

**Retail Brand Management: Towards
Modelling the Grocery Retailer Brand from
an Ethnographic Perspective”**

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Acknowledgment

After almost five years in pursuit of a Ph.D, I have realised that this project involves not only the student study time but also his entire life. In my pursuit, I'm indebted to some people in my life without whom completing my thesis would have never been possible.

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TO THE MEMORY OF MY MOTHER

Abstract

As producers of national and international brands, manufacturers and service providers were the focus of brand management literature. However, as retailers have become major players nationally and internationally, managing retailers as brands have become a major challenge. The retailer unique business nature, and managerial needs as well as its ever-changing business environment render managing the retail brand a unique and complex task. For the retail brand to embrace and adapt to its managerial challenges, a multitude of brand management approaches should be employed. However, when addressing retailers as brands, the retail management literature has failed to account for this multiplicity exposing a gap in the literature.

To fill this gap, a communal retail brand management model is proposed to help retailers embrace and adapt to their various branding requirements inflicted by their business challenges. To build the model, a common core among the various approaches involved in managing retail brands should be identified so as to simplify, by forming a unified approach, yet maintain the essence of each approach. The holistic, humanitarian and managerial orientations of the concept of organizational culture identify it as the common core and thus act as the backbone on which the model will be built.

Since the model will be built through cultural interpretation, the ethnographic tradition of qualitative inquiry is utilized because it provides an *emic*

perspective, which is the best strategy (that consequently provides best tools) for interpreting cultures. Besides, the flexibility of the ethnographic tradition allows the adoption of other qualitative traditions of enquiry to aid in building the model. Thus, the case study tradition is employed to confine the study within the precincts of a single retail brand in order to conduct deep analysis for several stakeholders simultaneously. Additionally, the analytical technique of the grounded theory tradition is employed to capitalize on its systematic ability to form conceptual themes out of raw data that, ultimately, become the model's building blocks.

In light of conducting a five-months participant observation study in two grocery stores of a leading supermarket brand in two countries (Sainsbury's stores in the UK and Egypt), the findings revealed that modelling the retail brand culture resembles, metaphorically, a tree. The culture symbols resemble the tree attractive leaves, the rituals & local heroes resemble the supportive trunk, and values resemble the roots that anchor in the soil, which, in turn, resembles the cultures in which the retailer operates. The thesis concludes that the Tree-Model is a *road map* that guides retailers to build and manage their brand identity and consequently enable them to embrace and adapt to the various branding requirements dictated by their business challenges.

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Introduction

Retailers play a cardinal role in everyone's life. They are present all around us, providing us with our life essentials such as food, clothes, entertainment, furniture, etc. Surrounded by these retailers' names and signs (downtown, out of town, on-line and worldwide), no one can escape from dealing with retailers' brands. Thus, one may wonder: *Are the retailers' brands just names and signs above shops?* In fact, they are so much more. For retailers, building powerful brands is vital for business success (Davies, 1993; Wileman & Jary 1997; Gilbert, 1999). Powerful brands are major assets through which companies can own markets and thus prosper financially (Aaker, 1991; Kapferer, 1997; McDonald, 1998; Y&R, 2000)

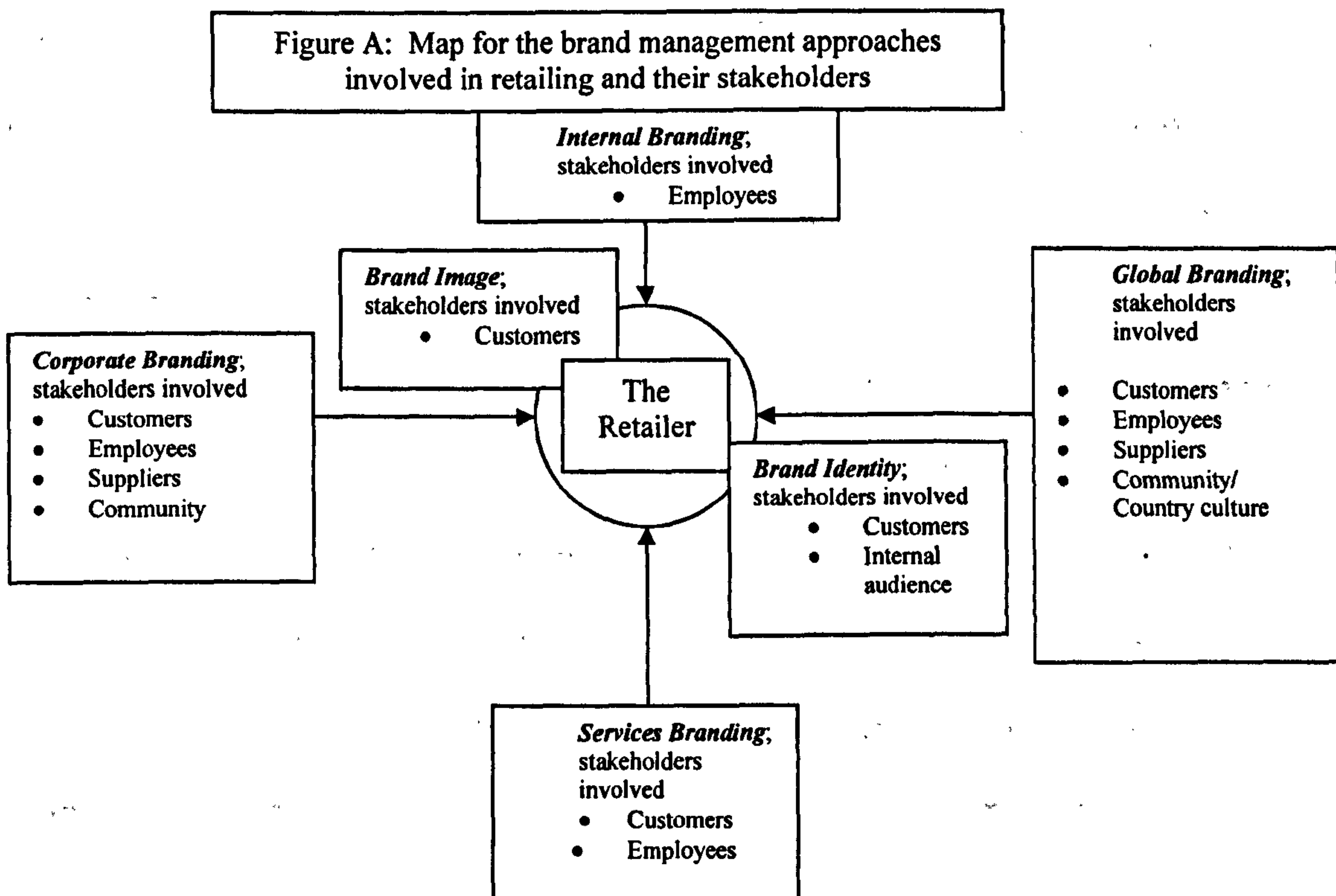
Building powerful brands requires, first, meticulous understanding of the nature of the offering being branded (i.e. a service or a product), and its managerial needs (de Chernatony, 1998; Kapferer, 1997; Taylor, 1993; Desmest et al. 1998).

Second, responsiveness to the changes in the business environment (Macrae, 1991; Murphy, 1993; Duncan & Moriarty, 1997; Kapferer, 1997; Desmest et al. 1998). In retailing building powerful brands is a unique and challenging process, owing to three factors. First, challenges that stem from the multifaceted nature of the retail business. These challenges can be summarized in the wide scope of the business and its sensitivity to change that necessitates managing its core components (goods & services, identity & image) simultaneously so as to address an array of stakeholders (Lewison, 1997; Strydom, 2000; McNair, 2000;

Hoffman et al. 1997; Levy et al. 1998; McGoldrick, 1990; Walters 2000; Evans & Berman 1994; McDonald & de Chernatony, 1993, McGoldrick, 2002, Berman and Evans, 2004) particularly customers and employees since they have a direct impact on a retail business management as well as hold the keys to the impact other stakeholders make. Second, challenges that stem from changes in the retail business environment. These challenges can be summed up in the business need to embrace the concepts of market orientation and relationship marketing (RM) so as to maintain retail power in the marketplace (Gilbert, 1999; McGoldrick, 1990). Moreover, retailers also need to adapt to the inevitable globalization challenge (Brown & Burt, 1997; Dupuis & Prime, 1996; Barth et al. 1996, Whitehead, 1997; Burt & Carralero-Encinas, 1999; Alexander, 1993) Third, challenges that stem from the unique characteristics of retail branding. This can be encapsulated in the retailers' need to brand holistically with price, own brand and location as integral parts of the brand offering (Wileman & Jary; 1997; Nandan & Dickinson, 1994; Corstjens & Corstjens, 1999; Berman et al. 1994). Additionally, it is vital to develop a strong brand vision that runs throughout the business in a network of interrelated humanitarian relationships leading to an enjoyable brand experience to its key stakeholders (Pine & Gilmore, 1998; Raphael, 1999). This challenge mirrors that resulting from the implication of adopting RM and market orientation in retail marketing.

Given the diversity of the challenges facing retail brand management, a multi-perspective approach is needed for managing a retail brand. Hence, a framework

should be developed to determine the managerial branding approaches involved in retail brand management, so as to embrace and adapt to the diverse business challenges. Since a retailer brand should be holistically managed with strong end customer focus, the managerial approaches of brand identity and brand equity should be simultaneously adopted to help build the brand identity and image. Moreover, the challenges of having a service dimension, facing globalization, embedding vision dissemination, and having a prominent role for employees reveals that a mixture of service, global, corporate and internal brand management approaches must also be embraced. Besides, since customers and employees are seen as stakeholders in almost every branding approach to retailing (see figure A), focusing on studying these two stakeholders will help capturing all the aspects involved in all brand management approaches involved in retailing.



In light of the need for a multi-approach framework to retail brand management, a gap within the existing retail management literature has been detected. The managerial approaches of store image (Davies & Brooks, 1989; McGoldrick, 1990; Davies, 1992; Joyce & Lambert, 1996; Grewal et al. 1998), store image internationalization (McGoldrick, 1998, Burt & Carralero-Encinas, 1999) and own-brand management approaches (Nandan & Dickinson, 1994, Euromonitor, 1998, Burt, 1992, Burt, 2000) focus on customers, globalization and physical products respectively. These approaches take a narrow view of retail branding because they deal with one requirement at a time, rather than providing a holistic/multi-perspective view. Besides, they take a simple view of retail branding since they neglect the employee vital role and the vision dissemination requirements.

The strategic approach to managing retailers as brands (Diefenbach, 1992; Wileman and Jary, 1997; Gilbert, 1999) nevertheless encompasses most of the framework approaches—except that of globalization—while lacking the managerial approach that could synchronize these frameworks. Therefore, a simple yet holistic managerial approach is necessary to fill the gap within the retailing literature. Since simple yet complete approaches to management are encapsulated in the process of modelling (Forrester, 1969; Gladwin, 1989; McMillan, 1992; Britt, 1997; Gordon, 1999; Roberts, 2000; Leeflange & Wittink, 2000; Laurant, 2000; Van Bruggen & Wierenga, 2000; Ehernberg et al, 2000), the prime objective of this thesis will therefore be to develop a retail brand management model that embraces the retail brand diverse managerial

requirements. This objective will help to fill the gap in retail branding literature.

To achieve the objective of building a retail brand management model, the modelling process suggests simplifying yet maintaining the central issues of the diverse approaches involved in retail branding. Thus, the essence of all the approaches involved should be extracted to reach a common core capable of holding all these approaches together. The common core was found to be *building a meaning* for the brand and *maintaining* it through humanitarian relationships with its key stakeholders (customers and employees). Since the process of building and maintaining meaning among humans is the concept of culture, a cultural framework (namely organizational culture since it fits the managerial nature of the model) will form the basis on which the model will be built. Therefore, the model would subscribe to the view that brands are living entities rather than mere lifeless products. As a result, the model should be built from the hub of live interactions between the retailer and its customers and employees, which is the store (the shop floor). Hence, life at the store can act as the medium through which the retailer brand culture can be explored.

Since the research aims to build a model through interpreting a culture, the inquiry is exploratory in nature. Qualitative research will be employed because its methods allow deep understanding and exploration of the issues being investigated (Kent, 1999; Gummesson, 2000; Punch, 1999; Gordon; 1999).

Culture is best interpreted and hence understood through ethnographic observation (Fetterman, 1998, Jensen, 1999; Schein, 1996; Jeffcutt, 1994,).

Thus, the ethnographic method of data collection (participant observation) will be utilized to capture the data.

