99.27</u>
highly fashion oriented	30	21.90
moderate fashion oriented	73	53.28
low fashion oriented	29	21.17
combination	4	2.92
<u>Price orientation</u>	<u>137</u>	<u>100.00</u>
high-price oriented	21	15.33
moderate-price oriented	79	57.66
low-price oriented	33	24.09
combination	4	2.92
<u>Annual sales volume (millions)</u>	<u>135</u>	<u>98.54</u>
\$100-\$599	39	28.47
\$600-\$1,999	44	32.12
over \$2,000	52	37.96
<u>Degree of centralization</u>	<u>137</u>	<u>100.00</u>
decentralized (localized)	20	14.60
modified centralized	21	15.33
highly centralized	96	70.07

Table 8

Organization Size Distribution of the Sample

Annual Sales Volume (millions)	Mailed Sample		Respondents	
	<i>n</i>	%	<i>n</i>	%
\$100-\$599	116	29.22	39	28.47
\$600-\$2,000	124	31.23	44	32.12
over \$2,000	157	39.55	52	37.96
Total	397	100.00	135	98.54

With regard to the retail organization's degree of centralization, 70.07% of the respondents represented buyers from retail organizations that were involved in centralized buying. This response may be due to the sample limitation of buyers from large retail organizations. Large retail organizations that have many stores nationwide or in one or more regions usually buy their merchandise centrally for efficiency (Berman & Evans, 1992; Fiorito & Fairhurst, 1993; Frings, 1994).

Validity and Reliability of Measures

Validity of the measure reduces the measurement error (Malhotra, 1993). To validate that the scale items adequately covered the entire domain of the construct being measured, nine faculty from the Clothing and Textiles Department and the Marketing Department participated in a pilot test of the instrument. Using the comments received from

faculty, the instrument was revised. A revised instrument is expected to have increased validity (Malhotra, 1993).

The researcher developed a categorization of promotional support items from the literature review. Verifying the reliability of measures that will be used in subsequent analysis is essential (Churchill, 1979). To assess the reliability of the promotional support components that were categorized from the promotional support items, coefficient alpha was used. Coefficient alpha tests the internal consistency of a *priori* groupings of the multiple items within the instrument, and determines freedom from random error (Malhotra, 1993; Nunnally, 1978). Table 9 provides the standardized coefficient alphas for the three measures (i.e., importance, frequency, acceptance of the promotional support) for the promotional support components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). All Cronbach's Coefficient alphas were over .60, a level that many researchers consider acceptable for the internal consistency of measures (Malhotra, 1993; Nunnally, 1978; Shim & Kotsiopoulos, 1994). Internal consistency of the measures for this study, as precategorized through the literature review, was judged acceptable.

Table 9

Standardized Cronbach's Coefficient Alphas of the Promotional Support Measures

Variable	Promotional Support Component			
	Promotional Materials	Monetary Support	Selling Aids	Motivation of Salespeople
Importance Perception	.72	.65	.76	.92
Offering Frequency	.62	.65	.73	.96
Acceptance or Cooperation Level	.68	.71	.83	.97
Average	.67	.67	.77	.95

Relationships among Variables

This study adapted three categories of a retail organization's characteristics (i.e., organization's orientation, size, degree of centralization) from Sheth's Model (1973) as independent variables. All three characteristics are hypothesized to influence retail buyers' buying decision. Possible relationships among the characteristics are not shown in Sheth's model (1973), but the potential for correlations exists. Fashion/Price orientations are positively correlated in the literature. Highly fashionable merchandise is often associated with high price (Frings, 1994). This association is supported by the data. Table 10 shows a high correlation level between fashion orientation (i.e., highly fashion oriented, moderate fashion oriented, low fashion oriented) and price orientation (i.e., high-price oriented, moderate-price oriented, low-price oriented). Fashion orientation and price orientation are not significantly correlated with the variables for organization size and degree of centralization (see Table 10).

Table 10

Chi-square Value for Correlation among Organizational Characteristics Variables

	Fashion Orientation	Price Orientation	Organization Size
Price Orientation	100.804*		
Organization Size	8.921	6.234	
Degree of Centralization	44.817*	54.416*	39.395*

Note. DF=4. * P<.05 (critical value: Chi-square=9.488).

Fashion orientation and price orientation are correlated with the organization's degree of centralization (see Table 10). This correlation is supported by the literature. Centrally bought merchandise in large quantity should be acceptable to a large portion of consumers (Berman & Evans, 1992; Packard, Winters, & Axelrod, 1978). Centralized retail organizations often carry moderate and acceptable fashions at reasonable prices. Retail organizations, especially those that have many stores across the U.S., can benefit through centralized buying (e.g., price discounts from large quantity purchasing, control) (Berman & Evans, 1992; Fiorito & Fairhurst, 1993; Frings, 1994); however, merchandise that is centrally bought must serve a specific local condition. Modified centralization allows large retailers to consider variations of local consumer demand. Modified centralization has the advantages of centralized buying and maintaining the differentiation of local stores, because a part of buying and merchandising responsibilities is given local store personnel (Berman & Evans, 1992; Frings, 1994).

Mean Ratings of Buyers' Perceptions of the Promotional Support

Mean ratings were obtained for buyers' perception of promotional support for three measures (i.e., importance perception, offering frequency, acceptance or cooperation level). For each measure, means were found for the four promotional support components and for each promotional support item. Twenty-one promotional support items (see Table 11) were precategorized into four promotional support components: (a) promotional materials, (b) monetary support, (c) selling aids, and (d) motivation of salespeople. For the promotional materials component, an average score of eight promotional support items was calculated. For the monetary support component, an average score of three promotional support items was calculated. For the selling aids component, an average score of eight promotional support items was calculated. For the motivation of salespeople component, an average score of two promotional support items was calculated.

Importance Perception Mean Rating

Apparel retail buyers' importance perception of the promotional support was measured from a 5-point Likert-scale which ranged from a score of one for 'not at all important' to a score of five for 'extremely important'. Means and standard deviations for the importance perception of the four promotional support components as well as the twenty-one promotional support items are shown in Table 11. Among the four promotional support components, the monetary support component had the highest mean rating in importance perception (4.23). Among the promotional support items, samples of merchandise for display (4.07), price off (4.66), advertising allowances (4.29), and preticketing/labeling/packaging (4.58) had relatively high means. Items for advertising cuts or mats to prepare layout for newspaper or other media (1.73), and radio and TV scripts ready for use (1.77) had relatively low means.

Table 11

Scale Means and Standard Deviations for Importance Perception of Promotional Support

Promotional Support Item	M	SD
<u>Promotional Materials</u>	<u>2.61^a</u>	<u>.81</u>
Advertising cuts or mats to prepare layout for newspaper or other media	1.73	1.07
Radio and TV scripts ready for use	1.77	1.12
Samples of merchandise for display	4.07	1.34
Swatches of material, sold by the yard or attached to finished merchandise	2.51	1.48
Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, and window display units)	2.75	1.43
In-store demonstration/Live models/Fashion show	2.59	1.45
Motion picture, video, or slides	2.39	1.32
Sales instructional booklets (e.g., pamphlets to distribute to customer)	2.91	1.44
<u>Monetary Support</u>	<u>4.23</u>	<u>.93</u>
Price off (e.g., early order discount, quantity discount, long time order discount, new store discount)	4.66	.82
Advertising allowances	4.29	1.24
Promotional allowances (e.g., payments for interior displays, plus installation costs)	3.75	1.46
<u>Selling Aids</u>	<u>3.06</u>	<u>.93</u>
Provision of demonstrators	2.30	1.44
Training of store salespeople	3.23	1.61
Preticketing/Labeling/Packaging	4.58	1.03
Consumer incentives (e.g., premium, coupon, consumer contest)	2.92	1.40
Free merchandise for free distribution	2.83	1.51
Warranty/After-sale services (e.g., repair)	2.83	1.60
Detail persons who check inventory, put up stock, set up complete promotion, etc.	2.64	1.48
Store or distributor name mention in manufacturer's advertising	3.08	1.49
<u>Motivation of salespeople</u>	<u>2.87</u>	<u>1.50</u>
Premiums and awards to salespeople	2.89	1.58
Contests for buyers, salespeople	2.85	1.55

Note. ^a Underlined numbers are the averaged means and standard deviations for the promotional support components

Offering Frequency Mean Rating

Manufacturer's offering frequency of the promotional support as perceived by apparel retail buyers was measured from a 6-point Likkert-scale that ranged from a score of zero for 'never provided' to a score of five for 'frequently provided'. Means and standard deviations for the offering frequency of the four promotional support components as well as the twenty-one promotional support items are shown in Table 12. Among the four promotional support components, the monetary support component had the highest mean rating in the offering frequency measure (3.11). The selling aids component had the lowest mean rating in the offering frequency measure (1.67). Among the promotional support items, the items of samples of merchandise for display (3.40), price off (3.77), advertising allowances (3.25), and preticketing/labeling/packaging (3.91) had relatively high means. These items also ranked relatively high in importance perception. Items of radio and TV scripts ready for use (.89) and provision of demonstrators (1.09) had relatively low means.

Acceptance or Cooperation Level Mean Rating

Apparel retail buyers' acceptance or cooperation level of the promotional support was measured from a 5-point Likkert-scale that ranged from a score of one for 'under 20%' to a score of five for '81-100%'. Means and standard deviations for the acceptance or cooperation level of the four promotional support components as well as the twenty-one promotional support items are shown in Table 13. Among the four promotional support components, the monetary support component had the highest mean rating in acceptance or cooperation level (3.90). The promotional material component had the lowest mean rating in acceptance or cooperation level (2.16). Among the promotional support items, price-off (4.34), advertising allowances (4.04), and preticketing/labeling/ packaging (4.32) had relatively high means. The items of advertising cuts or mats to prepare layout for

Table 12

Scale Means and Standard Deviations for Offering Frequency of Promotional Support

Promotional Support Item	M	SD
<u>Promotional Materials</u>	<u>1.72^a</u>	<u>.78</u>
Advertising cuts or mats to prepare layout for newspaper or other media	1.25	1.43
Radio and TV scripts ready for use	.89	1.26
Samples of merchandise for display	3.40	1.81
Swatches of material, sold by the yard or attached to finished merchandise	1.88	1.82
Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, and window display units)	2.07	1.44
In-store demonstration/Live models/Fashion show	1.22	1.46
Motion picture, video, or slides	1.38	1.39
Sales instructional booklets (e.g., pamphlets to distribute to customer)	1.58	1.42
<u>Monetary Support</u>	<u>3.11</u>	<u>1.11</u>
Price off (e.g., early order discount, quantity discount, long time order discount, new store discount)	3.77	1.15
Advertising allowances	3.25	1.57
Promotional allowances (e.g., payments for interior displays, plus installation costs)	2.33	1.57
<u>Selling Aids</u>	<u>1.67</u>	<u>.88</u>
Provision of demonstrators	1.09	1.38
Training of store salespeople	1.42	1.56
Preticketing/Labeling/Packaging	3.91	1.44
Consumer incentives (e.g., premium, coupon, consumer contest)	1.46	1.31
Free merchandise for free distribution	1.11	1.28
Warranty/After-sale services (e.g., repair)	1.43	1.63
Detail persons who check inventory, put up stock, set up complete promotion, etc.	1.25	1.30
Store or distributor name mention in manufacturer's advertising	1.68	1.50
<u>Motivation of salespeople</u>	<u>1.39</u>	<u>1.48</u>
Premiums and awards to salespeople	1.41	1.51
Contests for buyers, salespeople	1.38	1.51

Note. ^a Underlined numbers are the averaged means and standard deviations for the promotional support components

Table 13

Scale Means and Standard Deviations for Acceptance or Cooperation Level of the Promotional Support

Promotional Support Item	M	SD
<u>Promotional Materials</u>	<u>2.16^a</u>	<u>.86</u>
Advertising cuts or mats to prepare layout for newspaper or other media	1.44	.96
Radio and TV scripts ready for use	1.28	.72
Samples of merchandise for display	3.43	1.70
Swatches of material, sold by the yard or attached to finished merchandise	2.28	1.49
Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, and window display units)	2.20	1.37
In-store demonstration/Live models/Fashion show	2.07	1.44
Motion picture, video, or slides	1.89	1.35
Sales instructional booklets (e.g., pamphlets to distribute to customer)	2.32	1.58
<u>Monetary Support</u>	<u>3.90</u>	<u>1.12</u>
Price off (e.g., early order discount, quantity discount, long time order discount, new store discount)	4.34	1.06
Advertising allowances	4.04	1.45
Promotional allowances (e.g., payments for interior displays, plus installation costs)	3.32	1.64
<u>Selling Aids</u>	<u>2.60</u>	<u>1.08</u>
Provision of demonstrators	1.81	1.32
Training of store salespeople	2.43	1.64
Preticketing/Labeling/Packaging	4.32	1.17
Consumer incentives (e.g., premium, coupon, consumer contest)	2.24	1.53
Free merchandise for free distribution	2.56	1.78
Warranty/After-sale services (e.g., repair)	2.45	1.68
Detail persons who check inventory, put up stock, set up complete promotion, etc.	2.19	1.58
Store or distributor name mention in manufacturer's advertising	2.59	1.69
<u>Motivation of Salespeople</u>	<u>2.39</u>	<u>1.65</u>
Premiums and awards to salespeople	2.36	1.65
Contests for buyers, salespeople	2.37	1.68

Note. ^a Underlined numbers are the averaged means and standard deviations for the promotional support components

newspaper or other media (1.44) and radio and TV scripts ready for use (1.28) had relatively low means.

Across all three measures (i.e., importance perception, offering frequency, acceptance or cooperation level), the promotional support component of monetary support had the highest ratings. The promotional materials component had the lowest rating in both importance and acceptance or cooperation level. Price -off, advertising allowances, and preticketing/labeling/packaging were consistently rated high across all three measures. This result is consistent with research results indicating that retailers are requiring more store ready inventory and demanding that manufacturers do more presales preparation of inventory (Rosenbloom, 1990). Radio and TV scripts ready for use and advertising cuts or mats to prepare layout for newspaper or other media had low ratings in all measures. This low rating reflects the reported research result that retail organizations have developed advertising and promotion programs for building their own image in place of manufacturers' advertising (Hethcote, 1995).

Tests of Hypotheses

To examine the relationship between retail buyers' importance perception and offering frequency of the promotional support, Pearson's correlation coefficient was employed to test Hypothesis 1. The correlation coefficient (r) is the most widely used statistical method for summarizing the strength of association between two variables (Malhotra, 1993). To examine the relationship between retail buyers' importance perception and acceptance or cooperation level of the promotional support, Pearson's correlation coefficient was also employed to test Hypothesis 2. Hypothesis 1 and 2 contain four sub-hypotheses according to the categorization of the four promotional support

components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). To examine the effect of the retail organizational variables (i.e., organization's orientation, size, degree of centralization) on the buyer's attitude and acceptance behavior toward the manufacturer's promotional support, ANOVA was employed to test Hypotheses 3, 4, and 5. For all analyses, the statistical significance level was set at .05.

Test of Hypothesis 1

H1: A manufacturer's offering frequency of promotional support is positively related to apparel retail buyers' attitude toward the promotional support.

H1-a. A manufacturer's offering frequency of promotional materials is positively related to apparel retail buyers' importance perception about the promotional materials.

H1-b. A manufacturer's offering frequency of monetary support is positively related to apparel retail buyers' importance perception about the monetary support.

H1-c. A manufacturer's offering frequency of selling aids is positively related to apparel retail buyers' importance perception about the selling aids.

H1-d. A manufacturer's offering frequency of motivation of salespeople is positively related to apparel retail buyers' importance perception about the motivation of salespeople.

Pearson's correlation coefficients (r) between variables are shown in Table 14. All r values were over .45, having positive signs. The positive sign of r indicates a positive relationship. As an overall result of the tests, the manufacturer's offering frequency of the

promotional support was found to be positively associated with the apparel retail buyers' attitude toward the promotional support. In terms of each promotional support component, the component for motivation of salespeople had a higher correlation coefficient between importance perception and offering frequency than other components (.635). The selling aids component had the lowest correlation coefficient (.453).

Among the promotional support components, buyers perceived that motivation of salespeople is highly correlated with offering frequency. The result of testing Hypothesis 1 indicates that the manufacturers recognize their customers' needs. The offering frequency from manufacturers matched the importance perception of buyers. A second reason for the positive correlation is that apparel retail buyers select suppliers who provide promotional support toward which they have a positive attitude (Chevalier & Curhan, 1976; Curhan & Kopp, 1988).

Table 14

Correlation Coefficients between Variables for Hypothesis 1

Variable	Importance Perception			
	Promotional Materials	Monetary Support	Selling Aids	Motivation of Salespeople
<u>Offering frequency of:</u>				
Promotional Materials	.549			
Monetary Support		.489		
Selling Aids			.453	
Motivation of Salespeople				.635

Test of Hypothesis 2

H2: Apparel retail buyers' attitude toward manufacturer's promotional support is positively related to their acceptance behavior toward the promotional support.

H2-a. Apparel retail buyers' importance perception about promotional materials provided by manufacturers is positively related to their acceptance or cooperation level with the promotional materials.

H2-b. Apparel retail buyers' importance perception about monetary support from manufacturers is positively related to their acceptance or cooperation level with the monetary support.

H2-c. Apparel retail buyers' importance perception about selling aids from manufacturers is positively related to their acceptance or cooperation level with the selling aids.

H2-d. Apparel retail buyers' importance perception about motivation of salespeople provided by manufacturers is positively related to their acceptance or cooperation level with the motivation of salespeople.

Pearson's correlation coefficients (r) between variables that are shown in Table 15. All r values were over .55, having positive signs. The positive sign of r indicates a positive relationship. As an overall result of the tests, buyers' acceptance behavior toward the promotional support was found to be positively associated with the apparel retail buyers' attitude toward the promotional support. In terms of each promotional support component, the component for motivation of salespeople had a higher correlation coefficient between importance perception and offering frequency than other components (.662). The monetary support component had the lowest correlation coefficient (.586).

Table 15

Correlation Coefficients between Variables for Hypothesis 2

Variable	Importance Perception			
	Promotional Materials	Monetary Support	Selling Aids	Motivation of Salespeople
<u>Acceptance or cooperation level of:</u>				
Promotional Materials	.632			
Monetary Support		.586		
Selling Aids			.602	
Motivation of Salespeople				.662

The result of testing Hypothesis 2 implies that the apparel buyers' attitude positively influences their acceptance behavior. Positive expectations toward the manufacturer's promotional support may increase the possibility of the retail buyers' selection of suppliers (Sheth, 1973).

Test of Hypothesis 3

H3: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to the retail organization's orientation.

Hypothesis 3 has two sub-hypotheses to examine (a) the relationship between the organization's orientation and apparel retail buyers' attitude and (b) the relationship between the organization's orientation and apparel retail buyers' acceptance behavior

toward the manufacturer's promotional support. Hypothesis 3-a was formed for the attitude and Hypothesis 3-b was formed for the acceptance behavior. Attitude was measured by importance perception, and acceptance behavior was measured by acceptance or cooperation level. Two measures of retail organization orientation (i.e., fashion orientation, price orientation) were tested.

H3-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's orientation.

To examine the relationship between the levels of fashion orientation of retail organizations and apparel retail buyers' attitude (i.e., importance perception) toward the promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3 = \mu_4$$

Relationship between fashion orientation and importance perception. Each of four promotional support components was tested using ANOVA (see Table 16). ANOVA revealed a significant difference among the levels of fashion orientation in apparel retail buyers' attitude toward the promotional materials component ($F [3, 132]=3.62, p =.015$). The null hypothesis was rejected. ANOVA revealed no difference among the levels of fashion orientation in apparel retail buyers' attitude toward the monetary support component ($F [3, 132]=.76, p =.518$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the levels of fashion orientation in apparel retail buyers' attitude toward the selling aids component ($F [3, 132]=5.97, p =.001$). The null hypothesis was rejected. ANOVA revealed a significant difference among the levels of

fashion orientation in apparel retail buyers' attitude toward the motivation of salespeople component ($F [3, 132]=8.26, p =.000$). The null hypothesis was rejected.

Table 16

Result of ANOVA for Importance Perception toward Promotional Support by Fashion Orientation

Source	df	F
Promotional materials component		
Fashion orientation	3	3.62*
Error	132	
Monetary support component		
Fashion orientation	3	.76
Error	132	
Selling aids component		
Fashion orientation	3	5.97***
Error	132	
Motivation of salespeople component		
Fashion orientation	3	8.26***
Error	132	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Since ANOVA revealed that apparel retail buyers' attitude toward the three components (i.e., promotional materials, selling aids, motivation of salespeople) varied with the levels of fashion orientation of the retail organization, multiple comparisons were done using Tukey's pairwise comparison.

Differences among levels of fashion orientation in importance perception toward the promotional materials component. Tukey's pairwise comparison revealed that there was a significant mean difference between the highly fashion oriented level and the low fashion oriented level (mean difference confidence interval [.1063, 1.1701]) for the apparel buyers' attitude toward the promotional materials component. The highly fashion oriented level has a higher mean than the low fashion oriented level (see Table 17). The result of the comparison indicates that apparel retail buyers of highly fashion oriented retail organizations perceive the promotional materials component as more important than do buyers of low fashion oriented retail organizations.

Differences among levels of fashion orientation in importance perception toward the selling aids component. Tukey's pairwise comparison revealed that there were significant mean differences between the highly fashion oriented level and the moderate fashion oriented level (mean difference confidence interval [.0890, 1.0830]), and between the highly fashion oriented level and the low fashion oriented level (mean difference confidence interval [.3360, 1.5296]) in apparel buyers' attitude toward the selling aids component. The highly fashion oriented level has a higher mean than the moderate fashion oriented level and the low fashion oriented level (see Table 17). The result of the comparison implies that apparel retail buyers of highly fashion oriented retail organizations perceive the selling aids component as more important than do buyers of moderate fashion oriented and low fashion oriented retail organizations.

Differences among levels of fashion orientation in importance perception toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there were significant mean differences between the moderate fashion oriented level and the low fashion oriented level (mean difference confidence interval [.147, 1.744]), and between the highly fashion oriented level and the low fashion oriented level (mean difference confidence

Table 17

Comparison among Levels of Fashion Orientation in Importance Perception toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
	Promotional materials component		2.50	3.00	3.50	
Highly fashion oriented	2.9873 ^a	.9648	(-----*-----)			
Moderate fashion oriented	2.5480	.7899	(---*---)			
Low fashion oriented	2.3491	.5380	(-----*-----)			
Combination	2.8125	.6575	(-----*-----)			
						(pooled SD= .7849)
	Monetary support component		3.50	4.00	4.50	5.00
Highly fashion oriented	4.3778	.8150	(-----*-----)			
Moderate fashion oriented	4.1142	1.0292	(---*---)			
Low fashion oriented	4.3333	.8116	(-----*-----)			
Combination	4.3333	.5443	(-----*-----)			
						(pooled SD= .9320)
	Selling aids component		2.40	3.00	3.60	4.20
Highly fashion oriented	3.5794 ^{ab}	.8509	(-----*-----)			
Moderate fashion oriented	2.9934	.9582	(---*---)			
Low fashion oriented	2.6466	.7373	(-----*-----)			
Combination	3.4241	.1416	(-----*-----)			
						(pooled SD= .8807)
	Motivation of salespeople component		2.40	3.60	4.80	
Highly fashion oriented	3.583	1.480	(---*---)			
Moderate fashion oriented	2.877	1.366	(---*---)			
Low fashion oriented	1.931 ^{ab}	1.431	(-----*-----)			
Combination	4.250	.957	(-----*-----)			
						(pooled SD= 1.398)

Note. CI: Confidence Interval. * Significantly different only with low fashion oriented level. ^{ab} Significantly different with other two levels at .05 significance level (excluding Combination).

interval [.705, 2.600]) in apparel buyers' attitude toward the motivation of salespeople component. The low fashion oriented level has a lower mean than the highly fashion oriented level and the moderate fashion oriented level (see Table 17). The result of the comparison implies that apparel retail buyers of low fashion oriented retail organizations perceive the motivation of salespeople component as less important than do buyers of highly fashion oriented and moderate fashion oriented retail organizations.

The researcher also examined the difference among the levels of price orientation of the retail organization and the apparel retail buyers' importance perception toward the manufacturer's promotional support.

Relationship between price orientation and importance perception. Each of the four promotional support components was tested using ANOVA (see Table 18). ANOVA revealed a significant difference among the levels of price orientation in attitude toward the promotional materials component ($F [3, 133]=4.86, p =.010$). The null hypothesis was rejected. The p value shows that there was no significant difference among the levels of price orientation in attitude toward the monetary support component ($p =.986$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the levels of price orientation in attitude toward the selling aids component ($F [3, 133]=4.25, p =.007$). The null hypothesis was rejected. ANOVA revealed a significant difference among the levels of price orientation in attitude toward the motivation of salespeople ($F [3, 133]=12.35, p =.000$). The null hypothesis was rejected.

Since ANOVA revealed that attitude toward the three components (i.e., promotional materials, selling aids, motivation of salespeople) varied with the levels of price orientation of retail organization, multiple comparisons were done using Tukey's pairwise comparison.

Table 18

Result of ANOVA for Importance Perception toward Promotional Support by PriceOrientation

Source	df	F
Promotional materials component		
Price orientation	3	4.86**
Error	133	
Monetary support component		
Price orientation	3	.09
Error	133	
Selling aids component		
Price orientation	3	4.25**
Error	133	
Motivation of salespeople component		
Price orientation	3	12.35***
Error	133	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Differences among levels of price orientation in importance perception toward the promotional materials component. Tukey's pairwise comparison revealed that there was a significant mean differences between the high-price oriented level and the low-price oriented level (mean difference confidence interval [.2626, 1.3868]), and between the high-price oriented level and the moderate-price oriented level (mean difference confidence interval [.0154, 1.0042]) in apparel buyers' attitude toward the promotional materials component. The high-price oriented level has a higher mean than the low-price oriented level and the moderate-price level (see Table 19). The result of the comparison implies that apparel retail buyers of high-price oriented retail organizations perceive the promotional

Table 19

Comparison among Levels of Price Orientation in Importance Perception toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
	Promotional materials component		2.00	2.50	3.00	3.50
High-price oriented	3.1137 ^{ab}	.8908	(-----*-----)			
Moderate-price oriented	2.6038	.8244	(---*---)			
Low-price oriented	2.2890	.5774	(-----*-----)			
Combination	2.5937	.1875	(-----*-----)			
			(pooled SD= .7739)			
	Monetary support component		3.60	4.20	4.80	5.40
High-price oriented	4.2381	.8637	(-----*-----)			
Moderate-price oriented	4.2405	.9562	(---*---)			
Low-price oriented	4.1818	.9650	(-----*-----)			
Combination	4.4167	.5693	(-----*-----)			
			(pooled SD= .9380)			
	Selling aids component		2.40	3.00	3.60	4.20
High-price oriented	3.5037 ^a	.9419	(-----*-----)			
Moderate-price oriented	3.0920	.9488	(---*---)			
Low-price oriented	2.6515	.7544	(-----*-----)			
Combination	3.4062	.1875	(-----*-----)			
			(pooled SD= .8939)			
	Motivation of salespeople component		2.40	3.60	4.80	
High-price oriented	3.7620 ^a	1.4540	(---*---)			
Moderate-price oriented	3.0820	1.3950	(---*---)			
Low-price oriented	1.7120	1.1460	(---*---)			
Combination	3.6250	1.1090	(-----*-----)			
			(pooled SD= 1.343)			

Note. CI: Confidence Interval. ^aSignificantly different only with low price level.

^{ab}Significantly different with other two levels at .05 significance level. level (excluding Combination).

materials component as more important than do buyers of low-price oriented retail organizations.

Differences among levels of price orientation in importance perception toward the selling aids component. Tukey's pairwise comparison revealed that there was a significant mean difference between the high-price oriented level and the low-price oriented level (mean difference confidence interval [.2028, 1.5015]) in apparel buyers' attitude toward the selling aids component. The high-price oriented level has a higher mean than the low-price oriented level (see Table 19). The result of the comparison implies that apparel retail buyers of high-price oriented retail organizations perceive the selling aids component as more important than do buyers of low-price oriented retail organizations. This finding is parallel to the relationship shown with the promotional materials component.

Differences among levels of price orientation in importance perception toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there was a significant mean difference between the high-price oriented level and the low-price oriented level (mean difference confidence interval [1.075, 3.025]) in apparel buyers' attitude toward the motivation of salespeople component. The low-price oriented level has a lower mean than the high-price oriented level and the moderate-price level (see Table 19). The result of the comparison implies that apparel retail buyers of low-price oriented retail organizations perceive the motivation of salespeople component as less important than do buyers of high-price oriented retail organizations and moderate price-oriented retail organizations.

H3-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's orientation.

To examine the relationship between the levels of fashion orientation of retail organizations and apparel retail buyers' acceptance behavior (i.e., acceptance or cooperation level) toward the promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3 = \mu_4$$

Relationship between fashion orientation and acceptance or cooperation level.

Each of four promotional support components was tested using ANOVA (see Table 20). ANOVA revealed a significant difference among the levels of fashion orientation in apparel retail buyers' acceptance behavior toward the promotional materials component ($F [3, 129]=4.48, p =.005$). The null hypothesis was rejected. The p value shows that there was no significant difference among the levels of fashion orientation in apparel retail buyers' acceptance behavior toward the monetary support component ($p =.212$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the levels of fashion orientation in apparel retail buyers' acceptance behavior toward the selling aids component ($F [3, 129]=9.14, p =.000$). The null hypothesis was rejected. ANOVA revealed a significant difference among the levels of fashion orientation in apparel retail buyers' acceptance behavior toward the motivation of salespeople component ($F [3, 127]=12.82, p =.000$). The null hypothesis was rejected.

Since ANOVA revealed that apparel retail buyers' acceptance behavior toward the three components (i.e., promotional materials, selling aids, motivation of salespeople) varied with the levels of fashion orientation of retail organization, multiple comparisons were done using Tukey's pairwise comparison.

Table 20

Result of ANOVA for Acceptance Behavior toward Promotional Support by FashionOrientation

Source	df	F
Promotional materials component		
Fashion Orientation	3	4.48**
Error	129	
Monetary support component		
Fashion orientation	3	1.52
Error	129	
Selling aids component		
Fashion orientation	3	9.14***
Error	129	
Motivation of salespeople component		
Fashion orientation	3	12.82***
Error	127	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Differences among levels of fashion orientation in acceptance or cooperation level toward the promotional materials component. Tukey's pairwise comparison revealed that there were significant mean differences between the highly fashion oriented level and the moderate fashion oriented level (mean difference confidence interval [.1074, 1.0404]), and between the highly fashion oriented level and the low fashion oriented level (mean difference confidence interval [.1535, 1.2669]) in apparel buyers' acceptance behavior toward the promotional materials component. The highly fashion oriented level has a higher mean than the moderate fashion oriented level and the low fashion oriented level (see Table 21). The result of the comparison implies that apparel retail buyers of highly fashion

Table 21

Comparison among Levels of Fashion Orientation in Acceptance or Cooperation Level toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
	Promotional materials component		1.50	2.00	2.50	3.00
Highly fashion oriented	2.6413 ^{ab}	1.0604	-----*-----			
Moderate fashion oriented	2.0673	.8323	----*----			
Low fashion oriented	1.9310	.3803	-----*-----			
Combination	2.2187	.8919	-----*-----			
			(pooled SD= .8215)			
	Monetary support component		2.10	2.80	3.50	4.20
Highly fashion oriented	4.139	1.032	-----*-----			
Moderate fashion oriented	4.767	1.123	----*----			
Low fashion oriented	4.034	1.078	-----*-----			
Combination	4.167	1.667	-----*-----			
			(pooled SD= 1.109)			
	Selling aids component		2.10	2.80	3.50	
Highly fashion oriented	3.4226 ^{ab}	1.0404	-----*-----			
Moderate fashion oriented	2.4169	1.0823	----*----			
Low fashion oriented	2.2069	.6783	-----*-----			
Combination	3.5312	.9375	-----*-----			
			(pooled SD= .9951)			
	Motivation of salespeople component		1.10	2.40	3.60	4.80
Highly fashion oriented	3.732 ^{ab}	1.630	----*----			
Moderate fashion oriented	2.186	1.521	---*---			
Low fashion oriented	1.431	1.033	-----*-----			
Combination	3.205	2.062	-----*-----			
			(pooled SD= 1.469)			

Note. CI: Confidence Interval. ^{ab} Significantly different with other two levels at .05 significance level (excluding Combination).

oriented retail organizations accept or cooperate with the promotional materials component more than do buyers of moderate fashion oriented and low fashion oriented retail organizations.

Differences among levels of fashion orientation in acceptance or cooperation level toward the selling aids component. Tukey's pairwise comparison revealed that there were significant mean differences between the highly fashion oriented level and the moderate fashion oriented level (mean difference confidence interval [.4407, 1.5707]), and between the highly fashion oriented level and the low fashion oriented level (mean difference confidence interval [.5414, 1.8900]) in apparel buyers' acceptance behavior toward the selling aids component. The highly fashion oriented level has a higher mean than the moderate fashion oriented level and the low fashion oriented level (see Table 21). The result of the comparison implies that apparel retail buyers of highly fashion oriented retail organizations accept or cooperate with the selling aids component more than do buyers of moderate fashion oriented and low fashion oriented retail organizations. This finding is parallel to the relationship shown in promotional materials.