Furthermore, as the study ultimately aims at building a model, the flexibility of the ethnographic tradition of inquiry will allow the utilization of both case study and grounded theory techniques. Respectively, these techniques will allow the researcher to manage the need to have access to several stakeholders simultaneously in the retail business, and form conceptual building blocks for the model. Thus, a case study of one major British grocery retailer has been selected to focus the research on one brand and thus allow a deep analysis of interactions among its customers and employees, so as to form the building blocks of the model. To address the global effect on the brand, the retailer will be studied in domestic and foreign contexts.

Finally, according to Creswell (1994), the literature review for qualitative research should be inductive and aimed at framing the research problem. Thus, the following literature review will inductively frame the research problem as follows: Chapter one will start with identifying and analyzing the retail business challenges that influence retail brand management. Based on these challenges in the second chapter a review of branding literature will follow, to identify a framework for the brand management requirements needed by retailers to

embrace and adapt to their business challenges. Finally, in the third chapter, an evaluation of the existing retail brand management approaches against the retailers' brand management framework--developed in chapter two--will be undertaken to shed light on the deficiencies in the existing retail branding literature. In other words, the intention is to identify the main problem of the research, which guides the research design and thus the objective(s) and research questions, which are going to be presented in the chapter's conclusion. Defining the research questions instigates the methodology to answer them, which will be presented in chapter four. Chapter five will provide the background for the research setting. Chapter six will provide the research findings (the answers for the research questions). Finally, in chapter seven, a discussion of the research findings in light of the literature will be carried out to achieve the research objective.

Chapter One: Business Challenges Facing Retail Brand Management

To portray the business challenges facing the retail brand management, this chapter will shed light on the complexity of the retail business in three categories. First, the challenges arise from the multifaceted nature of retailing. The chapter will discuss the issues arising from the business definition and the multiplicity of stakeholders whom the retail business encounters. Second, the challenges arise from the change in retail environment. The chapter will discuss changes required in the traditional retail marketing approach due to the shift of power within markets from manufacturers to retailers and the possible challenges facing retail management emerging from internationalization within the retail environment. Third, the unique challenges arise in managing a retailer brand. The chapter will discuss the differences between manufacturer and retailer branding, and conclude by highlighting the special characteristics in managing retail brands.

1.1 The Challenges of the Multifaceted Nature of Retail Business

The challenges of the multifaceted nature of retail business stems from the complexities embedded in its definition & nature, the multiplicity of stakeholders the business is set to encounter and the salient role of employees for the business.

1.1.1 The retail business: definitions and nature

McGoldrick (1990) defines retailing as “a business that is not just about offering products for sale but a complex package of goods and services offering”. Levy et al. (1998) defines retailing as a business that *adds value* to products and

services simultaneously. Hence, the retailing business, by nature, contains both product and service components. Consequently, it can be argued that the multifaceted complexity of the retail business stems from the need to offer and add value to a mixture of goods and services simultaneously.

Retailing is defined as the business that sells to final consumers (Lewison, 1997; Levy et al. 1998; Burstiner, 1991; Lush et al. 1990). Thus, a retail marketing exchange transaction is a result of a direct interaction between the retailer and end customer (Burstiner, 1991). This clearly indicates that retailing is a highly consumer-sensitive business, which in turn conveys that the interdependence between retailers and customers is vital for retail marketing success. To illustrate, Lewison (1997) argues that *customers' perception of a retail store and what the retailer stands for* are the most important reasons for deciding to shop in a particular store. Thus, Lewison (1997) recommended that retailers must understand the customers' perceptions of *who they (retailers) are and what they (retailers) stand for* in order to differentiate their offerings. In other words, the retailer's image and identity together-- with no superiority of one over the other-- are vital when marketing a retailer. Hence, one challenge facing retail marketing is to find a way to manage identity and image in a holistic and simultaneous manner.

Lusch et al. (1990) add that retailing is not limited to shops but embraces all channels of selling direct to the final customer, such as mail order, TV orders,

vending machines, etc. This suggests that the scope of the retail business goes beyond store operations to any direct transactions with final customers. This, in turn, widens the scope of retailing and thus reinforces the need for a holistic approach to retailing. Besides, this point reemphasizes the direct relationship between customers and retailers.

Due to the retail business' high sensitivity to customers, retail activity, by nature, is highly and directly swayed by changes in the marketplace (McDonald & Tideman, 1993; Hartley, 1984; Walters, 2000). According to McDonald & Tideman (1993), retailing is sensitive to changes such as those in social patterns and pressures, technology, economy, culture, and fashion. In addition, Burstiner (1991) refers to the "Wheel of Retailing" theory as clear evidence of the highly dynamic nature of the retail business. The wheel effect focuses on gaining competitive advantage in retailing, and shows that competitive advantage in retailing is short lived, and thus continuous innovation is imperative for retailers to maintain a competitive edge in their markets. Retailers should therefore be flexible and willing to adopt new concepts and embrace change in the target market as quickly as possible in order for the business to thrive.

In short, the need to manage a mixture of goods and services, the high degree of customer sensitivity, the wide scope of business, the need to manage identity and image simultaneously and the sensitivity-to-change are some of the complexities embedded in the retail business by definition and hence forge its

multifaceted challenge.

1.1.2 The multiplicity of stakeholders

Business is currently in an era where there is a need to satisfy a multiplicity of stakeholders who have an effect on the organisation as a whole (Duncan & Moriarty, 1997; Fabian, 2000; Gummesson, 1996 & 1997). The retail business is no exception. Therefore, in retailing, the multifaceted nature of the business manifests itself in a multiplicity of stakeholders that retailers have to address. It is well-documented in the retail business literature (academic or professional) that there are several stakeholders to be encountered in order for business to thrive. A discussion of successful retailing practice and academic literature will now be presented to identify the crucial stakeholders for the retail business.

Success stories of major retailers reveal that a simultaneous focus on several stakeholders is vital for success. McNair (2000) stated three main strategic directions behind the revival of Woolworth in the UK; these are

- 1- Clinical analysis and objective decision making
- 2- Willingness to implement radical changes
- 3- Communications with staff, customers and shareholders

From these strategies, it can be seen that staff, customers and shareholders are among the most important stakeholders for a retailer to satisfy. McNair adds that communication to all these three stakeholders played a major role to ensure the appropriate implementation of the first and the second strategies. Besides, successful retail managers were found to be the ones who get back to the floor to

stay in direct contact with staff and customers (Marketing, 2000). This clearly emphasizes that staff and customers are pivotal for effective retail management.

Moreover, reporting the views of the top managers of the world's biggest retailer, Ortega (1998), concluded that the Wal-Mart company's strong position stems from the ability of its founder and his successors to respond to customers needs without negatively swaying the company's main objective of making profits. This indicates that it is paramount to respond to customers' needs but not at the expense of the company's need to make profit. In other words, satisfying shareholders should be simultaneous with customer satisfaction. This view of shareholders as a major stakeholder to satisfy is supported by Richard Hyman -- co-author of the survey of customer loyalty in the UK (Strydom, 2000), who reiterated the point that the giant retailer's success stems from his ability to deliver for both his customers and shareholders simultaneously.

Academically, the multiplicity of stakeholders in retailing is given a salient role in the business' success. Arnold et al. (2000) argue in their study of the market effects of large format retailers that the entry of a large format retailer in a market affects both negatively and positively each of the following array of stakeholders: consumers, other retailers, national economy, job market, and nearby markets.

Hallsworth et al.(2000) showed that large retail formats of large chain food retailers negatively effect the food retail businesses in small towns & cities and tough resistance from local shops prevails. Thus, Hallsworth (2000) suggested

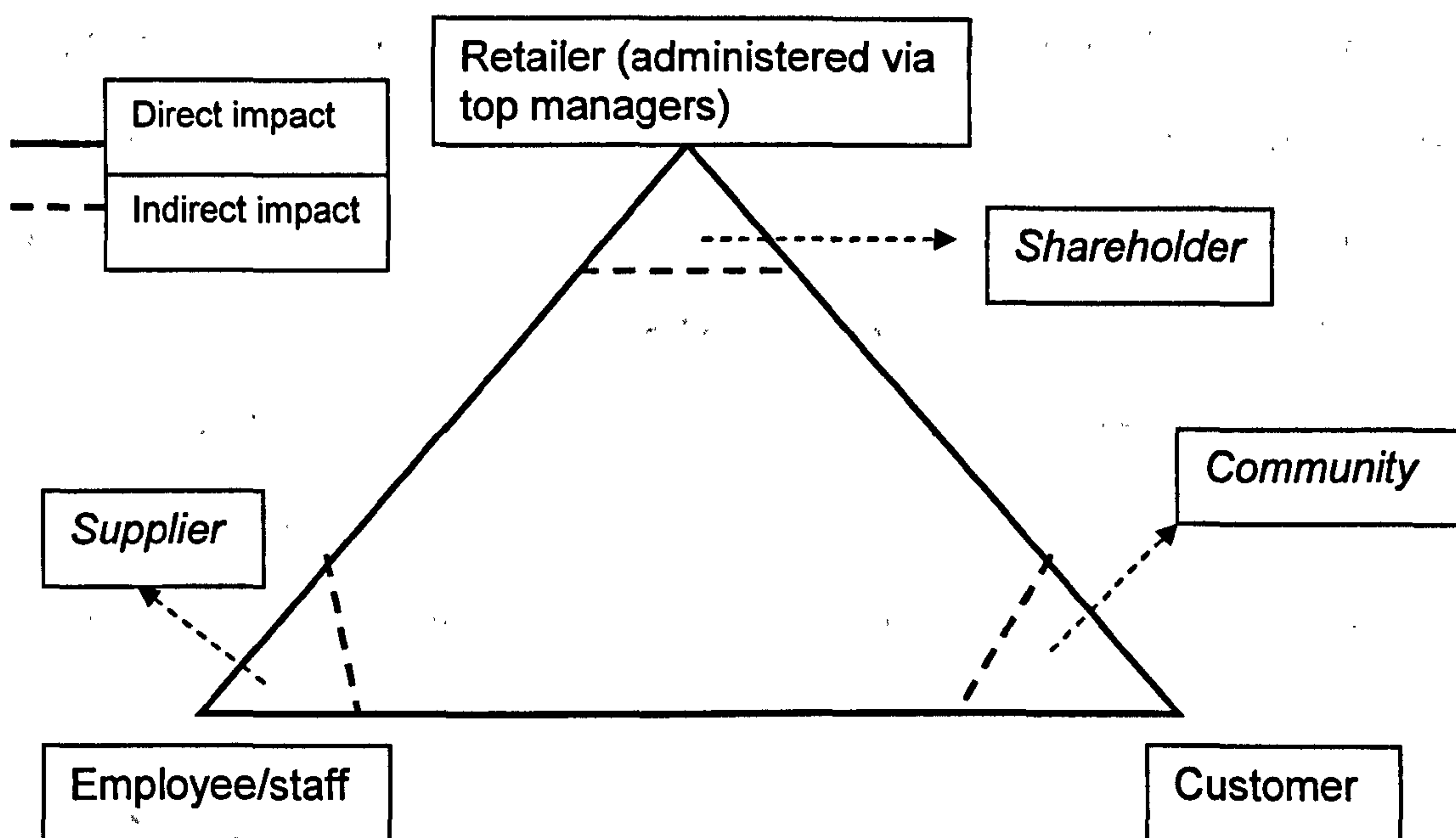
that large retailers should compromise or work closely with small retailers in its area of coverage so as *enhance their image* in the eyes of the public. Bernard et al. (1998) have uniquely pointed out that community service is a salient aspect of retailing management. To them, the way in which retailers interact with the communities around them has a great influence on the retailers' image and performance. They stressed that retailers can enhance their image and boost their performance in a certain community by, for example, employing area residents, sponsoring area based activities, running special sales for senior citizens, and other special groups in the area, and supporting good causes (e.g. anti-drug activities, and charity support). Bernard et al. (1998) idea of community service has been found widely in use by leading retailers as a cardinal part of their business. Examples are evident in the websites of leading retailers, such as Marks & Spencer, Sears-Roebuck, J-Sainsbury's and Wal-Mart.

Last, but not least, both academics as well as professionals see suppliers as major stakeholders in a retail business. The technological revolution has brought the old adversaries (suppliers and retailers) to a new era of strategic partnerships and collaborations (Sparks and Wagner, 2003, Svensson, 2002, McGoldrick, 2002, Berman and Evans, 2004, Freewnan et al, 1997, Cash et al, 1995). Having a common interest in satisfying customers, retailers and suppliers developed and adopted customer-focused strategies, such as Quick Response (QR), Efficient Consumer response (ECR) and Collaborative Planning, Forecasting and Replenishment (CPFR) that advocates working together in strategic

relationships aiming at the achievement of mutually effective and efficient management of supply chain operations (Sparks and Wagner, 2003, Svensson, 2002, McGoldrick, 2002, Berman and Evans, 2004, Kotszab, 1999). The ECR is seen as the major retail-specific logistics strategy since it is initiated in grocery retailing (Stock and Lambert, 2001, Kotszab, 1999). One of the major facets of ECR is the concept of category management (CM) that sees managing products as strategic business units/categories, which are managed jointly between teams at both the supplier and the retailer ends so as to effectively and efficiently respond to customers' demands (Dewsnap and Hart, 2004, Berman and Evans, 2004, McGoldrick, 2002, Hutchins, 1997).

The review above captures the various natures of the roles that each stakeholder plays in managing a retailer. Based on the above review, it can be inferred that all major stakeholders should be addressed simultaneously in a triangular network where they can be classified as having a direct or an indirect impact upon managing the retailer (see figure 1.1).

Figure 1.1 The retailer's stakeholders' triangular network



The triangle sides show the customers, since being the driving force of any business, as having a direct impact on managing a retail business.

Employees/staff also are seen as having a direct impact on the management of the retail business since they are the on-the-floor implementing force behind any managerial strategies. The angles of the triangle are vital for the triangle to take its shape yet play a shadow role to the sides. Similarly, stakeholders who have an indirect impact on managing a retailer are vital for the retailer to have its shape yet play shadow roles in managing a retailer. To illustrate, utilising strategies like ECR and QR and tactics like category management, suppliers are engaged in strategic partnerships with retailers where they work in teams with the retailer employees to fulfil customer demands. Thus, the suppliers are vital stakeholder yet play a shadow role connecting the retailer via its employees to its customers. The community as a stakeholder reflects the impact of macro issues

on customers (e.g. competitors, national economy, nearby markets, etc.) as well as employees (e.g. job market). Capturing the macro impact, the community as a stakeholder can be seen as vital yet play a shadow role connecting in a macro sense the retailer to its customers and employees. Finally, at the apex of the triangle is the shareholder to whom the top management efforts are geared towards achieving their desired reward on investment (profits). Thus, shareholders can be seen as a vital stakeholder yet playing a shadow role behind all the efforts to manage the whole network of customers, employees, suppliers and the macro community.

Although all stakeholders, having either direct and indirect impact, play a vital role in managing a retail business, the direct-impact stakeholders (customers and employees) hold the keys to the network of stakeholders involved in managing a retail business.

1.1.3 The salient role of employees in retailing

Referring to O'Connor's (1996) work, Walters & Hanrahan (2000) argue that the retailing business is people (customers and employees) intensive by nature.

Thus, successful retail management should satisfy both customers, who are the center of the business, and employees who play an integral role in the development of the business strategy and planning. In other words, the inherent nature of the retail business reflects the necessity to manage the relationship between both customer and employee groups. Most of the managerial literature on the relationship between these two groups focuses on employees as the

group with the foremost role to develop and maintain this relationship.

Employees are seen as the driving force for customer satisfaction, which, in turn, lead to profits and as a result to the satisfaction of shareholders. This is the essence of the managerial model-called “employee-customer profit chain” (see appendix [1]), which Sears Roebuck’s top management adopted in their business (Rucci et al. 1998). The retail business has strong causal relationships running from employee behavior to customer behavior to profits, and Sears believes that attitudes are the drivers of behavior. Thus, this model enabled Sears to understand its employees and customers thinking and behaviors as follows: the factors that drive employee attitudes towards customers affects the company’s ability to retain them, and this retention drives customer satisfaction and customer satisfaction drives financial success (i.e. investor satisfaction). To manage these attitudes, a set of measures, called the total performance indicators (TPI), is used. The TPI provides measures for how well the company is doing with customers, employees, and investors.

In the employee-customer chain model, it is clear that employees are the drivers of the whole chain effect leading to profits. According to Sears’ top management, “The right merchandise at the right prices would get us nowhere if our employees are poorly motivated”. To achieve success, listening to customers is necessary but not sufficient. Listening to employees as well as customers is paramount for a successful retail business. That is because an employee who doesn’t understand

how the business works, how he fits in or who is dissatisfied will bring the whole system down.

Superdrug, a UK drug mart chain, is a success story in retailing since it managed to make its employees feel the ownership of the organization's cause (International Journal of Retail & Distribution Management, 1997). The Superdrug chain top management has developed a mission statement in coordination with the employees so that they share in developing the organization's meaning with the top managers, and thus deliver it. The mission statement should always be at the front of the employees' minds, if it stops the whole thing would die. Thus, the mission was supported by an internal campaign that enhanced and reinforced it inside the organization. This campaign has been vital for the employees' delivery of the organization's mission to customers, and thus the success of the chain.

Gattuso (1994) interviewed the Sears' marketing manager of customer marketing, Al Malony. Malony Stated that

"A relationship by definition, means two people. We are using our local store managers within the stores and making them the heroes, the focal point, to that communications don't come from Sears, they come from an individual in store where you shop.... without an individual to take ownership, nobody's accountable"

Malony also emphasized that communication should be regular to reinforce the strength of the relationship and to protect it from breaking. This view is rich in indications of the value of the role that employees play in developing and maintaining a strong customer-retailer relationship. The interviewee stressed the value of a humanitarian relationship between the customer and his local store manager as the base for strong retailer –customer relationship to exist. He also treated the employees as the retail companies' heroes who represent the whole company in the customers' eyes. Thus, he stressed that their ownership of the company is vital to communicate the true value of the retailer as a whole to the customer. In a study to develop a framework for retail organizations to apply total quality management, Dale (1994) pointed out that the unique element in TQM in retail organizations is the emphasis on appraisal and assessment of staff as well as customers. This study also emphasizes the paramount role an employee plays within a retail organization.

Walters (1989) also emphasized the salient role of employees in forming the image of a retailer. He argued that customer service in retailing is among the main attributes formulating the retailer position in the customers' mind and the employee is the heart of this service. In a study of store image from customer versus retailer perceptions in the UK Fashion retailing sector, Birtwistle et al. (1999) concluded that retail staff, in the fashion retail sector, need to hold a more positive company image than target customers in order for them to project the desired retailer image. This indicates that the retail organization should be

directly and aggressively marketed to its employees as well as its customers or even more so to effectively deliver its desired image. These arguments indicate the cardinal role that employees play in forging the relationship between the customer and the retailer, as a salient component of any retailer image.

McGoldrick (1990) argues that the retail business has a major service dimension, of which employees are its cornerstone. Berry & Grisham (1998) contend that such a service dimension is the sole invincible competitive advantage for retailers. Thus, Berry defined and explained relationship retailing as: "attracting, retaining, and enhancing client relationships". Good selling is a must for enhancing the relationship, good service is salient for retaining the relationship and attracting customers is considered just the first step in the relationship. The foundation of relationship retailing is the quality of the service. The heart and soul of relationship retailing is personal service to make customers feel special. This feeling is the element competition cannot emulate compared to looks that can easily be copied. To implement such a personalized service strategy, the employee is central. Employees should be selected on the basis of being helpful by nature, especially contact personnel. In addition, they should get high quality training to enhance the quality of personal service through making the employee feel how the company is keen to deliver such a service to its customers. Furthermore, Reynolds & Beatty (1999) studied the customer benefits and company consequences of the customer-salesperson relationship in retailing. They concluded that a three-way benefit to customer,

salesperson, and company is triggered by the salesperson's positive actions. The salesperson's positive actions satisfy customers and thus form customer benefits. Such customer benefits initiate good referral through word of mouth for both the salesperson and the company. This promotion creates self-satisfaction for the salesperson as a hero among customers, which is the salesperson's benefit. In turn this salesperson benefit triggers customers to buy more from and bring more customers to the company. This leads to an increase of purchase proportion per satisfied customer, which in turn leads to company satisfaction (i.e. its benefit). This work shows how employee, customer, and company satisfaction are strongly related in retailing. This again highlights the potent impact an employee (especially front line employee) can make on customers and consequently on the company.

A body of literature has studied the negative impact of poor employee performance on the relationships with customers within retail business. Kelley & Hoffman (1993) studied the typology of retail failures and recoveries from a customer perspective. This study revealed that the employee-customer relationship is problematic because most of the retail failures were a result of employees' poor performance. The causes of retail failures were classified into three main groups, two of them were directly related to employees: "unprompted employee actions" and "employee response to service delivery". The authors suggested that failures represent opportunities for retailers to establish relationships if recovered. They recommended a set of recovery techniques

based on customer views, such as manager intervention, replacement, correction, discounts, apology, and refund. Harris & Piercy (1999) examined the causes that hinders food retailing organizations from being market oriented (i.e. customer focused). Their findings suggest that employees, at different organizational levels, were the main reason. The lack of experience, lack of ability, irrational-seeking behavior and political activity were all reasons why employees hinder the operation of the marketing orientation concept. To further understand the reasons behind this market orientation rejection by employees, Harris & Ogbonna (2000) studied the responses of front line employees to a market- oriented culture in retail organizations. Their study revealed that there are varieties of responses to changes in market orientation (customer focus) strategy by front line employees. Some were found completely disagree with change, others just follow what they were told, some were found acting against it but saying they adopted it and finally some were found to be interested and saw the change as beneficial for them and the business.

These findings indicate that in retail organizations, employees have a variety of opinions about organizational strategies towards the customer; some are supportive, some are against and some are ambivalent. However, it can be seen that the employees who agree are the ones who realize the benefit for themselves and the company.

Finally, a survey by the Grocer (1997) on employees' attitudes in food retailing found that employees enjoy the stimulation and stress of working hard despite

the lack of proper training and long hours. However, they felt stressed because of the gap between the staff and top management and customers. This gap, according to employees, is due to top managers' and customers' 'unrealistic demands, lack of appreciation and complaints'. Moreover, training was found to be dissatisfactory by employees because it neither inspired nor added value for them. This suggests that retail organizations do not train and thus communicate and convince employees of the benefits of a customer focus to them and the company. Therefore, bridging the gap between employees, customers and top management could alleviate stress by making it more meaningful for the employee to develop and maintain strong relationships with the customer. Such a strong relationship will guard against organizational failure and make the concept of market orientation fulfill its full potential for the organization.

In conclusion, employees are seen in retailing literature as an imperative consideration for retail organizations to develop and maintain strong relationships with customers. Employees are seen as drivers of profits, representatives of the company, a salient component of the retailer's image, and a vital factor for success and failure of retail organizations. As a result, employees form an imperative dimension that can never be ignored in the multifaceted nature of the retail business.

1.2 The Challenges of the Changing Retail Environment

As a crucial factor of success in any organization, responding to the complexity of the business environment compels organizations to continuously adapt to its ever-changing nature. Therefore, in this section, the changes required or adopted by retail organizations to adapt to the environmental challenges facing its brand management will be discussed. These changes can be encapsulated under two major environmental challenges; these are the change in retail power and retail internationalization.

1.2.1 The change in retail power

Multiple retailers have become powerful through managing the supply chain efficiently (Sparks, 1995, de Chernatony, 1998). According to de Chernatony (1998), this enables them to pass some of their profits to their customers in form of low prices. Thus, customers are attracted to the stores leading to high traffic that has enabled these stores to be able to ask for large amounts of reductions from manufacturers. This led to higher profits, which in turn funded store expansion. This expansion led to small retailers dropping out of the market, and, finally, to strengthening the power of multiple retailers by dominating the market. This process is called the wheel of increasing multiple retailer dominance. As a result of this process, the balance of power in the market has shifted from manufacturers to retailers. According to McGoldrick (1990), to sustain market dominance, retailers must also be market-oriented. This orientation is achieved by adopting a sophisticated marketing approach where the customer is central to all activities throughout the organization. This enables the retail organizations as

a whole to exert power on the market and consequently make profit (McGoldrick, 1990). Furthermore, Gilbert (1999) suggests that a set of needs will emerge in retail marketing due to the shift of power in the market from manufacturers to retailers. First, it is anticipated that further change will take place in the internal and external environment of the retail organization. Thus, retailers should be prepared with strategies to adapt to this change. Second, it is paramount that retailers take into consideration and respond to wider markets than that of end customers. Third, emphasis on image and positioning will be paramount. This is because the physical aspects of retailing are fading away and thus the intangible aspects will play the major role in forming retail competitive advantage. Thus, the need to develop a deep meaning for retail brands will be paramount.

Gilbert (1999) and McGoldrick (1990) summarize how the changes in retail power have imposed several challenges on retail management. A major challenge facing the retailers with their new market status is to adopt the market orientation concept. Another major challenge facing retailers is to develop relationships with their external and internal stakeholders so as to adapt to change and create a deep meaning for the organization within its business environment. To meet these challenges, retail organizations will have to embrace two marketing concepts: market orientation and relationship marketing. The next sub sections will present the foundations and deduce the implications of each of these concepts for retail organizations.