Differences among levels of fashion orientation in acceptance or cooperation level toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there were significant mean differences between the highly fashion oriented level and the moderate fashion oriented level (mean difference confidence interval [.692, 2.401]), and between the high fashion oriented level and the low fashion oriented level (mean difference confidence interval [1.289, 3.314]) in apparel buyers' acceptance behavior toward the motivation of salespeople component. The highly fashion oriented level has a higher mean than the moderate fashion oriented level and the low fashion oriented level (see Table 21). The result of the comparison implies that apparel retail buyers of highly fashion oriented retail organizations accept or cooperate with the motivation of salespeople component more than do buyers of moderate fashion oriented and low fashion oriented

retail organizations. This finding is parallel to the relationships shown in promotional materials and selling aids.

The researcher also examined the difference among the levels of price orientation and apparel retail buyers' acceptance behavior (i.e., acceptance or cooperation level) toward the promotional support.

Relationship between price orientation and acceptance or cooperation level. Each of the four promotional support components was tested using ANOVA. The p value shows that there was no significant difference among the levels of price orientation in apparel retail buyers' acceptance behavior toward the promotional materials component ($p = .071$) (see Table 22). The null hypothesis was not rejected. The p value shows that there was no significant difference among the levels of price orientation in apparel retail buyers' acceptance behavior toward the monetary support component ($p = .472$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the levels of price orientation in apparel retail buyers' acceptance behavior toward the selling aids component ($F [3, 130]=4.82, p = .003$). The null hypothesis was rejected. ANOVA revealed a significant difference among the levels of price orientation in apparel retail buyers' acceptance behavior toward the motivation of salespeople component ($F [3, 128]=12.42, p = .000$). The null hypothesis was rejected.

Since ANOVA revealed that acceptance or cooperate level toward the two components (i.e., selling aids, motivation of salespeople) varied with the levels of price orientation of retail organizations, multiple comparisons were done using Tukey's pairwise comparison.

Table 22

Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Price Orientation

Source	df	F
Promotional materials component		
Price orientation	3	2.40
Error	130	
Monetary support component		
Price orientation	3	.84
Error	130	
Selling aids component		
Price orientation	3	4.82**
Error	130	
Motivation of salespeople component		
Price orientation	3	12.42***
Error	128	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Differences among levels of price orientation in acceptance or cooperation level toward the selling aids component. Tukey's pairwise comparison revealed that there were significant mean differences between the high-price oriented level and the moderate-price oriented level (mean difference confidence interval [.097, 1.426]), and between the high-price oriented level and the low-price oriented level (mean difference confidence interval [.331, 1.836]) in apparel buyers' acceptance behavior toward the selling aids component. The high-price oriented level has a higher mean than the moderate-price oriented level and the low-price oriented level (see Table 23). The result of the comparison implies that apparel retail buyers of high-price oriented retail organizations accept or cooperate with the

Table 23

Comparison among Levels of Price Orientation in Acceptance or Cooperation Level toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
	Promotional materials component		1.50	2.00	2.50	3.00
High-price oriented	2.5624*	1.9839	(-----*-----)			
Moderate-price oriented	2.1483	.9307	(---*---)			
Low-price oriented	1.9356	.4298	(-----*-----)			
Combination	2.2500	.7906	(-----*-----)			
	(pooled SD= .8418)					
	Monetary support component		3.00	3.60	4.20	4.80
High-price oriented	4.103	1.031	(-----*-----)			
Moderate-price oriented	3.768	1.139	(---*---)			
Low-price oriented	4.071	1.148	(-----*-----)			
Combination	3.917	.739	(-----*-----)			
	(pooled SD= 1.118)					
	Selling aids component		1.80	2.40	3.00	3.60
High-price oriented	3.318 ^{ab}	1.020	(-----*-----)			
Moderate-price oriented	2.557	1.163	(---*---)			
Low-price oriented	2.235	.682	(-----*-----)			
Combination	2.781	.880	(-----*-----)			
	(pooled SD= 1.036)					
	Motivation of salespeople component		1.20	2.40	3.60	4.80
High-price oriented	3.833 ^{ab}	1.435	(---*---)			
Moderate-price oriented	2.351	1.646	(---*---)			
Low-price oriented	1.409	.914	(-----*-----)			
Combination	3.500	1.915	(-----*-----)			
	(pooled SD= 1.470)					

Note. CI: Confidence Interval. *Significantly different only with low price level.

^{ab}Significantly different with other two levels at .05 significance level (excluding Combination).

selling aids component more than do buyers of moderate-price oriented and low-price oriented retail organizations.

Differences among levels of price orientation in acceptance or cooperation level toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there were significant mean differences between the high-price oriented level and the moderate-price oriented level (mean difference confidence interval [.536, 2.428]), between the high-price oriented level and the low-price oriented level (mean difference confidence interval [1.356, 3.492]), and between the moderate-price oriented level and the low-price oriented level (mean difference confidence interval [.141, 1.743]) in apparel buyers' acceptance behavior toward motivation of salespeople component. All three levels show differences in acceptance behavior toward the motivation of salespeople component. The high-price oriented level has a higher mean than the moderate-price oriented level and the low-price oriented level. The moderate-price oriented level has a higher mean than the low-price level (see Table 23). The result of the comparison implies that as price orientation of a retail organization increases, buyers of the organization accept or cooperate with the motivation of salespeople component more. Higher priced merchandise is usually sold in stores with more emphasis on sales and salesperson expertise (Frings, 1994).

Sheth (1973) proposed company orientation as one of the company-specific factors, and the tests revealed statistical differences among levels of fashion orientation and price orientation in attitude and acceptance behavior toward three promotional support components (i.e., promotional materials, selling aids, motivation of salespeople), excepting the acceptance behavior toward the promotional materials component. Findings from the tests are also supported by the fact that the highly fashion oriented retail organizations pay much attention in advertising and promotions on building recognition of their product and building their image in the fashion introduction stage (Frings, 1994). High price is

commonly associated with the fashion forwardness/newness of the products (Frings, 1994).

Test of Hypothesis 4

H4: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to the retail organization's size.

Hypothesis 4 has two sub-hypotheses to examine (a) the relationship between the organization's size and apparel retail buyers' attitude, and (b) the relationship between the organization's size and apparel retail buyers' acceptance behavior toward manufacturer's promotional support. Hypothesis 4-a was formed for the attitude and Hypothesis 4-b was formed for the acceptance behavior. Attitude was measured by importance perception and acceptance behavior was measured by acceptance or cooperation level.

H4-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's size.

To examine the relationship between the size levels of retail organizations and apparel retail buyers' importance perception toward the promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3$$

Relationship between organization size and importance perception. The p value shows that there was no significant difference among the size levels of retail organizations in attitude toward the promotional materials component ($p = .277$) (see Table 24). The null hypothesis was not rejected. The p value shows that there was no significant difference among the size levels of retail organizations in attitude toward the monetary support component ($p = .182$). The null hypothesis was not rejected. The p value shows that there was no significant difference among the size levels of retail organizations in attitude toward the selling aids component ($p = .991$). The null hypothesis was not rejected. The p value shows that there was no significant difference among the size levels of retail organizations in attitude toward the motivation of salespeople component ($p = .736$). The null hypothesis was not rejected.

The ANOVA revealed that there were no differences among levels of organization size in attitude toward all four promotional support components. No further comparison was done.

H4-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's size.

To examine the relationship between the size levels of retail organizations and the apparel retail buyers' acceptance behavior toward the promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3$$

Table 24

Result of ANOVA for Importance Perception toward Promotional Support by Organization's Size

Source	df	F
Promotional materials component		
Organization's size	2	1.30
Error	132	
Monetary support component		
Organization's size	2	1.73
Error	132	
Selling aids component		
Organization's size	2	.01
Error	132	
Motivation of salespeople component		
Organization's size	2	.31
Error	132	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Relationship between organization size and acceptance or cooperation level. The p value shows that there were no significant differences among the size levels of retail organization in apparel retail buyers' acceptance behavior toward the promotional materials component ($p = .189$) (see Table 25). The null hypothesis was not rejected. The p value shows that there were no significant differences among the size levels of retail organization in apparel retail buyers' acceptance behavior toward the monetary support component ($p = .542$). The null hypothesis was not rejected. The p value shows that there were no significant differences among the size levels of retail organization in apparel retail buyers' acceptance behavior toward the selling aids component ($p = .657$). The null hypothesis was

not rejected. The p value shows that there were no significant differences among the size levels of retail organization in apparel retail buyers' acceptance behavior toward the motivation of salespeople component ($p = .295$). The null hypothesis was not rejected.

Table 25

Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Organization Size

Source	df	F
Promotional materials component		
Organization's size	2	1.69
Error	130	
Monetary support component		
Organization's size	2	.62
Error	130	
Selling aids component		
Organization's size	2	.42
Error	130	
Motivation of salespeople component		
Organization's size	2	1.23
Error	128	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

The ANOVA revealed that there were no significant differences among the levels of retail organization size in buyers' acceptance behavior toward all four promotional support components. No further comparison was done.

Organization size was not a significant factor in apparel retail buyers' attitude and acceptance behavior toward promotional support. This finding contrasts with Sheth's Model (1973) that shows size to be a factor in the buyer's decision making process. Failure to find significance may be attributed to the size restriction on the sample. A preliminary study that included both large and small retailers showed that size affected the promotional support offerings (Park & Kincade, 1995).

Test of Hypothesis 5

H5: Apparel retail buyers' attitude (i.e., importance perception) and acceptance behavior (i.e., acceptance or cooperation level) toward the manufacturer's promotional support varies according to the retail organization's degree of centralization.

Hypothesis 5 has two sub-hypotheses to examine (a) the relationship between the centralization levels of retail organizations and apparel retail buyers' attitude and (b) the relationship between the levels of centralization of retail organizations and apparel retail buyers' acceptance behavior toward manufacturer's promotional support. Hypothesis 5-a was formed for the attitude, and Hypothesis 5-b was formed for the acceptance behavior. The organization's centralization level ranged from decentralized to highly centralized.

H5-a. Apparel retail buyers' importance perception about the manufacturer's promotional support varies according to the retail organization's degree of centralization.

To examine the relationship between the centralization levels of retail organizations and apparel retail buyers' attitude toward promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3$$

Relationship between degree of centralization and importance perception. Each of four promotional support components was tested using ANOVA (see Table 26). ANOVA revealed a significant difference among the centralization levels of retail organizations in apparel retail buyers' attitude toward the promotional materials component ($F [2, 134]=7.16, p =.001$). The null hypothesis was rejected. The p value shows that there was no significant difference among the centralization levels of retail organization in apparel retail buyers' attitude toward the monetary support component ($p =.295$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the centralization levels of retail organization in apparel retail buyers' attitude toward the selling aids component ($F [2, 134]=6.38, p =.002$). The null hypothesis was rejected. ANOVA revealed a significant difference among the centralization levels of retail organization in apparel retail buyers' attitude toward the motivation of salespeople component ($F [2, 134]=16.28, p =.000$). The null hypothesis was rejected.

Since ANOVA revealed that apparel retail buyers' attitude toward the three components (i.e., promotional materials, selling aids, motivation of salespeople) were different among the degrees of centralization of retail organizations, multiple comparisons were done using Tukey's pairwise comparison to specify the difference.

Differences among levels of centralization in importance perception toward the promotional materials component. Tukey's pairwise comparison revealed that there were significant mean differences between the low centralization level and the modified

Table 26

Result of ANOVA for Attitude toward Promotional Support by Degree of Centralization

Source	df	F
Promotional materials component		
Degree of centralization	2	7.16***
Error	134	
Monetary support component		
Degree of centralization	2	1.23
Error	134	
Selling aids component		
Degree of centralization	2	6.38**
Error	134	
Motivation of salespeople component		
Degree of centralization	2	16.28***
Error	134	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

centralization level (mean difference confidence interval [.3097, 1.4524]), and between the low centralization level and the high centralization level (mean difference confidence interval [.1441, 1.0431]) in apparel buyers' attitude toward the promotional materials component. The low centralization level has a higher mean than the modified centralization level and the high centralization level (see Table 27). The result of the comparison implies that apparel retail buyers of decentralized retail organizations perceive the promotional materials component as more important than do buyers of modified centralized and highly centralized retail organizations.

Differences among levels of centralization in importance perception toward the selling aids component. Tukey's pairwise comparison revealed that there was a significant

Table 27

Comparison among Levels of Centralization in Importance Perception toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
Promotional materials component						
			2.00	2.50	3.00	3.50
			+-----+-----+-----+-----+			
Decentralized	3.1568 ^{ab}	.9085			(-----*-----)	
Modifiedcentralized	2.2758	.4720	(-----*-----)			
Highly centralized	2.5632	.7928		(--*--)		
(pooled SD= .7719)						
Monetary support component						
			3.60	3.90	4.20	4.50
			+-----+-----+-----+-----+			
Decentralized	4.1500	.7373			(-----*-----)	
Modifiedcentralized	3.9683	1.1051	(-----*-----)			
Highly centralized	4.3056	.9198			(-----*-----)	
(pooled SD= .9269)						
Selling aids component						
			2.50	3.00	3.50	
			+-----+-----+-----			
Decentralized	3.4432 ^a	.8924			(-----*-----)	
Modifiedcentralized	2.4821	.7617	(-----*-----)			
Highly centralized	3.1040	.9155		(--*--)		
(pooled SD= .8909)						
Motivation of salespeople component						
			2.00	3.00	4.00	
			+-----+-----+-----			
Decentralized	4.175 ^{ab}	1.259			(-----*-----)	
Modifiedcentralized	1.762	1.125	(-----*-----)			
Highly centralized	2.844	1.419		(-*--)		
(pooled SD= 1.357)						

Note. CI: Confidence Interval. ^aSignificantly different only with the modified centralized level at .05 significance level. ^{ab}Significantly different with other two levels at .05 significance level.

mean difference between the low centralization level and the modified centralization level (mean difference confidence interval [.3017, 1.6204]) in apparel buyers' attitude toward the selling aids component. The low centralization level has a higher mean than the modified centralization level (see Table 27). The result of the comparison implies that apparel retail buyers of decentralized retail organizations perceive the selling aids component as more important than do buyers of modified centralized retail organizations.

Differences among levels of centralization in importance perception toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there were significant mean differences between the low centralization level and the modified centralization level (mean difference confidence interval [1.409, 3.417]), and between the low centralization level and the high centralization level (mean difference confidence interval [.541, 2.121]) in apparel buyers' attitude toward the motivation of salespeople component. The low centralization level has a higher mean than the modified centralization level (see Table 27). The result of the comparison implies that apparel retail buyers of decentralized retail organizations perceive the motivation of salespeople component as more important than do buyers of modified centralized and highly centralized retail organizations. This finding is parallel to the relationships shown in the promotional materials and selling aids components.

Apparel retail buyers at organizations with decentralized buying had the highest importance mean rating for the three promotional support components. Buyers who work for decentralized organization have responsibilities for buying and for merchandising (Kotler & Armstrong, 1995). These buyers have more involvement with store promotions and advertising, and would have more concern about the provision of specific support. In organizations with centralized buying, the promotion function is often supervised by other store personnel (Berman & Evans, 1992; Frings, 1994).

H5-b. Apparel retail buyers' acceptance or cooperation level with the manufacturer's promotional support varies according to the retail organization's degree of centralization.

To examine the relationship between the levels of centralization of retail organization and apparel retail buyers' acceptance behavior toward the promotional support, the null hypothesis was set as follows:

$$H_0: \mu_1 = \mu_2 = \mu_3$$

Relationship between degree of centralization and acceptance or cooperation level.

Each of the four promotional support components was tested using ANOVA (see Table 28). ANOVA revealed a significant difference among the centralization levels of retail organization in apparel retail buyers' acceptance behavior toward the promotional materials component ($F [2, 131]=5.50, p =.005$). The null hypothesis was rejected. The p value shows that there was no significant difference among the centralization levels of retail organizations in apparel retail buyers' acceptance behavior toward the monetary support component ($p =.507$). The null hypothesis was not rejected. ANOVA revealed a significant difference among the centralization levels of retail organizations in apparel retail buyers' acceptance behavior toward the selling aids component ($F [2, 131]=6.11, p =.003$). The null hypothesis was rejected. ANOVA revealed a significant difference among the centralization levels of retail organizations in apparel retail buyers' acceptance behavior toward the motivation of salespeople component ($F [2, 129]=23.72, p =.000$). The null hypothesis was rejected.

Table 28

Result of ANOVA for Acceptance or Cooperation Level toward Promotional Support by Degree of Centralization

Source	df	F
<u>Promotional materials component</u>		
Degree of centralization	2	5.50**
Error	131	
<u>Monetary support component</u>		
Degree of centralization	2	.68
Error	131	
<u>Selling aids component</u>		
Degree of centralization	2	6.11**
Error	131	
<u>Motivation of salespeople component</u>		
Degree of centralization	2	26.72***
Error	129	

Note. * $p < .05$. ** $p < .01$. *** $p < .001$.