1.2.1.1 The Market Orientation concept

The Jaworski & Kohli (1993) study of the market orientation concept's antecedents and consequences concluded that a firm's market orientation has a significant impact on business performance, regardless of competition, market and technological turbulence and over-all market status. This conclusion indicates that applying the concept is beneficial for any organisation. Thus, retail organisations are encouraged to implement the concept. According to Kohli et al. (1990), market orientation is the organisation-wide generation of market intelligence pertaining to current and future customer needs, the dissemination of the intelligence across departments, and the organisation-wide responsiveness to it. The concept of market orientation identifies three elements which have a major impact on its implementation: employee dispositions, organisational strategy, and customer behaviours and attitudes. Besides, it is paramount for senior managers themselves to be convinced of the value of a market orientation and thus be able to develop a commitment within the junior employees to the concept. Moreover, although assessment of customer needs is the cornerstone of a market orientation, defining customers may not be simple. In some cases, businesses may have consumers (i.e. end users of products and services) as well as clients (i.e. organisations that may dictate or influence the choices of end users). Therefore, consumers should not be the only customers that the organisations should be taking care of.

Based on the foundations of the market orientation concept, retail organizations should integrate the top management, employees and customers through continuous information flow to make the market orientation approach function properly within the organization. This reflects a balanced approach towards the implementation of market orientation among customers, employees and top managers. However, Davidson's (1997) concept of offensive marketing, which could be seen as developed version of the marketing orientation concept, have emphasised the role of insiders, especially employees, as pivotal to the implementation of a proper market orientation approach. According to Davidson, with the growing need to build long term relationships with customers, the concept of offensive marketing calls for a high level of responsiveness to customer needs with a strong emphasis on the vital role of every member of the organisation to respond to these needs efficiently. This efficiency enables the company to achieve not only customer satisfaction but also handsome profits. This forms the base for Davidson's unique definition of marketing as involving every employee in building superior customer value efficiently for above average profits. This definition shows that employees are the developers of efficient value and thus they are as important as customers to achieve a winning marketing formula. To support his concept, Davidson gave an example of Microsoft as a successful offensive marketing company. He stated that the top two reasons for their success were clear business vision and employees who are able to understand that vision and make it happen and deliver it to customers. In retail practice, offensive marketing has been proven effective. Wal-Mart success could

be attributed to adopting the concept of offensive marketing. According to Ortega (1998), Sam Walton's (the founder) vision of a good life was to offer choice at bargain prices and he used strategies to motivate his employees to make his customers realize his vision. As a result, Wal-Mart as a reflection of that vision, has become an icon in the retail business.

In conclusion, the market orientation concept and the updated version of it (offensive marketing) imposes a challenge on retail organisations to have a company vision that is driven by committed employees to create and maintain committed customers through an incessant flow of information. Thus, the power of offensive market-oriented retail organisations can be described by historian William Leach's quote: "*Whoever has the power to project a vision of good life and make it prevail, has the most decisive power of all*"(Ortega, 1998). Hence, to adopt market orientation, the retail organization should forge and maintain relationships with its stakeholders (Fabian, 2000). The marketing management concept concerned with building and maintaining organisations' relationships with several stakeholders is considered to be relationship marketing. This concept is the focus of the next section.

1.2.1.2 The Relationship Marketing concept

According to Gronroos (1997), the concept of the marketing mix and the 4P's of marketing (price, product, promotion, and place) is becoming obsolete in view of the growing importance of customer retention, market economies, and customer

relationship economics in marketing management. To meet the newly growing needs of marketing management, an alternative concept is emerging that is based on relationship building and management: relationship marketing (RM).

The RM paradigm has the potential to evolve as the new marketing management theory, and is already the way marketing should be conducted in services since the management of marketing in such a sector cannot be separated from the rest of the companies' managerial activities. RM is defined as "marketing seen as relationships, networks, and interactions" (Gummesson, 1996 & 1997). According to Gummesson (1996), relationships are contacts between two or more people but also they exist between people and objects, symbols and organisations.

Networks are sets of relationships and interactions and the activities performed within relationships and networks. In RM, the focus has shifted from goods and services to value creation through integrating marketing with other managerial functions. The value means more win-win than win-lose situations in multiple relationships where responsibilities are shared among all parties involved.

Gummesson (1996) argued that a synthesis between RM and the concept of imaginary organisations would lead to the complete marketing equilibrium. The imaginary organisation is an organisational approach that is characterised by having a leader vision within an organisation. This vision is echoed within the organisation through a unique culture, marketing communication system, payment system and relations with partner companies. Also, customers in an imaginary organisation are seen as an integral part of the value creation and the

employees as the intellectual asset that is more resourceful than the balance sheet reveals. Furthermore, for RM to be properly implemented throughout the organisation, the concept of Total Quality Management (TQM) was found to be necessary (Morris et al.1999).

Several views have expressed on the nature of the marketing-formed relationships. Gronroos (1997) claims that marketing should establish relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. A mutual exchange and fulfilment of promises are required to establish a strong relationship. Buttle (1996) added that not only are company relationships with customers and intermediaries necessary but also that the company -employees' relationship is at the heart of RM.

The nature of the relationships developed with stakeholders should be on a humanitarian base, argues Hutton (1996). In a study of the effect of integrated marketing communications on RM, Hutton claims that RM will change the nature of business relationships from competition to collaboration. Therefore, relationships in business are suggested to be like those between people (i.e. humanistic relations) with shared values, objectives and mutual commitment and trust. To achieve such a unified human relation base, marketing communication should be fully integrated (Hutton, 1996).

Furthermore, according to Varey (1998), Hinde(1979) defined a relationship as

follows: "A relationship is a social phenomenon which exists when there is intermittent interaction between two people, involving interchange over time, with some degree of continuity between successive interactions, and with some mutuality, i.e. the behaviour of each takes account of the other". Varey added that a relationship only takes place in a social context where other relationships among other people take place. In other words, Varey suggests that relationships exist only when two participants are interdependent and continuously responding to each other. Also, a relationship cannot make sense unless all relationships in the social context are taken into consideration. Consequently, this may mean that, in social context, for a relationship to thrive, all members participating in the network of relationships should be addressed simultaneously to make each relationship meaningful. In addition, Varey argues that relationships can exist in more than one category at one point of time. For instance, an employee can be a customer or a shareholder at the same time. However, he says each category has its own mindset. Thus, in a professional relationship, an employee has an employee mindset and in a consumption relationship the employee has customer mindset.

Moreover, Bendapudi & Berry (1997) found that customers' motivations to maintain relationships with service providers are due to two main reasons; these are *have to* stay in the relationship or *want to* stay in the relationship. The later represents dedication-based relationships while the former represents constraint-based relationships. The service provider's best interest lies in forming

dedication-based relationships. However, the service provider should be very careful when forming such relationships because breaking up these relationships have more negative than positive consequences.

In brief, the relationships formed within the RM paradigm are suggested to exist in a network of relationships, to be humanitarian in nature and to be tempting for the stakeholder to maintain the relationship.

There are successful cases in retail practice that embrace the RM concept in full giving validation for Gummesson's (1996) claim that RM is new in books but ancient in practice. The three C's model of Sears, a leading US retailer, is a good example. According to Rucci (1998), Sears has radically changed the way it does business and improved its financial results significantly. The change at Sears was not just a change in marketing strategy but it was a change in the business culture. As noted earlier, a business model that tracked success from management behavior through employee attitudes to customer satisfaction and financial performance drives this change (see appendix [1]). The change was to make made Sears a place with the three C's; these are a *Compelling* place to *shop*, *Compelling* place to *work*, and thus *Compelling* place to *invest*. Thus, the success equation at Sears is $\text{work} \times \text{shop} = \text{invest}$ (not $\text{work} + \text{shop} = \text{invest}$, because shopping and work should be simultaneous.). Moreover, Sears considers communication as the most important factor in employee learning. They developed "learning maps" for employees allowing two-way

communication with the top management through giving and receiving ideas about the business and how to make it run more efficiently. Employees' performance at Sears is based on the findings of the model through the following three P's: Passion for customer, People of Sears adds value, and Performance leadership.

In conclusion, a successful practical case illustrates that the use of RM can lead to retail success. To effectively adopt RM in retailing, the challenge for retail marketing is to refrain from the futile marketing-mix based management approach and move to a relationship based approach. Establishing and nurturing relationships with key stakeholders (namely customers and employees) will enable the company to create and deliver value. Additionally, the relationships to be formed with stakeholders should exist in a network of relationships, be humanitarian in nature, and tempt stakeholders to maintain the relationship. For retailers to achieve their marketing equilibrium, they need to integrate RM and the companies' vision. Such integration is the core of the offensive market orientation concept. Thus, it can be argued that a merger between the concepts of an offensive market orientation and RM represents the foremost challenge facing the management of retail organisations.

1.2.2 Retail internationalization

Going global has been a refrain in the business world (Jeannet & Hennessey, 1995) and retailing is no different. In retailing literature, retail internationalization

has aroused immense interest. The motivations behind retail internationalization have been meticulously studied (Hollander, 1970; Waldman, 1978; Kacker, 1989; Hallsworth, 1990; Hamill & Crosbie, 1990; Alexander, 1995; McGoldrick et al. 1993; Burt, 1994; Sternquist, 1997, Quinn, 1996) as have the ways retailers opt to internationalize (Burt, 1995, Barth et al. 1996). According to CIG (corporate intelligence group) three types of motives are identified for retail internationalization (Quinn, 1996). The *push* factors are the factors forcing retailers to internationalize (e.g. mature/saturated home market, and Trading restrictions). The *pull* factors are the factors encouraging retailers to internationalize (e.g. perceived growth opportunity, underdeveloped markets/niche marketing opportunities, among others). The *facilitating* factors are the factors to make retailers' international efforts feasible (e.g. accumulation of in-company experts, presence of role models to learn from, among others). These factors imply that internationalization is inevitable for retailers. However, they indicate that internationalization is also tempting and feasible for retailers. As a result, retail management *must* embrace internationalization as an integral part of the business. Barth et al(1995), The ways retailers internationalize are classified by Barth et al. (1996) in three main export strategies being used exclusively by retailers.; these are

- *Superior operator*. The retailer expands internationally on the strength of its operating capabilities. Retailers adopting such a strategy should ensure that they could sustain their strength in the long run.

- ***Concept exporter.*** The retailer exports a certain concepts and left to run by others. In other word, franchising. Adopters of such a strategy, for example, Benetton and The Body shop, should be in tight control of the franchise execution so as maintain the concept appeal.
- ***Skills exporter.*** The retailer exports unique managerial skills rather than an entire business system. Adopters of such approach enjoy access to global markets through joint ventures.

Besides, according to Barth et al and others, the main “hurdle” facing retail internationalisation is the belief that what applies at home market works in the foreign market. Thus, retailers are recommended to reconfigure their competitive advantage to suit each market they enter rather to export what is at home.

Furthermore, Barth et al. argue it is more difficult for retailers to operate across distinctive national markets in comparison with other industries. The challenge of global retailing begins with the consumer. A retailer performance in local markets will be highly sensitive to variations in consumer behaviour. In addition to this unique problem, like any other industry, other problems retailers will encounter when operating internationally include shortages of key resources such as land and labour; unfavourable tax and tariff structures; restrictions on trading hours and foreign ownership; and impenetrable established supplier relationships.

The work of Burt (1995) and Barth et al. (1996) implies that each entry mode requires the international retailer to work in partnership with local companies to

enter a given market. This, in turn, indicates that commitment is vital among the employees of both the international retailer and the local partner in order for the retailer to settle in the national market. Therefore, local companies' employees should be treated as a major stakeholder in international retailing, which is a unique dimension for international retail organizations. Moreover, the customer sensitivity problem facing retailers in foreign markets imposes a further challenge on retailers to deal with foreign customers as a different stakeholder from that at home in order to realize their competitive advantage in the destination market.

1.3 The Unique Challenges of Retail Brand Management

The unique retail brand management challenge stems from two main aspects. To unveil these, the following sections will explore first the difference between manufacturer and retailer approach to branding. This will be carried out on two levels, a macro level (the total offering) and a micro level (the product). Then, the section will shed light on the special characteristics of managing retail brands.

1.3.1 The difference between retailer and manufacturer approaches to branding

1.3.1.1 Macro level (the total offering)

According to Wileman & Jary, (1997), investing in brand building is as important for a retailer as it is for a manufacturer. The aim is to develop a strong retail brand that generates long term consumer preference and loyalty and creates a sustainable differentiation among direct retail competitors. However, the degree

to which managerial branding techniques for retailers are similar to those of manufacturers varies. Corstjens & Corstjens, (1999) argue that the main challenge of a retail brand is the ability to balance the effort to satisfy heterogeneous segments. Retailers cannot segment their market as accurately as manufacturers. However, there are three main advantages for a retailer over a manufacturer in segmentation terms. These are:

1. The direct contact with customers.
2. The direct access to invaluable shopping behavior information
3. The control of the point of purchase.

In fact, segmentation is valid in retailing but less central than manufacturing (Wielman & Jary, 1997).

Retailers usually compete for the maximum market share in their category across all customers groups within their coverage area and across a wide range of price propositions (Wileman & Jary, 1997). Corstjens & Corstjens, (1999) stressed that price perception in a retail sense is a salient attribute in retail competitive advantage: a retailer cannot afford to be beaten on price. Therefore, retailers are far more sensitive than manufacturers towards forming positive price perceptions.

Furthermore, location is one of the most important factors for the success of a retail brand (Corstjens & Corstjens, 1999, Evans & Berman, 1984). According to Corstjens & Corstjens (1999), the location *coverage* area in retailing is selected

based on the customers' convenience and willingness to travel. The coverage area is composed of patches around the store where the target of the retailer lies. Thus, the target is heterogeneous and the most important targets of the coverage area are the customers who live in the boundaries where they can defect to another competing store. In fact, retailers acquire other retailers for the mindspace they have in customers' minds and the physical 'coverage' they have for an area while manufacturers buy other brands just for the mindspace. Evans & Berman (1984), add three characteristics that differentiate the retail business from the manufacturer and other businesses. These characteristics are:

1. Sales transactions are smaller.
2. Unplanned purchase behavior is paramount.
3. Stores represent an integral part of the offer.

Based on these three characteristics, a unique characteristic of retail management character could be depicted as the following paradox: a retailer has to *plan* for high volume sales from its *unplanned* consumer behavior within a specific environment, which is the store.

Wileman & Jary, (1997) argue that the retail brand has multiple attributes compared to manufacturers, that arise from the dealing with products and services simultaneously in a store. Moreover, retail brand attributes are more subject to change compared to manufacturer brands. Therefore, according to Corstjens & Corstjens (1999), the shopping experience attributes and associations of a retailer are weaker as sources of differentiation than the

attributes of a manufacturer's product. Also, brand proliferation is very limited when applied to retail chains. Wileman & Jary, (1997) add that retailers therefore require a strong umbrella brand. The arguments of Wileman & Jary and Corstjens & Corstjens indicates that retailers face a particular challenge to form a holistic and flexible branding approach, which embraces the complexity of simultaneous dealing with goods and services and the dynamic nature of the business.

Finally, from a practitioner viewpoint, Parsons (2000) views managing a retail brand as much more challenging than a manufacturer brand. That is because customers' experience of the retail brand is multi-faceted and people deliver most of it. Thus, a retail brand comes to life if all people involved (customers and employees) believe in it through the numerous customer interactions and the business decisions a retailer takes every week. The author shows that retail brand management is unique in the sense that a retail brand needs people (customers and employees) to be able to work in full harmony to derive brand success. Therefore, it could be argued that a challenge facing a successful retail brand management would be to build harmonious relationships among two main groups; these are customers, and employees.

1.3.1.2 Micro level (the product level)

Branding products under their own label was found to be the most effective way of creating a differential advantage in retailing (Burt, 1994, 2000; Laaksonen,

1994;Corstjens & Corstjens, 1999; Nandan, 1998). It enables the retailer to make a merchandise offering, which is different, well targeted and sustainable since it is exclusive to the store. According to Corstjens & Corstjens (1999), own labels are of two main types. First, *type-1* own label, which is used to influence negotiations with manufacturers and exert retailer control over supply chain. This type embrace the '*generics*', which are the *commodity-based* own labels that just satisfies basic needs, and the '*Mimic*' brands, which are copycat presentations of the leading manufacturer brands. Second, the *type 2* own label category contains products that a retailer uses to attract customers to the store. These are called own brand because they create loyalty to the store through pulling customers. These brands sometimes surpass the manufacturers' quality levels. The difference between type 1 and type 2 own label lies in the former capitalizing on the store image (i.e. fed by the traffic in the store), while the later feeds the store by pulling traffic.

Type 2 own label can also be the flagship of the store. Retailers like Next, The Body Shop, Gap and IKEA use this type. These retailers combine the store and its merchandise as one unit. This combination has proven a successful differential advantage that creates brand loyalty in retailing. Type 2 own brand is also found advantageous for a retailer in the use of fresh products. Perishables give the retailer an advantage over manufactures because they control presentation & handling. Furthermore, fresh products increase customer frequencies of visiting the store because they are faster in moving compared to

dried groceries.

In conclusion, on both macro and micro levels, the difference between the retailer and the manufacturer approach to branding is focused on the fact that retailers need to approach branding from a wider perspective than that of manufacturers. Specifically, four main challenges were found to be unique to retail brand management. First, having a holistic and flexible approach to branding. Second, managing the two vital elements of price and location simultaneously. Third, building a harmonious network of relationships with customers, and employees. Fourth, managing multi-type own label products concurrently with the total offering.

1.3.2 The unique managerial characteristics of retail brands

To manage retailers as brands, the literature has suggested that unique characteristics are needed. According to the International Journal of Retail & Distribution Management (1997), there are three main characteristics in successful retail branding from the experience of three top retail brands; these are:

First, ***leadership***: The founders and top management views and ideas work as symbols to drive the business values to middle management and floor staff. The example of the Body Shop shows how the value (environment concern) created by the founder is shared by employees as well as customers and thus creates a

commitment to the retailer's brand. Second, **quality and service**: "*Retail is not only a business of selling products but also the business of forging relationships.*"

To foster these relationships, there is a need for continuous improvements of product quality and service.. Third, **empowerment and reward structure**:

Employee empowerment is not simply about external actions, it is a process of changing the internal beliefs of employees that increases their self- determination and thus increases their power.

According to Raphael (1999), there are five characteristics necessary for the store to be managed as a brand:

1. **Creating a great environment**: this can be done through exceptional customer service that not just serve but add value to the customer. This, in turn, can be accomplished by involving and empowering employees.
2. **Listen to your customers**: there is no substitute for a retailer to be on the floor mixing with customers
3. **Consider the lifetime value of your customer**. this means creating value over and above price because the best retailing activity should compete on the basis of the total experience a customer has rather than just price.
4. **Use of Relationship marketing and direct mail**: to make the experience as *personal* as possible to the customer
5. **Give rewards**: a way to make customers remember the experience.

The retail brand experience highlighted by Raphael (1999) is considered as a major missing characteristic needed in the retail brand offering. Pine & Gilmore, (1998) heavily criticised retailers for not differentiating their offers through developing unique experiences despite having their stores as unique resources to stage an experience. They urged retailers to follow the entertainment business in staging experiences, and described the importance and benefits of developing experience as follows: "*As goods and services become commoditized, the customers' experience that companies create will matter most.*" Experiences are different economic offerings from commodities, goods and services. Commodities are functional, goods are tangibles, services are intangible, and experiences are *memorable*. Thus, experience can differentiate the company offering because no two people will have the same experience. Experience is developed through the interaction between the stage event and the individuals own state of mind.

Mazur (1999) rebuked retailers (especially food retailers) for not creating a shopping experience. She argues that experience is the future buzzword for retail differentiation since convenience is losing ground to E-shopping, the most convenient way of getting goods and services. Specifically, food retailers should take forming experience seriously because they are far behind in that regard. Also, Fanning (1999) blamed retailers for the lack of interesting stories about

their brands. Fanning stated that retail brands tell customers boring stories despite having good things to tell.

In an attempt to help retailers to create shopping experiences, Harris et al. (2000) found that customers were motivated to revisit the store to socialize with one another. Thus, Harris suggested that making customers interact (particularly *talk*) with one another in the retail store was an effective way to enhance conventional store shopping in the high street. This could help retailers guard against customers drifting to other methods of buying goods and services (e.g. Internet, telephone, etc.). The socialization experience indicates that customers would be interested in more human relations which, in turn, indicates that employee-customer relationship on a human (rather than trading) level should be developed.

Finally, Wileman & Jary, (1997) argue that for a retail brand to exist and survive, retail managers must master the business details and be committed to it.

In conclusion, when considering the special features of retail brand management, two challenges facing retail brand management are deduced. First, retail branding needs a strong business vision that is disseminated via a network of interrelated humanitarian relationships to staff and customers so as to form an enjoyable brand experience. Third, retail brand managers must pay attention to details and develop long-term brand commitment.

1.4 Conclusion

This chapter explored the challenges facing retail business management, which have an impact on retail brand management. Three types of challenges were addressed. First, challenges that stem from the multifaceted nature of the retail business. These challenges can be summarized as the wide scope of the business and its sensitivity to change that necessitates managing its core components (goods & services, identity & image) simultaneously so as to address an array of stakeholders, particularly customers and employees since they hold the keys to the retailer's network of stakeholders.

Second, challenges that stem from changes in the retail business environment. These challenges can be summed up in the business need to embrace the concepts of market orientation, relationship marketing (RM) and retail internationalization so as to maintain retail power in the marketplace and adapt to the inevitable globalization challenge.

Third, challenges that stem from the unique characteristics of retail branding. These can be encapsulated in the retailers' need to brand holistically - with price; location, and own label as integral parts of the brand. Additionally, it is vital to develop a strong brand vision that runs throughout the business in a network of interrelated humanitarian relationships leading to an enjoyable brand experience to its key stakeholders. Interestingly, this challenge mirrored that resulting from

the implication of adopting market orientation and RM in retail marketing. This reflects the interdependence between the retail *business* management and retail *brand* management.

Given the retail branding challenges, how can retailers manage their brands to embrace and adapt to these challenges? In the next chapter, a review of the theoretical foundations of the managerial approaches to branding will be undertaken to answer this question.

Chapter Two: Brand Management

Chapter one concluded with the business challenges to be faced when managing retailers as brands and called for a review of the theoretical foundations of brand management, to explore how retailers can be managed as brands to embrace and adapt to these business challenges. Thus, in this chapter, a review of branding literature will be carried out to shed light on the theoretical foundations of brand management approaches so as to construct a framework encompassing the branding approaches relevant to managing retailers as brands.

Given the diversity of challenges facing retail brand management, first of all, the concept of a brand will be introduced via a review of the various brand definitions, and considerations of the role of brands and benefits of branding.

Then, a review of the various theoretical foundations of brand management will be carried out. The general managerial approaches of brand equity, and brand identity will be reviewed to explore their implications for retail brand management. The specific managerial approaches of service branding, internal branding, global branding and corporate branding will then follow, to investigate their implications for retail brand management. The chapter will conclude with a holistic framework drawn from the approaches involved, for retail brand management.

2.1 Introducing the Brand Concept

This section introduces the concept of a brand. To do so, the following sections will first discuss the various definitions of a brand, then, the role brands play for business organisations will be considered.

2.1.1 The brand definition

The “*brand*” has been a subject to several attempts to define it. Some definitions provide simple views while others are more sophisticated. The following will be a review of brand definitions moving from the simplest to the most sophisticated.

The American Marketing Association defined a brand as “*a name, term, sign, symbol or design or a combination of them, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors*” (Kotler, 1998). Similarly, Tollington (1998) defined the brand as “*a name and/or symbol (a design, a trade mark, a logo) used to uniquely identify the goods or services of a seller from those of its competitors....*” These definitions reflect brands in a very simple manner. They focus on the brand as just a name or sign to differentiate a product/service from competitors. A more sophisticated view of brands views the brand name as: “*the personalization of the relationship a physical product has with its customers, which is beyond its physical attributes*” (de Chernatony & McDonald, 1998).

According to de Chernatony & McDonald (1998), a commodity is different from a brand because it is characterized as having no perceived differentiation by the

customer and thus purchasing decisions are made based on price and availability. de Chernatony & McDonald (1998) definition of a brand is “A *successful brand is an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant and unique added values which match their needs most closely. Furthermore, its success results from being able to sustain these added values in the face of competition*”. In this definition, a brand has very clear *added values* more than the sum of the product attributes and thus the brand demands higher price (a premium). These added values are the difference between a brand and commodity, and can be divided into four categories:

- Generics which are pure functional added values.
- Expected, which are the minimum emotional and functional added values above those that are generic.
- Augmented, which are emotional values with some functional attributes.
- Potential, which are pure emotional added values with high flair of creativity.

These added values are mainly emotional and given to the brand by coherently integrating the brands' marketing mix elements (the 4 P's). This integration will lead to a distinctive position of the brand in the customers' mind. As a result, the more distinctive the positioning is, the more the customer will accept no substitute.