Since ANOVA revealed that apparel retail buyers' acceptance behavior toward the three components (i.e., promotional materials, selling aids, motivation of salespeople) varies among the levels of centralization, multiple comparisons were done using Tukey's pairwise comparison.

Differences among levels of centralization in acceptance or cooperation level toward the promotional materials component. Tukey's pairwise comparison revealed that there were significant mean differences between the low centralization level and the modified centralization level (mean difference confidence interval [.2004, 1.4252]), and between the low centralization level and the high centralization level (mean difference confidence

interval [.0969, 1.0631]) in apparel buyers' acceptance behavior toward the promotional materials component. The low centralization level has a higher mean than the modified centralization level and the high centralization level (see Table 29). The result of the comparison implies that apparel retail buyers of decentralized retail organizations accept or cooperate with the promotional materials component more than do buyers of modified centralized and highly centralized organizations.

Differences among levels of centralization in acceptance or cooperation level toward the selling aids component. Tukey's pairwise comparison revealed that there were significant mean differences between the low centralization level and the modified centralization level (mean difference confidence interval [.322, 1.861]), and between the low centralized level and the highly centralized level (mean difference confidence interval [.141, 1.355]) in apparel buyers' acceptance behavior toward the selling aids component. The low centralization level has a higher mean than the modified centralization level and the highly centralized level (see Table 29). The result of the comparison implies that apparel retail buyers of decentralized retail organizations accept or cooperate with the selling aids component more than do buyers of modified centralized organizations and highly centralized organizations.

Differences among levels of centralization in acceptance behavior toward the motivation of salespeople component. Tukey's pairwise comparison revealed that there were significant mean differences between the low centralization level and the modified centralization level (mean difference confidence interval [2.1290, 4.4080]), and between the low centralized level and the highly centralized level (mean difference confidence interval [1.3690, 3.0420]) in apparel buyers' acceptance behavior toward the selling aids component. The low centralization level has a higher mean than the modified centralization level and the highly centralized level (see Table 29). The result of the comparison implies that apparel retail buyers of decentralized retail organizations accept or cooperate with the

Table 29

Comparison among Levels of Centralization in Acceptance or Cooperation Level toward Promotional Support

Level	M	SD	Individual 95% CIs for Mean (based on Pooled SD)			
Promotional materials component						
			2.00	2.50	3.00	
			+-----+	+-----+	+-----+	
Decentralized	2.6937 ^{ab}	1.0478				(-----*-----)
Modified centralized	1.8810	.3676	(-----*-----)			
Highly centralized	2.1137	.8478	(---*---)			
			(pooled SD= .8274)			
Monetary support component						
			3.60	3.90	4.20	4.50
			+-----+	+-----+	+-----+	+-----+
Decentralized	4.075	.974				(-----*-----)
Modified centralized	3.063	1.223	(-----*-----)			
Highly centralized	3.824	1.122	(-----*-----)			
			(pooled SD= 1.118)			
Selling aids component						
			1.80	2.40	3.00	3.60
			+-----+	+-----+	+-----+	+-----+
Decentralized	3.294 ^{ab}	.828				(-----*-----)
Modified centralized	2.202	.702	(-----*-----)			
Highly centralized	2.546	1.137	(---*---)			
			(pooled SD= 1.040)			
Motivation of salespeople component						
			1.20	2.40	3.60	4.80
			+-----+	+-----+	+-----+	+-----+
Decentralized	4.225 ^{ab}	1.419				(-----*-----)
Modified centralized	1.262	.625	(-----*-----)			
Highly centralized	2.242	1.546	(---*---)			
			(pooled SD= 1.423)			

Note. CI: Confidence Interval. ^{ab}Significantly different with other two levels at .05 significance level.

motivation of salespeople component more than do buyers of modified centralized organizations and highly centralized organizations.

Buyers who are involved in decentralized buying have responsibility both for buying and merchandising for each local store (Berman & Evans, 1992; Frings, 1994; Kotler & Armstrong, 1995). They have positive attitude toward manufacturer's promotional support and acceptance behavior with the promotional support more than buyers from other more centralized organizations. This finding reflects the decentralized organization buyers' sensitivity to the local stores' promotional needs. Retail organizations that are involved in highly centralized buying separate the buying function from the promotion function (Berman & Evans, 1992). This functional division supports the finding that buyers who are involved in centralized buying have less positive attitude and low level of acceptance behavior toward promotional support from manufacturers.

CHAPTER V
SUMMARY, CONCLUSIONS, IMPLICATIONS, AND
RECOMMENDATIONS

Summary

The purposes of this study were to define the promotional supports provided for apparel retailers from manufacturers, to identify the retailers' importance perception, perceived offering frequency, and acceptance or cooperation level with the promotional support, and to investigate the effects of the retail organizational variables (i.e., retail organization's orientation, size, degree of centralization) on the retailers' attitude and acceptance behavior toward the promotional support. The study was based on Sheth's Industrial Buying Model (1973). Promotional support items were categorized into four components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). Apparel retail buyers from various apparel retail organizations with annual sales over \$100 million, participated to the study. Buyers responded to a structured questionnaire that was designed for the study.

A total of 397 questionnaires were mailed directly to apparel retail buyers whose names and mailing addresses were obtained through precontacting, or were mailed as a package to specific persons, identified by the researcher, who agreed to distribute the questionnaires. A total of 137 questionnaires were included in data analysis from the 141 returned questionnaires, representing a return rate of 35.52%.

Of the respondents, 54.03% were involved in moderate fashion oriented retail organizations. The remaining respondents were equally divided between the highly fashion oriented retail organizations and the low fashion oriented retail organizations. Of the respondents, 58.87% were involved in the moderate-price oriented retail organizations.

Approximately 30% of the respondents represented retail organizations with annual sales in each of three categories: over \$2,000 million, from \$600 million to \$1,999 million, and from \$100 million to \$599 million. The majority of the respondents represented buyers from retail organizations that were involved in centralized buying.

Overall Mean Ratings of Promotional Support Variables

Twenty-one promotional support items, defined through a literature review, were presorted into four promotional support components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople). Apparel retail buyers' importance perception, perceived offering frequency, and acceptance or cooperation level were measured within the four components.

Apparel retail buyers perceived that the monetary support component is most important among the four components (i.e., promotional materials, monetary support, selling aids, motivation of salespeople), and the promotional material component is least important. Apparel retail buyers perceived that the monetary support component is most frequently provided from manufacturers, and the motivation of salespeople component is least frequently provided. Apparel retail buyers accept or cooperate with the monetary support component most and with the promotional materials component least.

Relationships between Buyers' Importance Perception and Perceived Offering Frequency of Promotional Support

To test Hypothesis 1, Pearson's correlation coefficient was used in data analysis. Apparel retail buyers' perceived offering frequency of promotional support was positively associated with their attitude toward the promotional support. In terms of each promotional support component, the motivation of salespeople component had a higher correlation coefficient between importance perception and offering frequency than other components.

The selling aids component had the lowest correlation coefficient. The result of correlation testing implies that the manufacturers recognize their customers' needs. Manufacturers supply items that retailers perceive as important. Apparel retail buyers select suppliers who provide promotional support to which they have a positive attitude (Chevalier & Curhan, 1976; Curhan & Kopp, 1988). Among the promotional support components, buyers perceived that the motivation of salespeople component was provided as frequently as they perceived it important. The selling aids component needs to be reevaluated by manufacturers through more understanding of their customers.

Relationships between Buyers' Importance Perception and Acceptance or Cooperation level toward Promotional Support

To test Hypothesis 2, Pearson's correlation coefficient was used in data analysis. Buyers' acceptance behavior toward promotional support was positively associated with the apparel retail buyers' attitude toward the promotional support. In terms of each promotional support component, the motivation of salespeople component had a higher correlation coefficient between importance perception and acceptance or cooperation level than other components. The monetary support component had the lowest correlation coefficient. Buyers accept or cooperate with support components that they perceive as important. The result of this testing implies that the apparel buyers' attitude positively influences their acceptance behavior, and confirms the relationships found in the literature. Positive expectations toward manufacturer's promotional support may increase the possibility of the retail buyers' selection of suppliers (Sheth, 1973). To provide promotional support that is received favorably, manufacturers must know what is perceived as important by retail buyers (Curhan & Kopp, 1988).

Effects of Organizational Characteristics

This study identified which organizational variables are related to buyers' attitude and acceptance behavior with four promotional support components. Hypothesis 3, 4, and 5 were set to examine the relationships between levels of the organizational variables (i.e., fashion orientation, price orientation, organization size, degree of centralization) and buyers' attitude and acceptance behavior. ANOVA was used in the analysis. ANOVA is usually used as a test of means for two or more populations (Malhotra, 1993). The differences in the mean values of the importance perception and acceptance or cooperation level were associated with the effect of the organizational variables (i.e., retail organization's orientation, size, degree of centralization).

Effect on apparel retail buyers' attitude. Table 30 shows the existence of differences in mean responses of buyers' attitude for each organizational variable. Fashion orientation, price orientation, and degree of centralization are related to the attitude responses in three promotional support components (i.e., promotional materials, selling aids, motivation of salespeople). The monetary support component was not significantly related to any organizational variables. Monetary support is important throughout the industry. Apparel retailers also may frequently take a large portion of monetary support (e.g., discount, advertising allowances) from their manufacturers (Berman & Evans, 1992). The finding implies that the monetary support is very common and essential in the apparel retail industry, and it is not related to levels of fashion orientation, price orientation, size, and centralization of the retail organization.

Size was not significantly related to any of the four promotional support components. The size range of the respondents was narrow, because the sample excluded all retailers below \$100 million. In contrast, the preliminary study showed that size was related to offering frequency. Small retailers were excluded from receipt of promotional

support. Among the large retailers (> \$100 million), promotional support did not vary by size.

Table 30

Existence of Difference in Attitude Mean Response

Organizational Variable	Promotional Support Component			
	Promotional Materials	Monetary Support	Selling Aids	Motivation of Salespeople
Fashion Orientation	*		*	*
Price Orientation	*		*	*
Organization Size				
Degree of Centralization	*		*	*

Effects on apparel retail buyers' acceptance behavior. Table 31 shows the existence of differences in mean response of buyers' acceptance behavior for each organizational variable. Fashion orientation and degree of centralization are significantly related to the acceptance behavior responses in three promotional support components (i.e., promotional materials, selling aids, motivation of salespeople). Price orientation is related to the acceptance behavior response in two promotional support components (i.e., selling aids, motivation of salespeople). When measured by acceptance behavior, monetary support was not significantly related to organizational variables.

Table 31

Existence of Difference in Acceptance Behavior Mean Response

Organizational Variable	Promotional Support Component			
	Promotional Materials	Monetary Support	Selling Aids	Motivation of Salespeople
Fashion Orientation	*		*	*
Price Orientation			*	*
Organization Size				
Degree of Centralization	*		*	*

Overall, the more highly fashion oriented and high-price oriented retail organizations are, the more buyers perceive as important and accept or cooperate with the manufacturer's offer for three promotional support components (i.e., promotional materials, selling aids, and motivation of salespeople). For the degree of centralization, buyers perceive three components as important and accept or cooperate with the manufacturer's offer in order of: decentralized retail organizations, centralized retail organizations, and modified centralized retail organizations.

Findings from Hypothesis testing are supported by the fact that the highly fashion oriented retail organizations need advertising and promotions to develop recognition of their product and to build fashion images in the introduction stage (Frings, 1994). High price is commonly associate with the fashion forwardness/newness of the products (Frings, 1994). Buyers who are involved with decentralized buying have responsibility both for buying and merchandising for each local store (Berman & Evans, 1992; Frings, 1994; Kotler & Armstrong, 1995). The finding of high importance perception and high acceptance or

cooperation level reflects the decentralized buyers' sensitivity to local stores' needs. Retail organizations that are involved in highly centralized buying commonly separate the buying function from the promotion function (Berman & Evans, 1992); therefore buyers who are involved in centralized buying show less positive attitude and lower acceptance behavior than buyers from decentralized organizations.

Conclusions and Implications

Overall consistency between apparel retail buyers' importance perception and manufacturer's offering frequency of promotional support was identified as positive. This implies that apparel manufacturers generally provide adequate levels and types of promotional support.

Overall consistency between apparel retail buyers' importance perception and their acceptance or cooperation level of promotional support was identified as positive. A favorable attitude toward promotional support is related to higher levels of acceptance or cooperation by apparel retail buyers. The relationship of attitude to behavior as shown in Sheth's model (1973) is supported.

Retail organization's characteristics of orientation and degree of centralization were related to the apparel retail buyers' attitude and acceptance behavior toward promotional support. Organization size was not related to the apparel retail buyers' attitude and acceptance behavior toward manufacturer's promotional support. Fashion orientation, price orientation, and degree of centralization in buying of retail organizations may influence the apparel retail buyers' attitude and acceptance behavior toward manufacturer's promotional support. Among the three company-specific factors proposed by Sheth (1973) that influence buyer's buying decision the two factors of company orientation and degree of

centralization were shown to be significantly related to apparel retail buyers' buying decision.

Some specific implications about the retail organization's orientation and degree of centralization can be identified from this study. Fashion-forward oriented retail organizations may more favorably perceive and accept or cooperate with the promotional support components of promotional materials, selling aids, and motivation of salespeople. Organizations that carry high price goods may favorably perceive and accept or cooperate with promotional materials, selling aids, and motivation of salespeople support programs that are provided by manufacturers. Decentralized retail organizations may more favorably perceive and accept or cooperate with promotional materials, selling aids, and motivation of salespeople.

Attitude and acceptance behavior about the monetary support component was not related to any organization variables. This component had the highest means in each situation (i.e., importance perception, offering frequency, acceptance or cooperation level). This finding suggests that monetary support is a basic and an important component and is common in all aspects of the apparel retail industry. Monetary support is expected by retailers and is supported by manufacturers.

This study concluded that organizational characteristics of apparel retail organizations are related to the attitude and acceptance behavior of their buyers. Recently, as more specific promotional strategies according to retail forms are necessary, many apparel retail organizations are building their own promotional strategies (Hethcote, 1995). Findings from this study are helpful for manufacturers who want to understand retailers' needs and their strategies and to provide appropriate promotional support. For further specific promotional strategy building, Table 17, Table 19, Table 21, Table 23, Table 27, and Table 29 can serve to compare alternatives. Excluding the non-influential variable of organization size and the non-differential component of monetary support across variable

levels, the other variables can be chosen or evaluated for a specific situation. A highly fashion oriented and/or high-price oriented organization may be more receptive to a program for motivation of salespeople than to promotional materials, while a low fashion oriented and/or low-price oriented organization may be more receptive to selling aids than to a program of motivation of salespeople. A decentralized organization may prefer a program for motivation of salespeople instead of promotional materials, while a highly centralized organization may prefer selling aids instead of promotional materials. A modified centralized organizations may prefer selling aids instead of a program for motivation of salespeople.

Recommendations

This study identifies variations in attitude and acceptance behavior toward manufacturer's promotional support according to specific retail organizational characteristics. The results can be used by apparel manufacturers to build specific promotional support strategies with their current retail customers. Manufacturers can define their customers' characteristics and offer promotional support that will be favorably received. Further, specific findings of this study can help manufacturers select channel members with respect to their retail organizational characteristics. Manufacturers who have established promotional support programs can identify retailers by organizational characteristics who will be responsive to these programs.

This study includes 21 promotional support items that were identified from a literature review. Further study can be designed to identify additional promotional support items using exploratory research, such as open-ended surveys. An exploratory study could

be useful in future research to examine the expansion of promotional support to include more electronic media and networking features.

This study provides some statistical confirmation of the Sheth's (1973) model that buyers' buying is influenced by retail organizational characteristics. Many possible organizational characteristics may affect retailers' buying decision including promotional support acceptance behavior. Further study can examine the interrelationship between the promotional support decisions and other steps of the buyers' decision making process. The organizational characteristics also exhibit relationships among them. An overall measure of their combined effects on apparel retail buyers' buying decision making can be examined with a global model. Further study should examine the interrelationships among organizational variables as functions of the model. This study provides a typology of promotional support that can be used to defined more precisely the decision making process for apparel retail buyers.

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APPENDIX

A. Questionnaire and Letter for Apparel Retail Buyers

B. Letter for Director of Human Resources

C-1. Supplement: Manuscript about Promotional Vendor Support and Its Effect on
Sales as Perceived by Apparel Retail Buyers

C-2. Questionnaire and Letter for Apparel Retail Buyers for Manuscript

Appendix A

Questionnaire and Letter for Apparel Retail Buyers

QUESTIONNAIRE FOR APPAREL RETAIL BUYERS

APPAREL RETAIL BUYERS ATTITUDE, AND ACCEPTANCE BEHAVIOR
TOWARD MANUFACTURER'S PROMOTIONAL SUPPORT:
EFFECTS OF RETAIL ORGANIZATION'S ORIENTATION, SIZE,
AND DEGREE OF CENTRALIZATION

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This questionnaire is designed to collect data for the study of apparel retail buyers' attitude, and acceptance or cooperation toward manufacturer's promotional support. The objective of this study is to help apparel manufacturers better understand their customers, specifically, retail buyers.