The view of brands as personal relationship with customers has been developed further by Aaker's (1997) view of a brand as person developing relationships with another person (customer) through a set of human characteristics associated with the brand. This set of human characteristics is the brand personality. Aaker's research suggested that the greater the congruity between the human characteristics that consistently and distinctively reflect an individual's actual and ideal self and those that describe a brand, the greater the preference for such a brand. Thus, studying brand personality is paramount for brand management.

The personality traits of a brand stem from the image of people associated with it, such as the brand user, employees and CEO. Aaker (1996) illustrates how the personality of a brand develops a relationship with customers similar to that built between two people. He describes five types of relationship found between brands & customers that are similar to those among people:

- ***Sincerity***: the nature of this relationship is traditional, down-to-earth, family oriented that might be similar to relationships that exist with well-liked, respected members of the family. Brands in such a relationship are the likes of Coca-Cola, Kodak and Hallmark.
- ***Excitement***: The nature of this relationship is young spirit, outgoing, that is similar to a relationship between two people who share an interest an active, youthful life style (e.g. Pepsi).
- ***Competence***: the nature of this relationship is professional, influential, accomplished, that might be similar to relationships with a person whom you respect for his professionalism and achievements. Brands in such a

relationship are the likes of IBM, Financial Times, and Wall Street Journal.

- *Sophistication*: the nature of this relationship is show-off, condescending, wealthy, prestigious, which is similar to a relationship with a rich relative or a powerful boss. Brands in such a relationship are the likes of Lexus, and Mercedes.
- *Ruggedness*: the nature of this relationship is athletic, and outdoorsy, which is similar to a relationship between two people who share the interest of adventure. Brands in such a relationship are the likes of Marlboro, and Nike.

Aaker (1997) added that Sincerity, Excitement, and Competence were found to be part of human personalities while Sophistication and Ruggedness are found to be desired by individuals but not necessarily part of human personality.

Aaker (1996) argues that in any relationship between a brand and a customer, the durability, understanding, and caring elements (the friendship basic elements) must prevail for the relationship to prosper. Moreover, for any relationship to exist each participant must be an active partner. However, in most branding studies, the focus is on customers perceptions, attitudes, and behavior towards the brand as the only active partner while the way the brand's perceptions, attitudes, and behavior towards its customers is always seen as passive and hidden behind the doors of the organization. Furthermore, there are two elements that influence the relationship of an individual with a brand. First, there is the relationship between the brand- as-person and the customer (that is

the analogous of the relationship between two people). Second, the brand personality, which is the type of person the brand represents. Brand personality provides the reason for the relationship to exist and can be emotional or functional.

A step further from the brand as a personal relationship with a customer requires a deeply sophisticated view of brands. Such a view focuses on the outcome of the relationship (or its meaning) as the definition of a brand. According to JWT (2000), a leading advertising agency, a brand is defined as "*a set of convictions that surround a product or service in the consumer's mind*". These convictions are created through two-way (give and take) relationships between the brand and its customer. These two-way relationships are described as the *meaningful* relationships by BBDO (2000), a leading ad agency. The depth of such a meaning can be extracted from Kotler's (1998) view of a brand as the seller's *promise* to consistently deliver a specific set of features, services, and benefits to the buyers. The brand, therefore, is a complex symbol that should be capable of conveying six levels of meaning:

1. **Attributes:** the brand brings to mind a set of attributes, such as durability, speed, etc. that are usually used to advertise the brand.
2. **Benefits:** since consumers are not buying attributes but benefits, the brand attributes should manifest themselves into functional and emotional benefits.
3. **Values:** the brand indicates to buyers the values the producer hold.

4. **Culture:** the brand represents the cultural background of the producer.
5. **Personality:** the brand personalizes the products/services by giving them human characteristics.
6. **User:** brands suggest the kind of consumer who uses them. The user will be the one who appreciates the brands' values, culture, and personality.

When the audience can visualize all six levels of meaning, the brand is deep; otherwise it is shallow. Thus, the prime challenge for brand management is to create a deep set of meanings for a brand.

From a cultural perspective, brands are valuable because of their ability to convey meaning. The cultural (or anthropological) approach to brands defines a brand as “ a bundle or container of meanings” (McCracken, 1993). To McCracken (1993), brands have value because they add value that, in turn, adds meaning to consumer goods. In other words, the value of the brand stems from its meaning. There are three main questions which clarify the way the anthropological brand works; these are

- *What are the cultural meanings that exist in any particular brand?*

Brands derive their meanings from the complex meanings embedded in the culture. From several culture meanings, such as country meaning, status meaning, gender meaning, etc., the brand builds its own meaning

- *How does meaning get into the brand?*

The brand communication (e.g. advertising) role is to associate the generic meanings embedded in the culture with the brand so as for the

band to be associated with these meanings and thus evoke them. In other words, brand communication is the transfer tool of meaning from culture to brand.

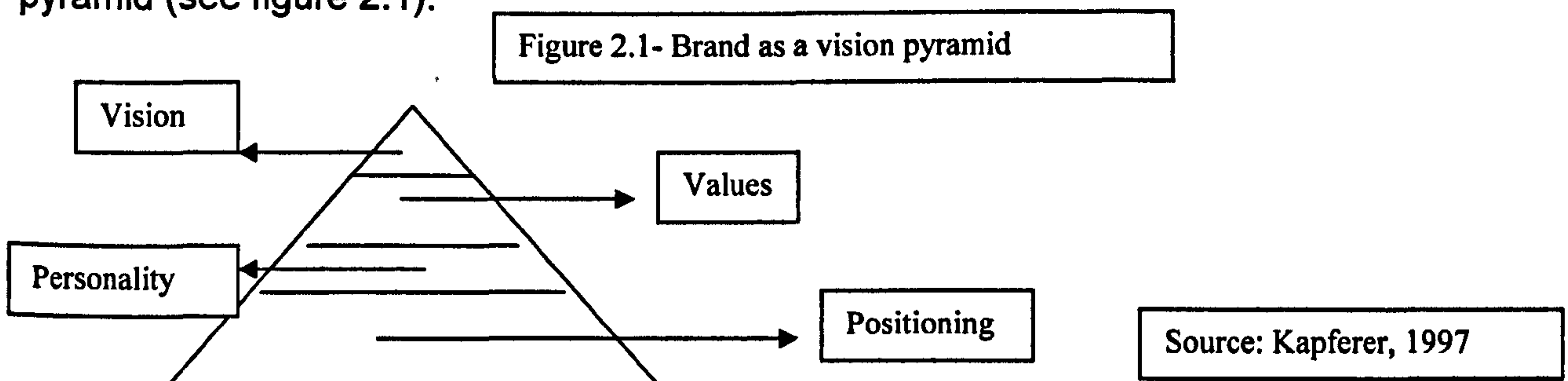
- *Why do consumers care about brand meaning?*

This is because brands are tools consumers use to project their self-image (or meaning), which is embedded in their culture pool of meanings.

In brief, the anthropological view of brands can be encapsulated as follows:

Consumers seek to construct their self-meaning (image) out of the pool of meanings embedded in their own culture. Brands are containers of cultural meanings taken (via brand communications) to customers so as to construct their self-image.

Finally, the most sophisticated definitions of a brand adopt a comprehensive view: brands seen as the organization's vision. According to Kapferer (1997), the brand is a *long-term vision* in its commercial category. This vision is the brand's reason for existence. Thus, a leading brand could conceptually be seen as a pyramid (see figure 2.1).



The pyramid's top is the brand vision or purpose. Out of this vision, the values of the brand emerge, which in turn, leads to the personality of the brand. The personality of a brand drives the common image of the brand that drives the positioning statements of its variety of products, which form the base of the pyramid.

According to Fanning (1999), *“A brand is the sum of everything people know about, think about or feel about anything that affects their behavior”*. Thus, everything could be a brand, such as a country, an organisation, a soap etc. However, the balance between the rational (think) and emotional (feel) factors of a brand varies from one market to the other. Fanning therefore believes that strong brands are those able to tell influential stories about themselves to their people. These stories should integrate the core values, the rational and the emotional factors of a brand in an interesting whole that, in turn, is volatile to adapt to change in the societies in which they operate.

Another comprehensive view of brands also sees them as the “DNA” that glues together all business activities, both internally and externally (Macrae, 1999).

Besides breaking free from the two-sided relationship between customer and the brand, the comprehensive view defines brands as the advantage that motivates customers to use the products/services of an organisation, employees to work for an organisation, and investors to invest in an organisation (McDonald, 1999). In other words, the comprehensive view sees the brand's role in an organisation as satisfying not only customers but also other stakeholders.

In conclusion, the brand has had simple and very sophisticated definitions; from just a name or sign for product differentiation to an organizational philosophy.

Therefore, Hanby (1999) described this evolution of the conception of a brand as a trend moving from seeing brands as “*dead*” (lifeless products that can be segmented, positioned and used to create an image through manipulation of artifacts-signs and symbols) to seeing them as “*alive*” (living entities that are embedded in a social context and hence can evolve, have personalities, and build relationships). As a result, each industry should adopt the most suitable brand definition for the business nature so as to make the best out of the branding concept. The roles played by brands and the advantages of a strong brand are the subject of the coming section.

2.1.2 The roles and benefits of branding for organizations

Organizations utilize brands to play a variety of roles to achieve their goals. In this section a discussion of these roles and the advantages of branding to organizations will be presented.

de Chernatony & McDonald (1998) discuss the brands' role for organizations in eight categories:

- **Brand as a sign of ownership:** to decrease marketing costs, the corporation, as a brand, has been favored over individual product branding. The advantage of such an approach is that it gives a clear identity to the

product. However, the drawback is that customers may not pick up the values the corporate brand stands for and how they relate to all the product portfolio of the organization, and thus the core values face the risk of being diluted.

- **Brand as a differentiation device:** this has been the case historically and currently. However, evidence shows that brands fail when they are just differentiated as a name or a symbol. Brands succeed when they are differentiated by unique added values that satisfy customers' needs.
- **Brand as a functional device:** based on the brand acting as guarantee for consistent quality. However, as customers begin to take consistent quality for granted, other customer driven unique added values are required for the success of brands in this category.
- **Brand as a symbolic device:** were consumers perceive that the brand's value lies in its non-verbal (symbolism) communication, which reflects something about their desired self image within their social groups. However, it is found that customers never rely entirely on symbolism (non-verbal communication) in considering brands but partly rely on functional attributes. Thus, combining functional and symbolic attributes is the way to success in this category of brands. Brands belonging to this category include cosmetic, and jewelry brands.

- Brand as a risk reducer:** in some markets, for example pharmaceuticals, the buying process is seen as a way of reducing risk. Thus, in this case, the brand must be positioned to communicate its ability to reduce the customers' purchasing risk. Kapferer (1997) adds that risk reduction is a major branding benefit for organizations as well as customers. That is because financial markets' prefer brands since their goodwill makes them safe investments. Moreover, the goodwill of a brand allows it to be sold for higher than its book value. Financially, Tollington (1998) argues that the brand name is one of the organizations' most valuable assets since greater profits are usually gained from its presence. As a result, brands are balance-sheet assets, which support financial investment in organizations.
- Brand as a shorthand device:** here brands are used as icons to stand for information for customers. In other words, a simplification device for complicated information. To succeed, brands in this category should be highly focused on the quality of information as much as the quantity of information.
- Brand as a legal device:** here brands are used as trademarks to protect the owner from cheap imitations. This category is very important for products but not as important for service brands because of the intangibility of services.
- Brand as a strategic device:** This view is what enlightened marketers subscribe to. It calls for careful and continuous analysis and evaluation of the

brand in its market so as to develop the best position and protect it. The brands in this category are managed as strategic assets.

The role played by brands for an organization is crucial. Thus, it is vital for organizations to realize the benefits of branding. According to Kotler (1998), there are five main advantages of branding for a seller (or an organization):

1. Branding provides legal protection via trade marks
2. Branding eases targeting and segmentation
3. Branding provides an opportunity to create customer loyalty and thus profitability.
4. Branding helps build corporate image and thus makes brand extensions easily accepted by consumers and distributors.
5. Branding reduces the processing of orders and tracking down of problems.

In short, the variety of roles played by brands within organizations can be encapsulated in eight categories; these are a sign of ownership, a differentiation device, functional device, symbolic device, shorthand, legal, strategic and risk-reducing roles. Branding can be of benefit for organizations by offering legal protection, accurate targeting, customer loyalty, support to corporate image, and problem control. Casting an eye on the roles and benefits of brands, it can be concluded that branding is crucial for organizations' success. Thus, organizations utilized a variety of brand management approaches to reap branding benefits and ultimately achieve success. These approaches are the subject of the next

section.

2.2 Brand Management Approaches

The approach by which a brand is managed varies in scope, from tailoring to specific branding needs to dealing with brands as general entities. In other words, there are general and specific approaches to branding. The following sections will present and analyse the foundations of each of these approaches to shed light on the potential contribution of each approach to managing retailers as brands.

2.2.1 General approaches for brand management

There are two general approaches to brand management, which are widely recognized as the literature; these are brand equity and brand identity.

2.2.1.1 The brand equity approach

Lassar et al. (1995) believes that there are five important considerations to define brand equity. First, brand equity refers to consumer perceptions rather than any objective indicators. Second, brand equity refers to a global value associated with a brand. Third, the global value associated with the brand stems from the brand name and not only from physical aspects of the brand. Fourth, brand equity is not absolute but relative to competition. Finally, brand equity positively influences financial performance. In light of these characteristics, brand equity can be defined as “ the enhancement in the perceived utility and desirability a brand name confers on a product”. In other words, it is consumers’ perception of the overall superiority of a product carrying that brand name when compared to

other brands.

Almquist (1998) considered the added values of brand equity from an economic viewpoint. He defined brand equity as the brands' ability to shift the demand curve up, resulting in a higher price and a greater share of quantity sold. He stated that the strength of brand equity lies in its ability to enhance brand value though understanding the demand curve (i.e. customers) without the need to bother about changes in the supply side (i.e. provider). Biel (1993) views brand equity as a financial value that stems from non-financial added values of brand image and argued that brand equity is the financial side of the brand that is derived by non-financial branding activities particularly brand image. Any extra cash paid for branded goods or services is mainly based on customer perceptions and associations with the brand. Thus, the customers' image of the brand is the driver of its financial equity.

Aaker (1991) defined brand equity as *"A set of brand assets and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and/or to that firm's customers"*. He added that for assets and liabilities to underlie brand equity, they must be linked to the name and/or symbol of the brand. Although the assets and liabilities differ from one context to another, they can be usefully grouped into five main categories: brand loyalty, name awareness, perceived quality, brand associations and other proprietary brand assets (e.g. patents, trademark, channel relationships, etc.). Similarly, Kapferer(1997) defined brand equity as the outcome of the brand's

balance sheet that contains various components. Brand awareness + image + perceived quality + evocations + familiarity (liking) add up to form the brand assets, which lead to the brand's added values. Reducing brand liabilities (cost of branding and cost of invested capital) from the brand's added values leads to brand equity.

As the definitions above reveal, the concept of brand equity is a mix of both the qualitative (added value) and the quantitative (financial) sides of the brand. Thus, to manage brand equity, Mackay et al. (1997) stated that research on brand equity identifies two main perspectives; these are the added value approach and the quantification approach.

A) The added value approach

The value-added approach uses the origin of the added value and the capture of value as bases to separate the approach managerial philosophies. The origin of the added value has two perspectives. One claims that the value added in brand equity stems from all aspects of the brand and the brand name is one of these aspects. The other perspective claims that the added value in brand equity stems from the brand name and all aspects of the brand are components of the brand name.

Capturing of the value also has two perspectives. One claims that brand equity captures value through its components. This claim is known as the 'de-compositional' approach. The second perspective, the compositional approach, claims that brand equity captures value from the overall brand or the brand name

rather than its components.

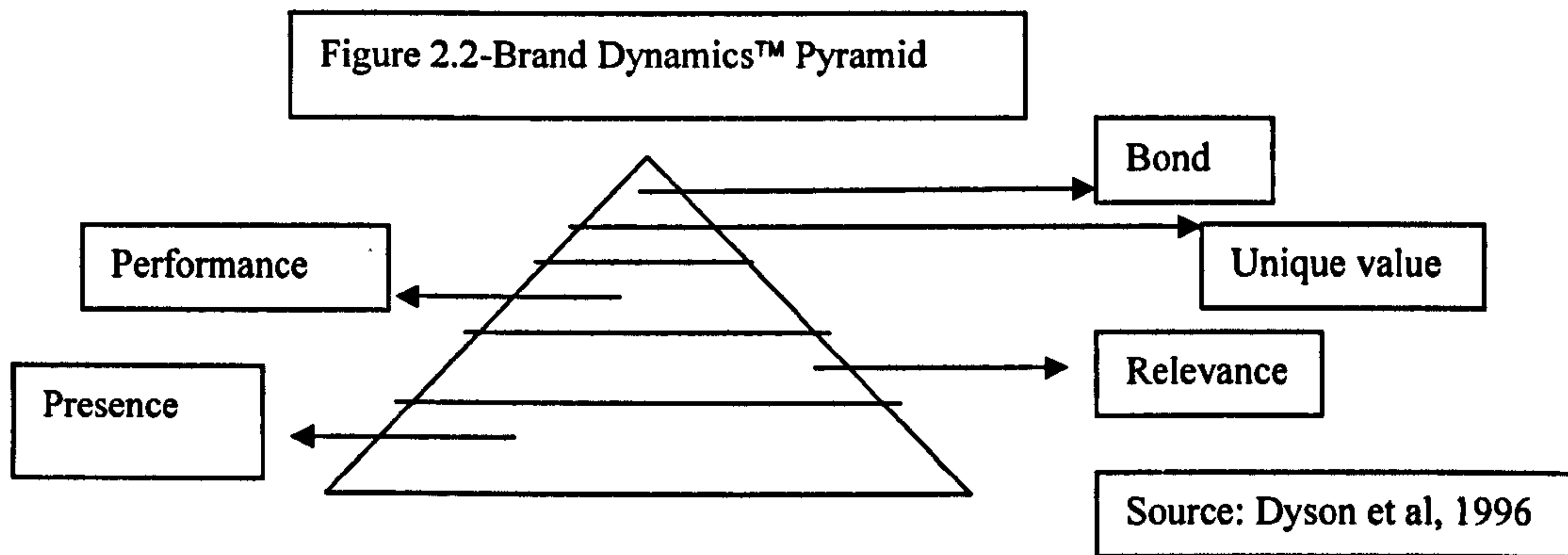
B) The Quantification approach

The quantification approach has two perspectives on managing brand equity; these are the financial and the marketing perspectives. The financial approach is adopted when brand equity is being measured for the purpose of mergers or acquisitions and refers to the added value of the whole brand or the brand name to the firm. It generally involves measuring the gap between the cost of branding activities and returns to the company that the whole brand or the brand name generates. The brand with higher brand equity is one that brings a greater dollar value to the company.

The marketing approach is adopted when brand equity is evaluated from a customer perspective. It refers to the added value of the brand to the customer. Thus, the focus is on the value created by marketing activities as perceived by the customer. Moreover, the value is driven from the components of the brand or the brand name, such as the brand awareness, image, etc. Thus, a brand with high awareness, for example, is considered as having higher brand equity than another with low awareness.

Adopting the quantification approach, Dyson et al. (1996) developed a model for the process of managing brand equity from a marketing (customer-based) perspective. He developed a model called the Brand Dynamics™ Pyramid. The model presents a systematic way of diagnosing the factors underpinning

consumers' equity to a brand. Based on extensive R&D work in monitoring brand health, Dyson et al. (1996) identified five conceptual stages to be managed in customers' relationship with a brand. He argued that the relationships among those five stages have a pyramid-shape (see figure 2.2).



First, the base of the pyramid has brand '*presence*' (awareness) since a brand must create an active presence in the market to establish its value. Awareness is very important because people will often select a recognized brand over an unknown one. However, in order to progress beyond presence, the brand value has to be relevant to the needs and aspirations of the potential customer. Thus, the second step in the pyramid is '*relevance*' (perceived quality). Relevance means that a brand must show its capability of fulfilling at least some of the key criteria the consumer has for the intended purchase. This could be achieved though having a functional performance and an image to match the identity of self-presentation of the buyer, but an acceptable price is also necessary. The third step in the pyramid would be the brand's '*performance*'. The performance of the brand should live up to its claims and deliver the intended benefits against the standards set by competition. Here, performance refers to a generic perception of product acceptability. Thus, to sustain good performance,

innovation is the key factor that enables the product to be ahead of competition. Nevertheless, it is not enough to have a functionally distinctive and relevant product; the product has to develop an advantage over competitors that stems from its unique personality. Thus, *unique advantage* (associations) forms the fourth step on the pyramid. Such an advantage has to offer a unique proposition to the brands' customers. To attain such an advantage, advertising plays a major role to enhance the product experience by raising expectations and focusing selective perceptions on the rewards of the brand. The last step in the pyramid is actually the end result of all efforts made throughout the pyramid stages, which is the '*Bond*' (loyalty). The bond is the ability of the brand to create a strong relationship with the customer. Indeed, at this stage, the brand should be the only customer's only choice and thus attain the consumers' equity. To maintain itself in such a stage, a brand must continuously offer unique combinations of perceived attributes.

Adopting the added value approach to brand equity, Blackston (1995) suggests a way to manage the qualitative dimension of brand equity. Blackston argues favorable consumer behavior- measured as loyalty and willingness to pay a premium for the brand-is the reward a marketer gets from managing brand equity well. Managing brand equity requires an understanding of the two concepts: these are *Brand Value* and *Brand Meaning*. Brand value is the outcome of managing brand meaning, therefore understanding the brand meaning dimension is the key to good brand value management and ultimately good management of

brand equity. Thus, brand meaning is a vital dimension of brand equity because it embraces the qualities that create brand value.

According to Blackston (1995), understanding how brand meaning is built, altered and lost should be done through adopting consumer psychological and behavior models rather than statistical models. He adopted a Brand Relationship model to describe what goes on between a consumer and a brand. The model differentiates between two types of brand in the consumer- brand relationship:

- **Objective brand:** this is the associations, images, and personality of the brand around which there is a consensus. In other words, the common *public* opinion, which represents what all customers think about the brand.
- **Subjective brand:** this is what the brand thinks of a customer. It is the brand's attributes that address each customer *individually*.

Understanding these types of brands in a relationship enables the brand manager to manage brand meaning and, thus, brand value and, consequently, leads to favorable consumer behavior towards the brand (brand loyalty).

2.2.1.2 Implications of the brand equity approach on retail brand management

The theoretical foundation and definitions of brand equity reveal that a brand equity approach focuses on end customers as the centre of branding. By effectively branding to customers, brand equity management approaches (both

qualitative and quantitative) are concerned with forging relationships between the brand and customers with the aim of gaining their loyalty. Therefore, since retailers have direct interactions with customers, they need to forge a humanitarian relationship with customers to gain their loyalty. To do so, the brand equity concept offers a managerial approach to achieve this relationship. However, since retailers need to manage their brands beyond end customers, the brand equity approach only partially addresses the challenges facing managing retailers as brands.

2.2.1.3 The brand identity approach

The brand equity approach focuses on the end customer as the driver of the branding process. However, according to Kapferer (1997), focusing solely on the end customer will usually create an average brand because end customers expect almost the same things from different brands in certain categories. Thus, he argues that insiders (the organization members) should be highly valued and participate actively in branding through building and managing the *brand identity*, alongside outsiders (customers), with no one group having superiority over the other.

According to Kapferer(1997), brand identity is the common element sending a single brand message amid a wide variety of its products, actions, and slogans. Aaker (1996) defines brand identity as the 'strategic intent' of a branding strategy, which is characterized as being ambitious, innovative, forward-looking,

dynamic and inclusive. Thus, Aaker argues that brand identity is the best way to manage the branding process strategically and any other way falls into a brand management trap; these traps are:

- ***Brand image trap:*** This is when management believes that focusing on creating a favorable brand image for end customers is equivalent to managing brands. However, brand image is how customers perceive the brand at a certain point of time. Thus, just knowing how customers perceive a brand is a passive way of managing brands that is concerned with the brand's past rather than the future. This therefore is not enough for brand management. Brand image is just the external part of the brand identity that is perceived by its customers. Besides, Kapferer (1997) argues that brand identity is different from brand image. Customers decoding the messages sent by the product, service and their communications form brand images. Brand identity is about coding the brand messages. In terms of brand management, coding (identity) precedes decoding (image). Hence, focusing solely on image in branding studies may lead to too much emphasis on brand appearance and not enough on a brand's essence.
- ***The Brand position trap:*** here the problem is believing that managing the brand's position in the customers' mind, relative to competition, is equivalent to managing brands. However, creating a position is not enough for brand management because a brand is not limited to a specific target group. Thus, positioning is just that part of brand identity that is actively communicated to certain target groups and creates differentiation from the competition.