DEPT. OF CLOTHING AND TEXTILES, VIRGINIA TECH

College of Human Resources
Blacksburg, VA 24061-0410

April 2, 1996

*Mary Ann Sicarra
Petrie Retail, Inc.
150 Meadow Lands
Secaucus NJ 07094*

Dear Ms. Mary Ann Sicarra:

I am a graduate student, in the Department of Clothing and Textiles at Virginia Tech, working on my thesis research. The purpose of the research is to investigate apparel retail buyers' attitude and acceptance toward apparel manufacturer's promotional support. The information collected in this questionnaire will help you, because manufacturers will gain a better understanding of retail customers' needs and be able to provide retail customers with improved promotional support.

To collect data for this study, I will be asking you for your perceptions about the importance, frequency, and acceptance level of the promotional support items that manufacturers provide to your organization. I would appreciate your help, and hope you will spend about 10 minutes responding to the enclosed questionnaire. All of your responses will remain confidential, and will be used without identifying individuals. You will receive an executive summary of the study if you would like. If you wish to receive an executive summary of the study, please fill out the attached form on the next page. The results will be mailed to you within the next few months.

I realize your time is at a premium; however, your response is valuable to improve U.S. apparel retailing. It will be greatly appreciated if you would complete this questionnaire and return by April 18, 1996. If you wish to receive an executive summary of the study, please fill out the attached form on the next page. The results will be mailed to you within the next few months. If you have any question about this research, please contact me (540) 961-3041 or Dr. Kincade (540) 231-7937. If you have questions about the conduct of this research, please contact Dr. Stout, the research division at (540) 231-9359. Thank you very much.

Sincerely,

Haesun Park
Graduate student
Dept. of Clothing and Textiles
Virginia Tech
e-mail) hapark3@vt.edu
Phone & Fax) 540-961-3041

Doris H. Kincade. Ph. D.
Associate Professor
Dept. of Clothing and Textiles
Virginia Tech

Enclosure

Request Form

for an executive summary of the research

Name:

Mailing Address:

Phone No.:

Section I

Direction: Please, read carefully, and circle only one response per each question (Q1-Q4).

Q1. The apparel merchandise sold by your organization is best described as:

- 1) fashion-forward, fashion newness
- 2) moderate fashion, popular fashion
- 3) proven styles

Q2. The apparel merchandise sold by your organization is generally

- 1) high price
- 2) moderate price
- 3) low price

Q3. Which range includes your organization's annual sales volume?

- | | |
|------------------------|-----------------------------|
| 1) under \$100 million | 10) \$900-\$999 million |
| 2) \$100-\$199 million | 11) \$1.000-\$1.249 billion |
| 3) \$200-\$299 million | 12) \$1.250-\$1.499 billion |
| 4) \$300-\$399 million | 13) \$1.500-\$1.749 billion |
| 5) \$400-\$499 million | 14) \$1.750-\$1.999 billion |
| 6) \$500-\$599 million | 15) \$2.000-\$2.999 billion |
| 7) \$600-\$699 million | 16) \$3.000-\$3.999 billion |
| 8) \$700-\$799 million | 17) \$4.000-\$4.999 billion |
| 9) \$800-\$899 million | 18) \$5.000 billion or over |

Q4. Which of the following best describes your organization's apparel buying?

- 1) All merchandise is bought by local store buyers, and store buyers have responsibility for merchandising.
- 2) Merchandise is generally bought by buyers who are located in the headquarters buying office, but some of the purchasing and reordering is done at the individual store level by store managers.
- 3) All responsibility for merchandising is in the hand of buyers who are located in the headquarters buying office and who buy for member stores; store personnel just carries out instructions from the home office.

Section II

Q5. I would rate each of the following promotional support items provided from vendors as:(Circle the appropriate number)

Promotional Support Items	Not at all Important					Extremely Important
A-1) Advertising cuts or mats to prepare layout for newspaper or other media.....	1	2	3	4	5	
A-2) Radio and TV scripts ready for use.....	1	2	3	4	5	
A-3) Samples of merchandise for display.....	1	2	3	4	5	
A-4) Swatches of material, sold by the yard or attached to finished merchandise.....	1	2	3	4	5	
A-5) Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, window display units).....	1	2	3	4	5	
A-6) In-store demonstration/Live models/Fashion show.....	1	2	3	4	5	
A-7) Motion picture, video, or slides.....	1	2	3	4	5	
A-8) Sales instructional booklets (e.g., pamphlets to distribute to customer).....	1	2	3	4	5	
B-1) Price off (e.g., early order discount, quantity discount, long time order discount, new store discount).....	1	2	3	4	5	
B-2) Advertising allowances.....	1	2	3	4	5	
B-3) Promotional allowances (e.g., payments for interior displays, plus installation costs).....	1	2	3	4	5	
C-1) Provision of demonstrators.....	1	2	3	4	5	
C-2) Training of store salespeople.....	1	2	3	4	5	
C-3) Preticketing/Labeling/Packaging.....	1	2	3	4	5	
C-4) Consumer incentives (e.g., premium, coupon, consumer contest)..	1	2	3	4	5	
C-5) Free merchandise for free distribution.....	1	2	3	4	5	
C-6) Warranty/After-sale services (e.g., repair).....	1	2	3	4	5	
C-7) Detail persons who set up complete promotion, check inventory, put up stock, etc.....	1	2	3	4	5	
C-8) Store or distributor name mention in manufacturer's advertising....	1		3	4	5	
D-1) Premiums and awards to salespeople.....	1	2	3	4	5	
D-2) Contests for buyers, salespeople.....	1	2	3	4	5	

Q6. How frequently is each promotional support item offered to your organization from your vendors? (circle the appropriate number)

Promotional Support Items	Never Provided					Frequently Provided
A-1) Advertising cuts or mats to prepare layout for newspaper or other media.....	0	1	2	3	4	5
A-2) Radio and TV scripts ready for use.....	0	1	2	3	4	5
A-3) Samples of merchandise for display.....	0	1	2	3	4	5
A-4) Swatches of material, sold by the yard or attached to finished merchandise.....	0	1	2	3	4	5
A-5) Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, window display units).....	0	1	2	3	4	5
A-6) In-store demonstration/Live models/Fashion show.....	0	1	2	3	4	5
A-7) Motion picture, video, or slides.....	0	1	2	3	4	5
A-8) Sales instructional booklets (e.g., pamphlets to distribute to customer).....	0	1	2	3	4	5
B-1) Price off (e.g., early order discount, quantity discount, long time order discount, new store discount).....	0	1	2	3	4	5
B-2) Advertising allowances.....	0	1	2	3	4	5
B-3) Promotional allowances (e.g., payments for interior displays, plus installation costs).....	0	1	2	3	4	5
C-1) Provision of demonstrators.....	0	1	2	3	4	5
C-2) Training of store salespeople.....	0	1	2	3	4	5
C-3) Preticketing/Labeling/Packaging.....	0	1	2	3	4	5
C-4) Consumer incentives (e.g., premium, coupon, consumer contest).....	0	1	2	3	4	5
C-5) Free merchandise for free distribution.....	0	1	2	3	4	5
C-6) Warranty/After-sale services (e.g., repair).....	0	1	2	3	4	5
C-7) Detail persons who set up complete promotion, check inventory, put up stock, etc.....	0	1	2	3	4	5
C-8) Store or distributor name mention in manufacturer's advertising.	0	1	2	3	4	5
D-1) Premiums and awards to salespeople.....	0	1	2	3	4	5
D-2) Contests for buyers, salespeople.....	0	1	2	3	4	5

Q7. About how often do you accept or cooperate with the following vendor's promotional support items that you are offered? (Circle the appropriate number)

Promotional Support Items	Under 20%	21- 40%	41- 60%	61- 80%	81- 100%
A-1) Advertising cuts or mats to prepare layout for newspaper or other media.....	1	2	3	4	5
A-2) Radio and TV scripts ready for use.....	1	2	3	4	5
A-3) Samples of merchandise for display.....	1	2	3	4	5
A-4) Swatches of material, sold by the yard or attached to finished merchandise.....	1	2	3	4	5
A-5) Visual displays ready to be set up (e.g., counter cards, posters, blowups of supplier's advertisements, display fixtures, window display units).....	1	2	3	4	5
A-6) In-store demonstration/Live models/Fashion show.....	1	2	3	4	5
A-7) Motion picture, video, or slides.....	1	2	3	4	5
A-8) Sales instructional booklets (e.g., pamphlets to distribute to customer).....	1	2	3	4	5
B-1) Price off (e.g., early order discount, quantity discount, long time order discount, new store discount).....	1	2	3	4	5
B-2) Advertising allowances.....	1	2	3	4	5
B-3) Promotional allowances (e.g., payments for interior displays, plus installation costs).....	1	2	3	4	5
C-1) Provision of demonstrators.....	1	2	3	4	5
C-2) Training of store salespeople.....	1	2	3	4	5
C-3) Preticketing/Labeling/Packaging.....	1	2	3	4	5
C-4) Consumer incentives (e.g., premium, coupon, consumer contest)..	1	2	3	4	5
C-5) Free merchandise for free distribution.....	1	2	3	4	5
C-6) Warranty/After-sale services (e.g., repair).....	1	2	3	4	5
C-7) Detail persons who set up complete promotion, check inventory, put up stock, etc.....	1	2	3	4	5
C-8) Store or distributor name mention in manufacturer's advertising....	1	2	3	4	5
D-1) Premiums and awards to salespeople.....	1	2	3	4	5
D-2) Contests for buyers, salespeople.....	1	2	3	4	5

Appendix B

Letter to Director of Human Resource in Apparel Retail Organization

DEPT. OF CLOTHING AND TEXTILES, VIRGINIA TECH

College of Human Resources
Blacksburg, VA 24061-0410

March 20, 1996

*Thomas G. Cody
Director of Human Resources
Federated Department Stores, Inc.
7 W. Seventh St.
Cincinnati, OH 45202*

Dear Mr. Thomas G. Cody:

I am a graduate student, in the Department of Clothing and Textiles at Virginia Tech, working on my thesis research. The purpose of the research is to investigate apparel retail buyers' attitude and acceptance toward manufacturer's promotional support. The information collected in the research will help you, because manufacturers will gain a better understanding of retail customers' needs and be able to provide retail customers with improved promotional support.

To collect data for this study, I will be asking apparel retail buyers from large companies whose annual sales over \$100 million in US to participate. I am planning to distribute the questionnaires through e-mail, postal mail, or fax. To distribute questionnaires, I have to identify the list of the buyers' names and mailing addresses. It will be greatly appreciated if you would provide me with the information on apparel retail buyers working for your company so I may mail the questionnaire to them. You may prefer to distribute questionnaire arbitrarily among apparel retail buyers in your company. If you prefer to do so, please let me know the possible number of questionnaires to be distributed within your company. I will send questionnaires with return postage and envelope as many as you indicate as a package. Faxing may reduce the time it takes to process. The buyers may fax individually the completed questionnaire back to me. If you decide not to participate in this research, please, let me know your decision as soon as possible.

The questionnaire will take about 10 minutes to complete. I attached a questionnaire for your review. All of their responses will remain confidential, and will be used without identifying individuals. The respondents will receive an executive summary of the study, if they would like.

If you have any question about this research, please contact me at (540) 961-3041 or Dr. Kincade (540) 231-7937, my graduate adviser. If you have questions about the conduct of this research, please contact Dr. Stout, the research division at (540) 231-9359. I will be looking forward to a positive response from you. Contact me through fax, phone, or e-mail addressing below. Thank you very much for your time and concern.

Sincerely,

Haesun Park
Graduate Student
Dept. of Clothing and Textiles
Virginia Tech, Blacksburg, VA 24061-0410
e-mail) hapark3@vt.edu
Phone & Fax) 540-961-3041

Doris H. Kincade, Ph. D.
Associate Professor
Dept. of Clothing and Textiles
Virginia Tech

Appendix C-1

Supplement

Manuscript about Promotional Vendor Support and Its Effect on
Sales as Perceived by Apparel Retail Buyers

Promotional Vendor Support and Its Effect on Sales as Perceived by apparel Retail Buyers

Abstract:

The purpose of this study is to investigate all possible promotional vendor supports to apparel retail stores and their effectiveness on sales as perceived by apparel retail buyers. The concept of marketing channel relationship serves as theoretical framework for this study. Theoretically, promotional efforts are expected to be associated with improved profitability. For measure of actual sales change, two side effects (i.e., displacement effect, substitution effect) were considered. Participants of this study were apparel retail buyers involved in retail organizations located in a Mid-Atlantic U.S. states. Face-to-face interview using questionnaire was used. Eighteen given promotional vendor support items were adapted from previous studies. Some implications which will benefit apparel manufacturers in developing a relationship with retailers and building further promotional strategy, reviewing buyers' perception were presented.

Keywords:

Promotional Vendor Support, Retail Buyer, Vendor Selection, Sales, Channel Relationship.

Promotional Vendor Support and Its Effect on Sales as Perceived by Apparel Retail Buyers

INTRODUCTION

All businesses have limited resources. To attain their ultimate business purpose, all business participants should conduct efficient decision making. Manufacturers, as participants in business, need information of effective strategies to be used in their decision making. In the distribution sector, retailers' perception is useful information in terms of strategic planning for manufacturers. Moreover, many variables within the buyer-seller relationship, which has been received today as a concept that gives profit to both buyer and seller, may affect retailers' vendor evaluation. Compared with traditional buyer-seller relationships, which focus on price, updated relationships consider other criteria, such as quality, service, and delivery, as well as price. Ganesan [1] examined the benefit of supplier-retailer long-term relationships. Retailers with a long-term vendor relationship can achieve a sustainable competitive advantage by fast merchandise supply, information on new and best selling products, information on competitive activity, best allowable prices, and advertising and markdown allowances. Vendors with long-term relationships can obtain information on best selling products and competitive activity, better cooperative advertising, and special displays for their merchandise. Manufacturers' support for retailers is an effort to meet the manufacturers' needs and solve their problems.

Specifically, suppliers choose many kinds of support for attracting buyers' buying attention.

Frequently, in the competitive retail business, buyers find that a number of suppliers may present very similar prices and have comparable delivery and service capabilities, based on purchase decision factors. Services provided by vendors along with merchandise and price can be a crucial factor in influencing a retailer's purchase decision making [2]. Negotiations of terms of purchase may include many services provided by vendors. Buyers can be motivated by extra price incentives, advertising allowances, dealer contests, or even pep talks by the manufacturer [3]. Zuhone and Morganosky [4] found that there are many components of the supplier-retailer relationship, such as decision making, markdown dollars, charge-backs, quality control, promotional support, or payment terms.

Today's customers have higher expectations and demand more nontraditional services from suppliers [5]. Considering this situation, retailers select vendors who will give more profit in the relationship. Generally, quality, delivery, price, and service are the most important vendor selection criteria; however, Shim and Kotsiopoulos [6] found that promotional aid and support are criteria in buyers' selection decision. Limited research is available that studies this factor in detail. Wingate and Friedlander [7] addressed the checklist of vendor services available to the retail buyer. Promotional vendor services can be classified into nonpersonal promotional aids and personal selling aids, and the authors describe promotional services in detail (e.g., samples of merchandise for display). Recently, promotional programs using electronic devices have been introduced. Though Wingate and Friedlander [7] presented vendor services in detail, many new items may be found in the current situation, and it is necessary to evaluate the importance of new electronic devices.

Wingate and Friedlander [7] found that buyers select resources according to their evaluation of potential for increasing sales volume and profit. Buyers' evaluation, in which promotional vendor supports have an effect on store sales and profit increase, is the crucial determinant of buyers' selection. For developing their further marketing strategy, especially in promotion, suppliers need to know their retail customers' evaluation of provided supports in terms of actual sales. According to Frank and Massy [8], promotion has two side effects (i.e., displacement effect and substitution effect).

In this study, side effects of promotion are considered to evaluate actual sales. The results of this research are expected to be beneficial to many apparel manufacturers in developing relationships with retailers, and in their further promotional strategy.

OBJECTIVES OF THE STUDY

The purpose of this study is to investigate all possible promotional vendor supports to apparel retail stores, and their effectiveness on sales as perceived by apparel retail buyers. The objectives of this study are as follows:

1. To identify new promotional vendor support items.
2. To determine the frequency and importance of each promotional vendor support, including newly referred items.
3. To determine apparel retail buyers' perception of the side effects of each provided promotional support.
4. To determine how much promotional vendor support influences apparel retail buyers' vendor selection and relationship with vendors.

5. Finally, to evaluate apparel retail buyers' perceptions of the effectiveness of promotional support services on store's actual sales, concerning displacement effect and substitution effect.

THEORETICAL FRAMEWORK

Channel Relationship

The marketing channel concept helps to define complicated relations throughout a competitive marketplace. This theory presents not only what vendors offer to customers but also how vendors interact with customers to accomplish business objectives. Rosenbloom [3, p. 6] defined "the marketing channel as the external contractual organization which management operates to achieve its distribution objectives". Members of the channel participate in building channel structure and allocating decisions.

Channel structure is simply defined as the group of channel members to which a set of distribution tasks has been allocated [3]. Distribution channels are systems created to link buyer and seller, such as a retailer and a manufacturer, or a consumer and a retailer [9]. The typical channel structure for consumer goods includes some kinds of intermediaries. Basically, the producers (manufacturers)-intermediaries (retailers)-final users (consumers) structure represents the apparel distribution channel.

Each member of a distribution channel is dependent on the behavior of other channel members. The relationship between each participants is affected by moderating variables. Vendors can develop the relationship in each stage of the structure by providing a support program or service system to their customers. Stern [10] gives the basis of this structure and indicates that a behavior change at any point in the channel causes change throughout the channel. Each link must be effective for total channel operation.

Working within this channel structure, partners use the marketing mix to establish effective strategy as a major factor of success for business. Gronroos [11, p. 8] stated that "the objectives of marketing are to establish, maintain, enhance and commercialize customer relationships by a mutual exchange and fulfillment of promises". Among the many kinds of marketing strategies, promotion strategy, which consists of advertising, personal selling, sales promotion, and publicity, needs to receive attention from researchers in the marketing area, because business is characterized today as development of mass communication. Cooperation, including shared marketing efforts or promotional activities, are expected to lead to channel efficiency [3].

LITERATURE REVIEW

Relationship between Supplier and Retailer

A cooperative relationship among distribution channel members can provide a sustainable competitive advantage [12]. To retain their business objectives effectively in a changing environment (e.g., foreign competition), domestic suppliers and retailers pay attention to developing their relationship. Though there are various types of channel relations in the marketing channel, relations among channel members are often characterized by cooperation [7]. Brown [13] noted that a more formalized transactional relationship increases retailers' demand for suppliers. To build a more formalized and desirable cooperative relationship, apparel producers need to be sensitive to retailers' needs and provide appropriate merchandise and services to fit those needs. Producers should consider several questions. What relationship can help accomplish their business object? How does the relationship vary? What kinds of variables are in the relationship?

One channel member's power resides in the dependency of another [14]; the power of a channel member lies in the ability to control the decision making of another channel member [15]. Relationships between manufacturers and retailers are influenced by the amount of power received and held by each channel member, specifically in terms of decision making areas [4]. Some researchers have studied the relationships among channel members in the concept of power for a variety of products [15, 16, 17, 18, 19,20,21]. With apparel products, ZuHone and Moganosky [4] examined the power held by retailers and manufacturers in their relationship. Results indicated that retailers perceived themselves to have significantly more power than manufacturers in decision making areas. Both retailers and manufacturers felt that retailers would continue to have greater overall power than manufacturers in the future. This result from the study implies that retailers can control decision making. This finding indicates that manufacturers must give more intense effort to understanding retailers' need and developing relationships with retailers.

A large amount of research exists in the area of cooperation, specifically working partnerships in the channel distribution [22, 23, 24, 25]. These researchers found that cooperation among distribution channel members is necessary for organizations to join together in a system and to maintain working relationships. In the apparel industry, Dickerson and Dalecki [26] investigated manufacturers' perceptions of working relationships with retailers. The larger and more active companies reported less difficulty in their relationships with retailer customers. In addition, the study reported that apparel manufacturers perceived lower prices and improved products and services as the primary means of improving their marketing ability to retailers. While previous researchers focused on manufacturers' perception, this study investigates the retailer's perception of the relationship with respect to services provided by suppliers.

Vendor Selection Criteria

Selecting the most appropriate source of supply has long been regarded as one of the purchasing department's most important functions [27]. For success of the retail business, buyers must find suitable merchandise resources, select the most appropriate style, and negotiate the most profitable price and terms [28]. Buyers select resources based on their own evaluation of what the resources can do for the firms the buyers represent. Buyers are basically interested in increasing sales volume and profit [7]. Retail buyers' vendor selection is related to their perception of who can make their sales and profit increase.

Various aspects of the retail buying process have been examined by numerous researchers. Some research focused on the factors influencing buyers' decision making [25, 29, 30, 31, 32]. Information sources, used by retail buyers in their decision making, have also been studied by many researchers [6, 33, 34, 35]. All of these researchers indicate that decision making about vendor selection and merchandise selection are the two main jobs of retail buyers.

A detailed investigation of vendor selection criteria in various angles has been searched, identified, and evaluated by many researchers [2, 6, 33, 36, 37]. In general, the findings indicated that quality, delivery, price, and service are the most important vendor selection criteria. Arbuthnot, Slama, and Sisler [36] investigated the merchandise and vendor selection factors affecting the decision to buy and their information sources for making the best buys. This study reported that small store buyers are more involved with product function, personal vendor relations, and the ultimate consumer in their decision-making process. This study is limited to small retail stores.

Hirschman's study [37] of apparel retail buyers reported that vendor reputation/cooperation ranked high in importance of criteria. In another study of apparel retail buyers, Shim and Kotsiopoulos [6] identified vendor selection criteria in their buyers'

information-seeking pattern study. The authors used 24 vendor selection criteria from the previous literature and measured the importance of those criteria. The authors found that promotional aids and vendor support are criteria influencing apparel retail buyers' vendor selection. In their study, promotional aids and vendor support are classified as terms of sale, along with other terms of factors such as discount, markdown, and markup. Although the authors identify the term of promotional aids and vendor support as criteria influencing buyers' purchase decisions, they did not research specific promotional aids and vendor support items or their importance.

Promotional Vendor Support

Vendor support is planned and conducted for the promotional effect on retailers, consumers, or both. The buyer decides whether the service available is in the interests of the firm and its customers. As Shim and Kotsiopulos [6] noted promotional aids and vendor support are criteria influencing apparel retail buyers' vendor selection. Retail buyers consider vendor support in their buying negotiations. The negotiations of the terms of a buyer's purchase include factors other than the merchandise and the price [7]. A retail buyer wants to encourage problem solving early in a negotiation by developing specific proposals for consideration, such as ideas for increasing store displays and cooperative advertising [1]. The seller is often willing and able to provide services to the buyer, along with the goods, and to pay the buyer for services the latter may perform in giving extra promotional attention to the seller's product [7].

Wingate and Friedlander [7] addressed a checklist of vendor services available to the buyer. They classified promotional vendor services into nonpersonal promotional aids and personal selling aids. Nonpersonal promotional aids include dealer helps (e.g., visual displays, sales instructional booklets, advertising cuts, motion picture or slide films to show to salespeople and customers, unit packaging, samples of merchandise, etc.),

provision of supplementary attractions (e.g., special inducements for customers to buy), and promotional allowances (e.g., advertising allowances, display allowances). Personal selling aids include training of salespeople, PMs and awards to salespeople, provision of demonstrators, and after-purchasing service.

Some research about vendor support is discovered in industrial distribution [38, 39]. This research reported that promotional vendor support increases sales, but the retail sector lacks academic research results about promotional vendor support provided by manufacturers. Crimmins [40] studied vendor support programs which are designed to provide financial support to retailers for running specific promotions. The term “promotional vendor support” is translated into advertising allowances and display allowances in Wingate and Friedlander's study [7]. The authors suggested that co-op advertising and the supplier-retailer relationship in terms of promotion can solve problems of disagreement about the vendor support concept.

Promotional Strategy and Its Effect on Sales

In the competitive environment of contemporary retailing, there is constant pressure to innovate and develop new ways to improve sales [41]. According to Edwards and Lebowitz [42], greater relative promotional efforts should, theoretically, be associated with improved profitability. A promotional object in apparel retailing can be translated to the form of publicity, advertising, visual merchandising, special events and fashion shows [43, 44]. A promotional strategy is expected to be associated with improved profitability. Promotion can enhance a retail store's profitability by securing increased sales volume at a decreased total expense percentage and by accelerating turnover [42].

On the other hand, there can be a temporal sales effect of promotional strategy. Though promotion can make sales increase in a promotional period, actual sales do not always increase. While the contemporaneous increment to sales of the promoted brand has

potential beneficial outcomes for the retailer, the two additional effects may have deleterious effects on a retailer's sales [45]. These two effects are sales displacement and substitution. Sales displacement is the effect of borrowing sales from future time periods (e.g., reduction of subsequent nonpromotional period retail sales). The substitution effect leads sales to decrease for other brands in a store, while sales of the currently promotional brand increase. Some researchers have discussed these two side effects of promotion [8, 45, 46, 47]. Among these researchers, Moriarty [45] implied that retailers should consider not only the promotion period and continuous promotion, but also sales volume and margins of all products in the product category for their actual sales. A retail store carrying product lines for several manufacturers should be concerned not only with the sales of specific promoted brands, but also with the sales of all other brands carried. Additional information on retailers' perceptions of actual sales is needed to evaluate promotional results, including the side effects.

In the apparel industry, many levels of firms are involved in promotion. Retailers are not the only market level that promotes products to consumers. Manufacturers use promotion to make their merchandise known to perspective retail buyers and to the public [43]. Trade promotion takes place from business to business. Manufacturers' promotion efforts that are conducted with retailers (i.e., a type of trade promotion) can reach the ultimate consumer [48]. Shim and Drake [44] analyzed apparel retail stores' business practices, promotional activities, and objectives. They classified 13 promotional activities used by retail stores and investigated their frequency; however, those promotional activities were not divided by what level of firm was the source sponsor or what level of firm had responsibility. Additional information is needed about the importance and frequency of promotional support from suppliers to retailers, which ultimately reach consumers' buying intention. Because of the nature of the product, fashionability, efficient apparel promotion can be the vital key to development of a fashion image, selection of merchandise,

distinction of customer services, and differentiation of the shopping environment [48]. Therefore, it is expected that promotional vendor support in the apparel industry may differ with the support needed for other goods.

RESEARCH METHOD

Research Design

This exploratory research study was designed to examine apparel retail buyers' perceived effectiveness of promotional vendor supports on actual sales. Structured interviews were used to achieve the objectives of this study. A questionnaire was employed which included both open-ended and close-ended questions.

Sampling and Data Collection

Participants in were apparel retail buyers employed in various retail formats (i.e., department stores and specialty stores). Stores were located in a Mid-Atlantic U.S. state. Stores in several cities and towns were used to provide variation in size and degree of development in retailing format. The original sample contained 46 separate retailers: 23 retailers of department stores and 23 retailers of specialty stores. The final sample contained 23 retail buyers: seven from department stores and sixteen from specialty stores. One questionnaire was excluded from the analysis, because many questions were left unanswered. Preliminary phone calls to the stores were made and fifteen retailers were eliminated because no buyers were located at any of the stores in the region. For these stores, the buyers were located at head offices outside the region. The researcher felt that, for this study, the buyer should have direct contact with the local stores to evaluate the impact and importance of the vendor supports. Ten small store buyers were eliminated,

because they refused to participate in the study. Reasons for refusal were that (a) they had not received promotional vendor support from their suppliers, (b) they were the owner as well as the buyer and had no time to participate, and (c) they were small business entrepreneurs and were reluctant to divulge store information. These reasons are similar to findings by Bracker [49], Fiorito and Greenwood [50], and McDaniel and Parasuraman [51].

Instrument Development

An instrument was developed for use in the interviews. Questionnaire were included to search traditional and new promotional vendor supports in terms of kind, frequency, and importance of each promotional vendor support item, to determine the relationship between services provided and suppliers who provide them, and to evaluate the perceived effectiveness of promotional vendor supports on an organization's actual sales. The questionnaire contained four sections, and was pretested with graduate students who had retailing experience. Section I provided a list of promotional vendor support items adapted from Wingate and Friedlander [7] (see Table I). In Section I, respondents were asked to indicate both frequency of provision and importance on sales for each vendor support item. A five point Likkert-type scale was used to measure the responses. A Likkert-type scale has some advantages. It is easy to construct and administer, respondents readily understand how to use the scale, and it is suitable for mail, telephone, or personal interviews [52]. In addition, the research probed for any new promotional support items which were not listed.

Section II examined the temporal effects on sales for the list of promotional vendor support items (see Table II). The researcher probed for both displacement effects and substitution effects. A Likkert-type scale were used with a five-point response ranging from no effect to serious effects. Definitions were used to explain the temporal effects, and

open-ended questions were used to examine the possibility of additional supports. Section III contained questions that examined the influences of promotional support on vendor selection and the overall effectiveness of promotional supports on store sales. Section IV contained demographic questions.

Table I. List of Promotional Vendor Support Items Used in the Study.

Dealer Helps

- Advertising cuts or mats to prepare layout for newspaper or other media
- Radio and TV scripts ready for use
- Blowups of supplier's advertisements
- Samples of merchandise for display and free distribution
- Swatches of material, sold by the yard or attached to finished articles
- Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)
- Specially designed fixtures to contain and display products
- Sales instructional booklets (e.g., pamphlets to distribute to customers)
- Motion picture and sound slide films
- Unit packaging, labels, and price tickets

Provision of Supplementary Attractions

- Special inducements (e.g., premiums, coupons, consumer contests, or deals)

Promotional Allowances

- Advertising allowances-For promotional services
- Advertising allowances-For promotional aids
- Display allowances

Personal Selling Aids

- Training of store salespeople
 - PMs and awards to salespeople
 - Provision of demonstrators
 - Servicing the goods sold (e.g., repair)
-

Data Collection and Analysis

Face-to-face interviews were used to collect the data. Structured interviews specified the set of response alternatives and the response format [52]. Each retailer was called prior to the interview. In the telephone call, the location of the buyer was determined, and permission to interview the buyer was obtained. An appropriate time and date was established. The researcher met individually with each buyer and used the instrument for directing the interview questions. Descriptive statistics (i.e., frequencies, means) were used in data analysis.

RESULT AND DISCUSSION

The results provide insight into the effect of promotional vendor support on sales from the perspective of an apparel retail store buyer, especially with respect to sales.

New Promotional Vendor Support Item

An open-ended question was employed for Objective 1. Two specialty store buyers mentioned price discounts. This support is not included among the promotional support activities mentioned by Shim and Kotsiopulos [6] or Wingate and Friedlander [7]. Price is often considered separately from promotion [53]. No additional promotional supports from vendors were mentioned by any buyer. This result indicates that the promotional supports reported by Wingate and Friedlander's study [7] are the same as those which are provided presently. Even if many promotional tools using electronic devices have been introduced recently, in the apparel retail business sector, new promotional support programs provided by suppliers have yet to be provided.

Frequency and Importance on Sales of Promotional Vendor Support

Apparel retail buyers indicated the degree of frequency for eighteen promotional vendor support items on a scale ranging from 1 to 5. Sample means of the responses for each support type were used to compare the frequency and importance to sales as perceived by apparel retail buyers. Table II represents frequency of offering and importance to sales for each of the 18 promotional vendor supports.

Frequency. The items of (a) visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units), (b) specially designed fixtures to contain and display products, (c) unit packaging, labels, and price tickets, and (d) sales instructional booklets (e.g., pamphlets to distribute to customers) were ranked high in their frequency of being provided (see Table III and Figure I). According to Winters and Goodman [48], fashionability, development of fashion image and distinction of customer services are necessary in the apparel business. Visual display, specially designed fixture, and packaging represent fashion-conscious promotional service. On the other hand, items of (a) radio and TV scripts ready for use, (b) provision of demonstrators, (c) samples of merchandise for display and free distribution, and (d) motion picture and sound slide films were ranked low in their frequency (see Table III).

Importance on sales. The respondents' perception of importance to sales of the 18 promotional vendor supports are shown in Table II. The items of (a) servicing the goods sold (e.g., repair), (b) visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units), (c) sales instructional booklets (e.g., pamphlets to distribute to customers), and (d) unit packaging, labels, and price tickets were ranked high. Items ranked low in their importance to sales, as perceived by retail buyers, were (a) provision of demonstrators, (b) motion picture and sound slide films, (c) blowups of supplier's advertisements, and (d) radio and TV scripts ready for use (see Table III).

Table II. Frequency of Offering and Importance on Sales of PVS

Mean of Response (Range from 1 to 5)

Promotional Vendor Support Items	Frequency of Offering			Importance on Sales		
	Department Store	Specialty Store	Total	Department Store	Specialty Store	Total
Advertising cuts or mats to prepare layout for newspaper or other media	2.86	2.53	2.64	3.57	3.20	3.32
Radio and TV scripts ready for use	2.14	1.53	1.73	2.86	2.67	2.73
Blowups of supplier's advertisements	2.86	2.20	2.41	3.29	2.27	2.59
Samples of merchandise for display and free distribution	3.00	1.47	1.95	3.57	2.47	2.82
Swatches of material, sold by the yard or attached to finished articles	2.14	3.29	2.90	2.86	2.86	2.86
Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)	4.00	3.13	3.41	4.00	3.67	3.77
Specially designed fixtures to contain and display products	3.71	3.13	3.32	4.14	3.40	3.64
Sales instructional booklets (e.g., pamphlets to distribute to customer)	3.29	3.07	3.14	3.86	3.73	3.77
Motion picture and sound slide films	2.43	2.00	2.14	2.71	2.33	2.45
Unit packaging, labels, and price tickets	4.86	2.40	3.18	4.86	3.20	3.73
Special inducements (e.g., premium, coupon, consumer contest, or deal)	3.14	2.40	2.64	4.14	3.07	3.41
Advertising allowances-For promotional services	2.86	2.20	2.41	3.43	3.20	3.27
Advertising allowances-For promotional aids	2.86	2.21	2.48	3.43	2.86	3.05
Display allowances	3.00	2.20	2.45	3.29	3.00	3.09
Training of store salespeople	2.86	1.87	2.18	4.29	3.27	3.59
PMs and awards to salespeople	3.29	1.80	2.27	3.57	3.07	3.23
Provision of demonstrators	1.86	1.73	1.77	2.29	2.53	2.45
Servicing the goods sold (e.g., repair)	3.71	2.67	3.00	4.43	3.67	3.90
Total N	7	15	22	7	15	22

Table III. Rank of the Frequency and Importance on Sales of PVS.

Rank	Frequency of Offering	Mean	Rank	Importance on Sales	Mean
1	Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)	3.41	1	Servicing the goods sold (e.g., repair)	3.90
2	Specially designed fixtures to contain and display products	3.32	2	Visual displays ready to be set up(e.g., counter cards, posters, display fixtures, and window display units)	3.77
3	Unit packaging, labels, and price tickets	3.18	2	Sales instructional booklets (e.g., pamphlets to distribute to customer)	3.77
4	Sales instructional booklets (e.g., pamphlets to distribute to customer)	3.14	4	Unit packaging, labels, and price tickets	3.73
5	Servicing the goods sold (e.g., repair)	3.00	5	Specially designed fixtures to contain and display products	3.64
6	Swatches of material, sold by the yard or attached to finished articles	2.90	6	Training of store salespeople	3.59
7	Advertising cuts or mats to prepare layout for newspaper or other media	2.64	7	Special inducements (e.g., premium, coupon, consumer contest, or deal)	3.41
7	Special inducements (e.g., premium, coupon, consumer contest, or deal)	2.64	8	Advertising cuts or mats to prepare layout for newspaper or other media	3.32
9	Advertising allowances-For promotional aids	2.48	9	Advertising allowances-For promotional services	3.27
10	Display allowances	2.45	10	PMs and awards to salespeople	3.23
11	Blowups of supplier's advertisements	2.41	11	Display allowances	3.09
11	Advertising allowances-For promotional services	2.41	12	Advertising allowances-For promotional aids	3.05
13	PMs and awards to salespeople	2.27	13	Swatches of material, sold by the yard or attached to finished articles	2.86
14	Training of store salespeople	2.18	14	Samples of merchandise for display and free distribution	2.82
15	Motion picture and sound slide films	2.14	15	Radio and TV scripts ready for use	2.73
16	Samples of merchandise for display and free distribution	1.95	16	Blowups of supplier's advertisements	2.59
17	Provision of demonstrators	1.77	17	Motion picture and sound slide films	2.45
18	Radio and TV scripts ready for use	1.73	17	Provision of demonstrators	2.45

Most of the high-ranked items, in frequency of their being provided, were also ranked high in importance on sales (see Figure I). Although the specific ranks were different, items in top five of the frequency of offering were the same as those of importance on sales. Item of servicing the goods sold (e.g., repair) was ranked highest by retail apparel buyers in its importance on sales. This item ranked fifth in frequency of provision (see Figure I).

Relationship with Store Type. Overall, in promotional support's frequency of being provided, seventeen items had higher means reported by department store buyers than by specialty store buyers (Figure II). This fact illustrates a difference in the levels of vendor-provided promotional support. Previous research explains this fact in some respects. Lincoln and Naumann [54] indicated that many promotional problems exist because small business owners or managers often fail to understand how effective and efficient advertising and promotion programs can be planned and implemented. Specialty stores rarely conducted and provided their promotion activity [44]. Four items showed relatively large differences in means between responses of department store and specialty store buyers. Items of (a) unit packaging, labels, and price tickets, (b) samples of merchandise for display and free distribution, (c) PMs and awards to salespeople, and (d) servicing the goods which are sold, showed noticeably higher mean differences for department store buyers' responses than for those of specialty store buyers. Only one item, swatches of material sold by the yard or attached to finished articles, was smaller for department store buyers. The item of unit packaging, labels, and price tickets shows the biggest mean difference between the two store types. This result may be due to differences in organizational process. Stores with multiple units have worked out arrangements with ticketing companies connected to their suppliers. Labels and tickets are provided to most department stores [7].

Advertising cuts or mats.....

Radio and TV scripts ready for use.....

Blowups of supplier's advertisements.....

Samples of merchandise for display and free distribution.....

Swatches of material.....

Visual displays ready to be set up.....

Specially designed fixtures to contain and display products.....

Sales instructional booklets.....

Motion picture and sound slide films.....

Unit packaging, labels, and price tickets.....

Special inducements.....

Advertising allowances-For promotional services.....

Advertising allowances-For promotional aids.....

Display allowances.....

Training of store salespeople.....

IMs and awards to salespeople.....

Provision of demonstrators.....

Servicing the goods sold.....

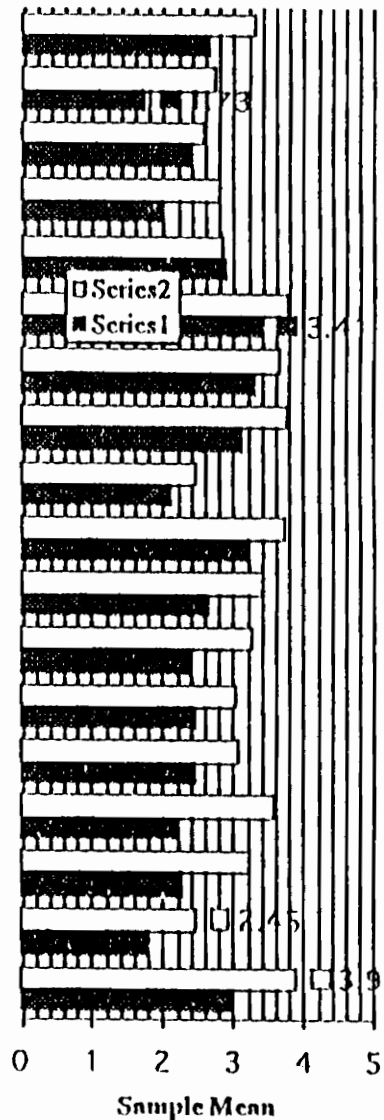


Figure 1. Frequency of Offering and Importance on Sales; Comparison

Note:

Series 1: Frequency of Offering of PVS

Series 2: Importance on Sales of PVS

Advertising cuts or mats.....
 Radio and TV scripts ready for use.....
 Blowups of supplier's advertisements.....
 Samples of merchandise for display and free distribution.....
 Swatches of material.....
 Visual displays ready to be set up.....
 Specially designed fixtures to contain and display products.....
 Sales instructional booklets.....
 Motion picture and sound slide films.....
 Unit packaging, labels, and price tickets.....
 Special inducements.....
 Advertising allowances-For promotional services.....
 Advertising allowances-For promotional aids.....
 Display allowances.....
 Training of store salespeople.....
 PMs and awards to salespeople.....
 Provision of demonstrators.....
 Servicing the goods sold.....

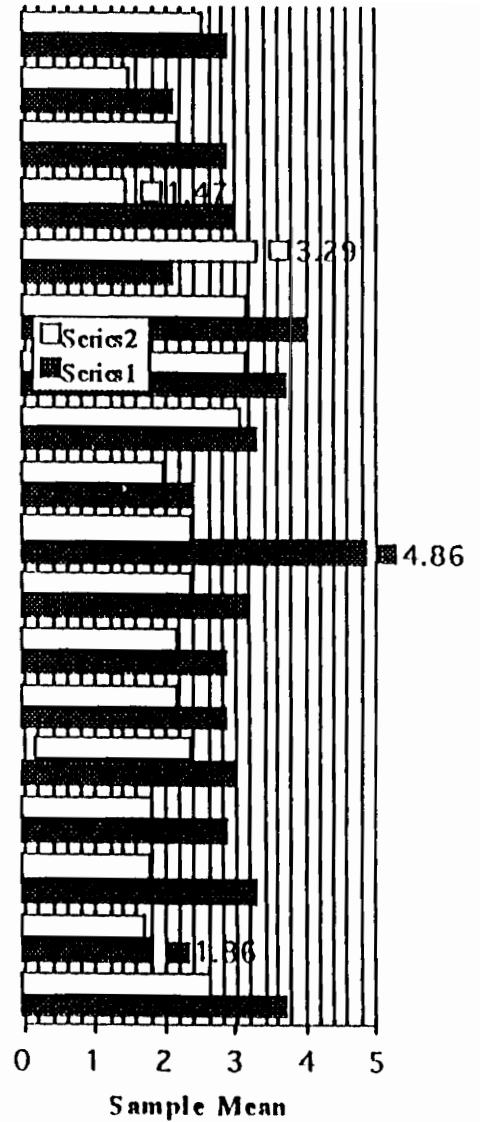


Figure II. Frequency of PVS; Comparison between Store Types

Note:

Series 1: Department Store

Series 2: Specialty Store

The buyers' perception about importance of promotional support on sales is similar for department store buyers and specialty store buyers; however, in seventeen items, the response of department store buyers is higher than that of specialty store buyers (see Figure III). Items of (a) unit packaging, labels, and price tickets, (b) special inducements (e.g., premium, coupon, consumer contest, or deal), and (c) training of store salespeople, were reported with the biggest differences (see Figure III).

The most frequently provided item to department store was unit packaging, labels, and price tickets. The buyers' perception of importance on sales was consistent with this. This item also ranked first in importance on sales. In the same way, the item of provision of demonstrators, reported as the least frequently provided, was also ranked lowest in importance on sales (see Table IV). While the item of training of store salespeople was ranked as the third most important item on sales, it was ranked 10th in its frequency. This result implies that manufacturers who supply their merchandise to department stores need to consider increasing provision of this item. Among specialty store buyers, the most frequently provided item, swatches of material, sold by the yard or attached to finished articles, was 6th to the lowest in its importance on sales (see Table V).

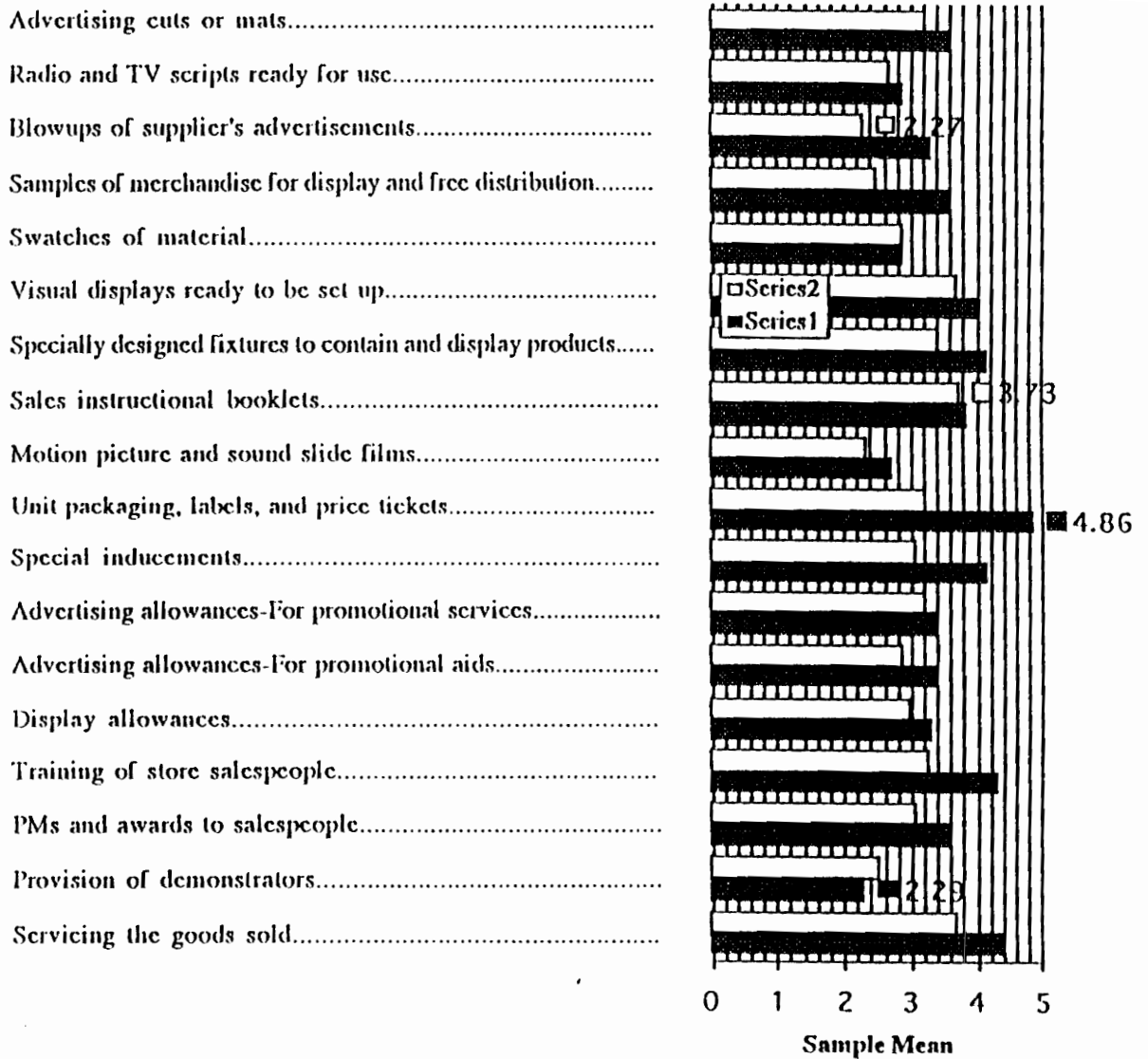


Figure III. Importance on Sales; Comparison between Store Types

Note:

Series 1: Department Store

Series 2: Specialty Store

Table IV. Rank of PVS as Perceived by Department Store Buyers.

Rank	Frequency of Offering	Rank	Importance on Sales
1	Unit packaging, labels, and price tickets	1	Unit packaging, labels, and price tickets
2	Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)	2	Servicing the goods sold (e.g., repair)
3	Specially designed fixtures to contain and display products	3	Training of store salespeople
3	Servicing the goods sold (e.g., repair)	4	Specially designed fixtures to contain and display products
5	Sales instructional booklets (e.g., pamphlets to distribute to customer)	4	Special inducements (e.g., premium, coupon, consumer contest, or deal)
5	PMs and awards to salespeople	6	Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)
7	Special inducements (e.g., premium, coupon, consumer contest, or deal)	7	Sales instructional booklets (e.g., pamphlets to distribute to customer)
8	Samples of merchandise for display and free distribution	8	Advertising cuts or mats to prepare layout for newspaper or other media
8	Display allowances	8	Samples of merchandise for display and free distribution
10	Advertising cuts or mats to prepare layout for newspaper or other media	8	PMs and awards to salespeople
10	Blowups of supplier's advertisements	11	Advertising allowances-For promotional services
10	Advertising allowances-For promotional services	12	Advertising allowances-For promotional aids
10	Advertising allowances-For promotional aids	13	Blowups of supplier's advertisements
10	Training of store salespeople	13	Display allowances
15	Motion picture and sound slide films	15	Radio and TV scripts ready for use
16	Radio and TV scripts ready for use	15	Swatches of material, sold by the yard or attached to finished articles
17	Swatches of material, sold by the yard or attached to finished articles	17	Motion picture and sound slide films
18	Provision of demonstrators	18	Provision of demonstrators

Table V. Rank of PVS as Perceived by Specialty Store Buyers.

Rank	Frequency of Offering	Rank	Importance on Sales
1	Swatches of material, sold by the yard or attached to finished articles	1	Sales instructional booklets (e.g., pamphlets to distribute to customer)
2	Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)	2	Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)
2	Specially designed fixtures to contain and display products	2	Servicing the goods sold (e.g., repair)
4	Sales instructional booklets (e.g., pamphlets to distribute to customer)	4	Specially designed fixtures to contain and display products
5	Servicing the goods sold (e.g., repair)	5	Training of store salespeople
6	Advertising cuts or mats to prepare layout for newspaper or other media	6	Advertising cuts or mats to prepare layout for newspaper or other media
7	Unit packaging, labels, and price tickets	6	Unit packaging, labels, and price tickets
7	Special inducements (e.g., premium, coupon, consumer contest, or deal)	6	Advertising allowances-For promotional services
9	Advertising allowances-For promotional aids	9	Special inducements (e.g., premium, coupon, consumer contest, or deal)
10	Blowups of supplier's advertisements	9	PMs and awards to salespeople
10	Advertising allowances-For promotional services	11	Display allowances
10	Display allowances	12	Swatches of material, sold by the yard or attached to finished articles
13	Motion picture and sound slide films	12	Advertising allowances-For promotional aids
14	Training of store salespeople	14	Radio and TV scripts ready for use
15	PMs and awards to salespeople	15	Provision of demonstrators
16	Provision of demonstrators	16	Samples of merchandise for display and free distribution
17	Radio and TV scripts ready for use	17	Motion picture and sound slide films
18	Samples of merchandise for display and free distribution	18	Blowups of supplier's advertisements

Negative Effects of Promotional Vendor Support on Sales

Apparel retail buyers indicated their perception of the degree of negative effect (i.e., displacement effect and substitution effect) of promotional support on sales. All of the promotional support items received mean responses below 3 (see Table VI). In general, the buyers' perceptions were that no promotional support item seriously negatively influenced sales.

Displacement Effect. Among the 18 promotional vendor support items, the items of (a) radio and TV scripts ready for use, (b) PMs and awards to salespeople, and (c) servicing the goods sold (e.g., repair) were ranked highest in degree of displacement effect. When accepting these supports, buyers should consider decrease in sales for the subsequent nonpromotional period.

Substitution Effect. Among the 18 promotional vendor support items, items of (a) specially designed fixtures to contain and display products, (b) sales instructional booklets (e.g., pamphlets to distribute to customer), and (c) special inducements (e.g., premium, coupon, consumer contest, or deal) were ranked high in degree of substitution effect (see Table IV).

Apparel retail buyers may not consider seriously the negative effect of promotions. Moriarty [45] noticed that retailers should consider not only promotion period and continuous promotion but also sales volume and margins of all product in the product category for their actual sales. This result implies that retailers need to be informed about negative promotion effects.

Table VI. Buyers' Perception of Negative Effects of PVS: Displacement Effect and Substitution Effect.

Vendor Promotional Support Items	Department Store		Specialty Store		Total	
	Dis/ Eff	Sub/Eff	Dis/ Eff	Sub/Eff	Dis/ Eff	Sub/Eff
Advertising cuts or mats to prepare layout for newspaper or other media	3.43	2.86	2.07	1.87	2.50	2.18
Radio and TV scripts ready for use	3.71	3.29	2.27	2.20	2.73	2.55
Blowups of supplier's advertisements	3.00	2.71	2.13	2.00	2.41	2.23
Samples of merchandise for display and free distribution	2.71	2.57	2.00	1.93	2.24	2.14
Swatches of material, sold by the yard or attached to finished articles	2.71	2.14	2.21	2.14	2.38	2.14
Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units)	3.86	3.57	1.71	2.14	2.43	2.62
Specially designed fixtures to contain and display products	3.57	3.86	2.07	2.29	2.57	2.81
Sales instructional booklets (e.g., pamphlets to distribute to customer)	3.29	3.14	1.93	2.43	2.38	2.67
Motion picture and sound slide films	2.86	2.86	1.86	2.36	2.19	2.52
Unit packaging, labels, and price tickets	3.71	3.71	2.00	2.00	2.57	2.57
Special inducements (e.g., premium, coupon, consumer contest, or deal)	3.71	4.00	1.93	2.29	2.52	2.86
Advertising allowances-For promotional services	2.29	2.71	2.14	2.07	2.19	2.29
Advertising allowances-For promotional aids	1.86	2.43	2.21	2.00	2.10	2.14
Display allowances	2.71	3.29	2.14	2.00	2.33	2.43
Training of store salespeople	3.57	3.71	1.93	1.86	2.48	2.48
PMs and awards to salespeople	4.00	3.57	2.07	2.00	2.71	2.52
Provision of demonstrators	2.86	3.00	1.93	2.00	2.24	2.33
Servicing the goods sold (e.g., repair)	3.86	3.43	2.00	2.21	2.62	2.62
Total N		7		15		22

Note: Mean of Response (Range from 1 to 5)

Overall Perception of Promotion Vendor Support

Contribution to Vendor Selection. Most apparel retail buyers' responses were neutral about the importance of promotional support on vendor selection. The mean answer was 3.05. There was little difference between the two store buyers' perceptions about how much promotional vendor support influences their vendor selection (see Table VII). Buyers indicated that promotional support offerings had limited effect on their choice of vendors.

Contribution to Cooperative Relationship with Vendor. On this topic, there was a noticeable difference between the two types of stores. Department store buyers' response mean was much higher than specialty store buyers' response mean (see Table VII). This result is consistent with Hirschman's study [37] which reported that department store buyers seek vendors that are cooperative. This result is also consistent with Arbuthnot, Slama, and Sisler's study [36] which reported that small retail buyers' perceptions about vendor-related variables were not important to vendor selection. Specialty store buyers tend to switch vendors and do not maintain long term relationships.

Table VII. Retail Buyers' Perception of Promotional Vendor Support.

Perception of Promotional Vendor Support	Department Store	Specialty Store	Total
Contribution to Vendor Selection	3.14	3.00	3.05
Contribution to Relationship with Vendor	4.14	3.07	3.43
Effect on Actual Sales	3.71	3.36	3.48

Note: Mean of Response (Range from 1 to 5)

Overall Effect on Actual Sales. Buyers perceived that promotional vendor support overall increased their sales, considering negative effects. Department store buyers reported that promotional vendor support is more effective on their sales than specialty store buyers (see Table VII).

SUMMARY AND CONCLUSION

Vendor aids and services have been used to build good relationships between manufacturers and retailers [6]; however, limited research has been done about vendor services and support. The promotional vendor support items in this study were adapted from one of the few available studies [7]. Apparel retail buyers' perceptions of those items on stores' actual sales were examined. Impact on vendor selection and relationship with vendors were also investigated. Buyers for apparel retail stores located in a Mid-Atlantic U.S. state were interviewed for their perception about promotional vendor support.

Retailers' perception of promotional support offerings is useful information in terms of strategic planning for manufacturers. Understanding the needs of retailers, who are the manufacturers' main customers, assists manufacturers in building effective strategies in the distribution sector. In the apparel business, special concern is recommended in providing promotional support, Winters and Goodman [48] noted, because of the nature of fashion apparel products. Promotional vendor support in the apparel business should be developed considering fashion concepts (e.g., developed visual display).

Apparel retail buyers perceived that servicing the goods sold was the most important item to influence sales. Visual displays, sales instructional booklets, and unit packaging, labels, and price tickets are also important for sales as perceived by buyers.

Apparel retail buyers have received visual displays most frequently as promotional support from their suppliers. The next most frequently provided items were specially designed fixtures to contain and display products, unit packaging, labels, and price tickets, and sales instructional booklets. The least frequently provided promotional support was provision of demonstrators.

Since the degree of frequency of each support was similar to the perceived degree of importance, suppliers seem to understand well their customers' needs, and conduct their promotional support appropriately. However, one item did not match. Services on goods after sale from suppliers was not provided at a frequency to match retailers' expectation level. Apparel suppliers should consider increasing this service, especially in the current environment of customer service. Some recommendations for each store type can be made to determine promotional vendor offerings. Manufacturers who supply their merchandise to department stores are recommended to increase provision of the service of training store salespeople. Specialty stores' suppliers are recommended to focus more on other services (e.g., sales instructional booklets) than on the service of providing swatches of fabric material.

In this study, negative effect of promotion (i.e., displacement effect and substitution effect) were adapted from Frank and Massy's study [8] and were considered as an influencing factor on sales. Apparel retail buyers perceived that those effects were not serious in promotional support. Results imply that there is no promotional support item which seriously had a negative impact on sales.

Apparel retail buyers did not perceive that promotional vendor support is a crucial determinant of vendor selection. Department store buyers perceived that building a cooperative relationship with their suppliers is more dependent on promotional vendor support than specialty store buyers. Specialty store buyers' overall vendor-related perception was less dependent on promotional vendor support than that of department store

buyers. In terms of promotional vendor support's impact on sales, buyers responded neutrally. Buyers seem to take promotional vendor support as an intermediary to build a good relationship with their vendors, not as a sales-increasing instrument.

In distribution channels, promotional vendor support is provided to link retailers and manufacturers. Cooperation in terms of promotional activities is important to build good relationships between them. Many previous research studies noted the importance of cooperative relationships between channel members. According to ZuHone and Moganosky [4], future retailers' power is expected to increase. Apparel manufacturers must give more intense effort to understanding retailers' needs and developing relationships with retailers. This study provides some information about retail buyers' perception of promotional vendor support. Apparel manufacturers need to be sensitive to retailers' needs and provide appropriate merchandise and services for developing channel efficiency. Information suggested in this study can help manufacturers build their promotional support strategy.

Large stores (e.g., department store chains) had higher usage of vendor supports than small stores (e.g., specialty retailers). Future research could be conducted with a broader sample of large stores to develop a more complex model of vendor support usage and impact on organization activities and measures of effectiveness. Small stores should be examined for their vendor support needs and barriers to usage.

Finally, future study should examine sales effects with a quantitative method. A benchmark is needed to measure sales increase. Measuring the side effects of promotional vendor support in this study was subjective. Quantitative measuring is needed to confirm the reliability of these findings.

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Appendix C-2

Supplement

Questionnaire and Letter for Apparel Retail Buyers for Manuscript

Questionnaire For Apparel Retail Buyers

--Promotional Vendor Support and Its Effect on sales as perceived by Apparel Retail Buyers--

Researcher: Haesun Park
Graduate student
Clothing and Textiles Dept.
Virginia Tech, VA

91

This questionnaire is designed to collect data for the study of retail buyers' perception of promotional support provided by suppliers and their effect on actual sales. Objective of this study is to help suppliers better understand their customer, specifically, retail buyers. Please, read each question carefully, and then answer.

Cover letter of the questionnaire for apparel retail buyers

March 4, 1995

Dear retail buyer:

I am a graduate student in the Department of Clothing and Textiles at Virginia Tech working on a apparel marketing research project. The purpose of the research is to determine the kind of promotional supports from apparel manufacturers, and to examine the apparel retail buyers' perception of effectiveness of promotional vendor support. For collecting the data for this study, you are asked to indicate your perception about promotional vendor supports and their effect on sales. You and your store can share the results by receiving an executive summary of the study.

The questionnaire will take about 10 minutes to complete. All of your responses will remain confidential, and will be used without identifying individuals. The information collected in this questionnaire will be useful to assist manufacturers' understanding of retailers and to develop their promotional support strategies. Ultimately, it gives benefits to retailers by suggesting effective promotional support programs.

I realize your time is at a premium. But note that your response will contribute to the development of the apparel retail sector. It will be greatly appreciated if you would complete this form. And if you wish to receive an executive summary of the study, please fill out the attached form on the next page. The results will be mailed to you within next few months. If you have any question about this research, please contact me (703)232-3296 or Dr. Kincaide (703)231-7937. If you have questions about the conduct of this research, please contact Dr. Stout, the research division at (703)231-9359. Thank you very much.

Sincerely,

Haesum Park
Graduate student
Dept. of Clothing and Textiles
Virginia Tech

Enclosure

Request Form

for an executive summary of the research

Name

Address

Phone No.

Please check one best answer per question. (Notice: Please read all items first, and answer).

Q1. Please circle the degree of frequency of each promotional support by your suppliers.

Q2. Please indicate importance of each promotional vendor support on store sales in your perception.

	Frequency					Importance on Sales				
	Never provided	Neutral	Very frequently provided	Not at all important	Neutral	Extremely important				
1) Advertising cuts or mats to prepare layout for newspaper or other media	1	2	3	4	5	1	2	3	4	5
2) Radio and TV scripts ready for use.....	1	2	3	4	5	1	2	3	4	5
3) Blowups of supplier's advertisements.....	1	2	3	4	5	1	2	3	4	5
4) Samples of merchandise for display and free distribution.....	1	2	3	4	5	1	2	3	4	5
5) Swatches of material, sold by the yard or attached to finished articles.....	1	2	3	4	5	1	2	3	4	5
6) Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units).....	1	2	3	4	5	1	2	3	4	5
7) Specially designed fixtures to contain and display products.....	1	2	3	4	5	1	2	3	4	5
8) Sales instructional booklets (e.g., pamphlets to distribute to customer)..	1	2	3	4	5	1	2	3	4	5
9) Motion picture and sound slide films.....	1	2	3	4	5	1	2	3	4	5
10) Unit packaging, labels, and price tickets.....	1	2	3	4	5	1	2	3	4	5
11) Special inducements (e.g., premium, coupon, consumer contest, or deal).....	1	2	3	4	5	1	2	3	4	5
12) Advertising allowances-For promotional services.....	1	2	3	4	5	1	2	3	4	5
13) Advertising allowances-For promotional aids.....	1	2	3	4	5	1	2	3	4	5
14) Display allowances.....	1	2	3	4	5	1	2	3	4	5
15) Training of store salespeople.....	1	2	3	4	5	1	2	3	4	5
16) PMs and awards to salespeople.....	1	2	3	4	5	1	2	3	4	5
17) Provision of demonstrators.....	1	2	3	4	5	1	2	3	4	5
18) Servicing the goods sold (e.g., repair).....	1	2	3	4	5	1	2	3	4	5

Is there any other promotional support you receive from vendors? Please indicate those items and circle in the same way as above.

1	2	3	4	5	1	2	3	4	5
1	2	3	4	5	1	2	3	4	5

Q3. Circle the degree of each promotional support's displacement effect in your perception. (Is there sales decrease after promotion?)

Q4. Circle the degree of each promotional support's substitution effect in your perception. (Is there decrease of sales of other nonpromotional brand good in promotional period of a good?)

	Displacement Effect					Substitution Effect				
	No Effect	Neutral	Seriously effect	No effect	Seriously effect	No effect	Neutral	Seriously effect	No effect	Seriously effect
1) Advertising cuts or mats to prepare layout for newspaper or other media	1	2	3	4	5	1	2	3	4	5
2) Radio and TV scripts ready for use.....	1	2	3	4	5	1	2	3	4	5
3) Blowups of supplier's advertisements.....	1	2	3	4	5	1	2	3	4	5
4) Samples of merchandise for display and free distribution.....	1	2	3	4	5	1	2	3	4	5
5) Swatches of material, sold by the yard or attached to finished articles.....	1	2	3	4	5	1	2	3	4	5
6) Visual displays ready to be set up (e.g., counter cards, posters, display fixtures, and window display units).....	1	2	3	4	5	1	2	3	4	5
7) Specially designed fixtures to contain and display products.....	1	2	3	4	5	1	2	3	4	5
8) Sales instructional booklets (e.g., pamphlets to distribute to customer)..	1	2	3	4	5	1	2	3	4	5
9) Motion picture and sound slide films.....	1	2	3	4	5	1	2	3	4	5
10) Unit packaging, labels, and price tickets.....	1	2	3	4	5	1	2	3	4	5
11) Special inducements (e.g., premium, coupon, consumer contest, or deal).....	1	2	3	4	5	1	2	3	4	5
12) Advertising allowances-For promotional services.....	1	2	3	4	5	1	2	3	4	5
13) Advertising allowances-For promotional aids.....	1	2	3	4	5	1	2	3	4	5
14) Display allowances.....	1	2	3	4	5	1	2	3	4	5
15) Training of store salespeople.....	1	2	3	4	5	1	2	3	4	5
16) PMS and awards to salespeople.....	1	2	3	4	5	1	2	3	4	5
17) Provision of demonstrators.....	1	2	3	4	5	1	2	3	4	5
18) Servicing the goods sold (e.g., repair).....	1	2	3	4	5	1	2	3	4	5

Is there any other promotional support you receive from vendors? Please indicate those items and circle in the same way as above.

1	2	3	4	5	1	2	3	4	5
1	2	3	4	5	1	2	3	4	5

Q5. Promotional support provided by suppliers is a crucial determinant of your vendor selection decision.

Strongly disagree	Neutral	Strongly agree		
1	2	3	4	5

Q6. Promotional support contribute to maintain cooperative relationship with suppliers.

Strongly disagree	Neutral	Strongly agree		
1	2	3	4	5

Q7. Do you think promotional support provided by suppliers itself make store's net actual sales increase, concerning both displacement effect and substitution effect.(refer Q3 and Q4)?

Extremely decrease	Neutral	Extremely increase		
1	2	3	4	5

Q8. What is your store type?

- (1) Department store
- (2) Specialty store
- (3) Discount store
- (4) Other

Q9. Give any additional comments about promotional supports from suppliers that you want to be provided.

VITA

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- 5/96 Master of Science
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