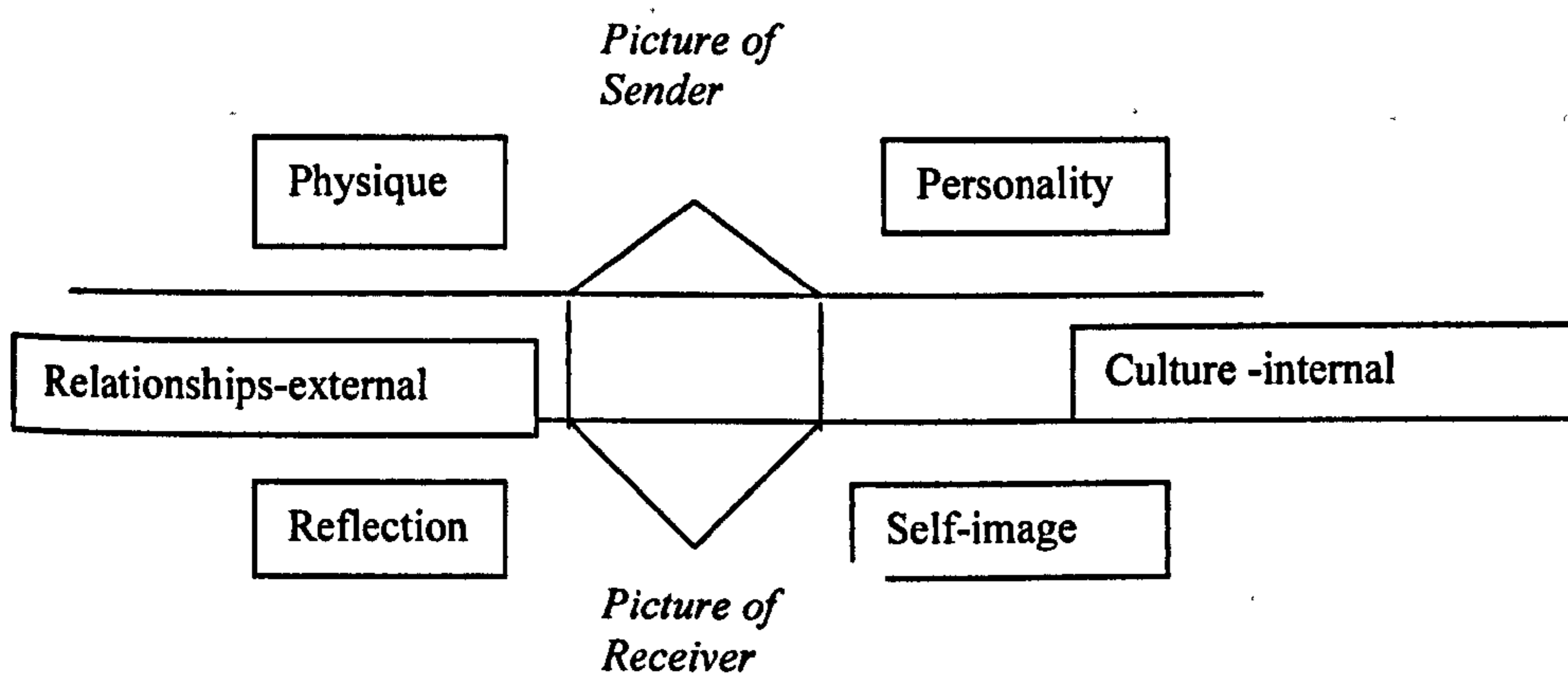
Furthermore, Kapferer (1997) adds that brand positioning provides answers to the following questions: A brand for what, when, for whom and against whom? Consequently, the positioning concept is focused on a particular product and cannot give a brand meaning in the case of brands with multi-product portfolios. Moreover, positioning does not reveal all the brands richness of meaning nor reflect all of its potential. Additionally, positioning only guides the words that the brand uses to communicate, but provides no clue for the brands' spirit and style, depriving the brand from its salient advantage of being able to make a speech that states its objective and subjective qualities.

- ***The brand external perspective trap***: here management perceptions of the branding process are of an external exercise that is not related to the internal side of organization. However, a brand should, from a brand identity concept perspective, incorporate organizational values and vision. It should communicate the brand internally to make employees understand and thus buy into the vision of the brand so as to make it happen.
- ***The brand as a product trap***: the problem here is in management viewing brand management as equivalent to product management. However, a brand, from the brand identity concept viewpoint, is a way for customers to realise their own self-images rather than a mere physical product.

As for managing brand identity, the prism encapsulates the brand identity components and management processes with the relationships among the

components of the prism represent the management process. Kapferer (1997) argues that a hexagonal prism could represent brand identity. This prism is built around the idea of a brand's ability to make speech or communicate. Thus, the components of this prism and the relationship among them are presented in the form a relationship between *senders* (the internal side of the brand) and *receivers* (the external side of the brand).

Figure 2.3-The brand identity prism



Source: Kapferer, 1997

From the sender side of the prism, the brand's physical qualities (physique) they represent the brand's backbone and tangible added value. This component is the common focus in traditional brand positioning communications, where the brand's visible attributes are the focus. The physique reflections form the brand personality. The brand personality represents the way the brand talks about itself as if it was a human. Personality explains why the idea of a having a character or figure representing the brand is a popular notion. This character resembles brand personality through the personal qualities of this spokesperson.

Both the brand's physique and the personality of the sender are transferred to the receiver through the bridge of brand culture and brand relationships. The brand culture: it is the set of values feeding the inspiration of the brand. It refers to the basic principles governing the brand in its outward signs (its products, services, and communications). It is also the internal core of the brand. The firms' culture is strongly associated with a brand when both bear the same name and usually the country-of-origin's culture rubs off on it. Finally, culture shapes the relationships a receiver has with the brand. Ultimately brands are the result of transactions and exchanges between people. Thus, brand relationships are the external side of its culture.

The reception of the brand has two components, the brand reflection and the receiver's self image. A brand reflection: the brand always reflects or makes an image to the user, which forms his / her outer mirror. Since brands talk to one's own self, they always develop a user's attitude towards them. Hence, the inner mirror of the brand reflects the receiver self-image.

Kapferer claims that the prism facilitates the understanding of brand identities and thus the management of all kinds of brands including service and retailer brands.

- **Implications for retail brand management**

The brand identity approach suggests that the strategic management of brands

should be based on a collaborative effort from both inside the organization (senders) and outside the organization (receivers) simultaneously, so as to create a fully coherent brand identity. Thus, since retail brand need to be managed holistically to address an array of stakeholders, brand identity is capable of providing retailers with a coherent framework for retail brand management.

However, since retailer's face challenges at a very focused level as well as at a holistic level (such as service focus, customer focus, employee focus and vision dissemination focus), the brand identity approach should also consider specific approaches of brand management, such as services branding, internal branding, global branding, etc. The following section will discuss some of these specific brand management approaches to address the remaining challenges of the retail brand management process.

2.2.2 Specific approaches to brand management

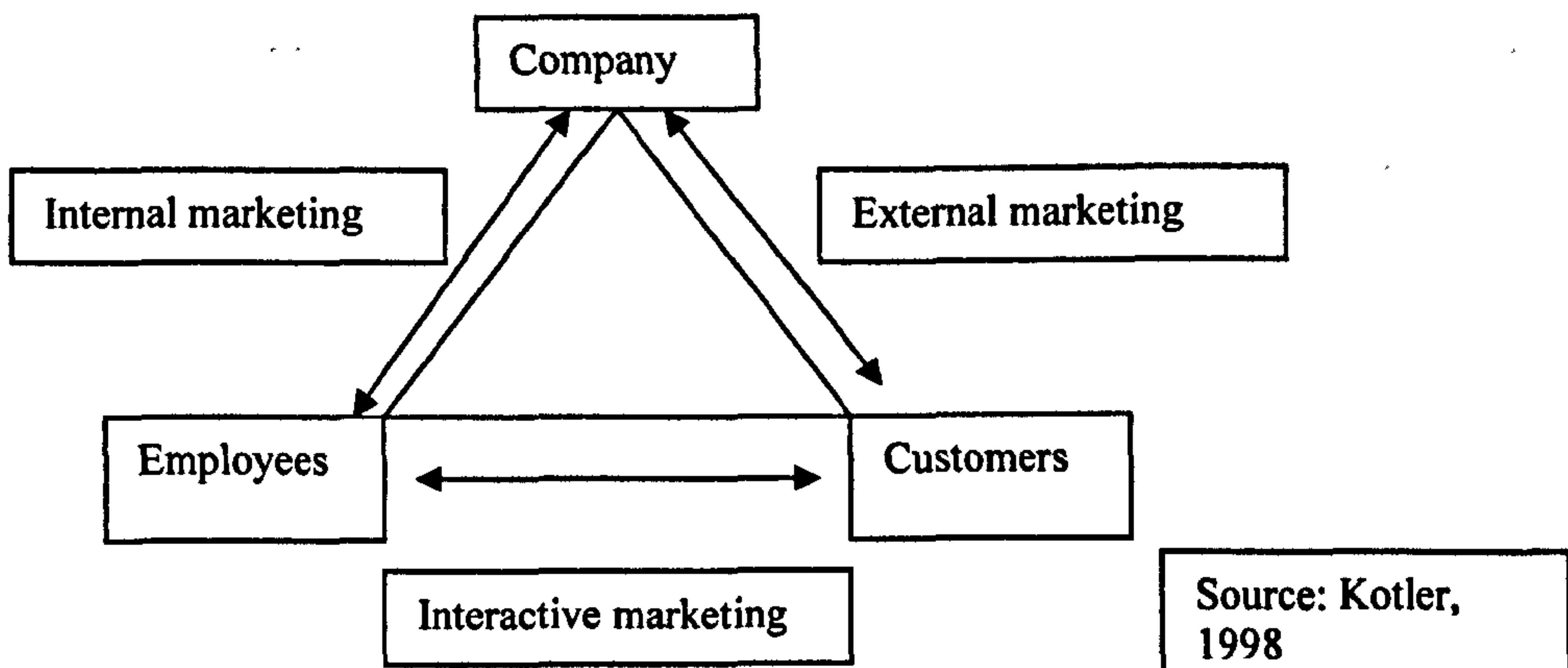
As noted in chapter one, the retail business is facing the challenges of having a salient service element, a vital role for employees, an internationalisation dimension, and a need to cascade its vision to a multiplicity of stakeholders (mainly employees and customers). Therefore, a review of the approaches to services branding, internal branding, global branding and corporate branding respectively is necessary to highlight the implications of these managerial approaches on retail brand management. Each of the following sections will address the theoretical foundations of each of approach and then conclude with

the possible impact on retail branding.

2.2.2.1 Services branding

According to Kotler, (1998), services marketing should be three-dimensional, The first dimension is external marketing,(the company's work in marketing activities aiming at preparing, pricing, distributing, and promoting a service. The second dimension is internal marketing, the work done by the company to train and develop its employees to practice marketing through serving customers well. Finally, the third dimension is interactive marketing, the skill the employee has in serving the client. Thus, Kotler believes that services marketing looks like a triangle with the company at the tip and employees and customer at the base ends. The sides coming down from the company are the external marketing for customers and the internal marketing for employees. The base forms the interactive marketing that the company is not directly involved in.

Figure 2.4: Three dimensions of services marketing



In a study of the issues and challenges facing positioning in service brands, Blankson & Kalafatis (1999) showed that there are two schools of thought regarding the management of service brands. One claims that services have unique characteristics that differentiate their brand positioning management from that of goods. The other claims that services positioning should be managed in the same way as goods. The authors argue that in each good there is a service dimension and in each service there is a good dimension. Thus, managers should realize each dimension's effect on their product (good or a service) and appreciate the special characteristics of the service dimension while managing positioning. Blankson & Kalafatis argue that the main characteristics of services brands, which are different from goods, are the salient role the employees play, especially the front line employees and the need for creativity and information that stems from both customer and employee views. Thus, they suggest that service (or high-service dimension products) brand positioning must be managed via a strong relationship between employees and customers, since services have high customer and employee involvement in service production. de Chernatony et al (2003) further support this point by emphasizing that service brand building is primarily focused on internal support across all levels and functions involved in the service and thus recommend building strong service brands through the development of cross functional teams, and strong customer-oriented organizational culture.

According to de Chernatony & McDonald (1998), a special feature of service brands is the source of their competitive advantage. The competitive positioning of a service brand stems from the vision (or corporate strategy). Thus, for competitive branding, a holistic approach including the organization as a whole should be adopted (de Chernatony et al, 2003). The commitment of top management to the vision is central for success. Moreover, employees should understand and be committed to the vision to effectively communicate the vision to customers (Sridhar, 2003).

Finally, According to Kasper et al. (1999), a strong service brand should have:

- **Distinctiveness:** it should immediately identify the service provider and differentiate it from competitors.
- **Relevance:** it should convey the nature of the business and its benefit to the customer
- **Memorability:** it should be understood, used and recalled easily
- **Flexibility:** it should be broad enough to cover not just the current business but also foreseen expansions.
- **Brand personality:** which is “the set of meanings, which describe the inner characteristics or human features of the brand”. The service brand personality stems from the personality of service providers (especially front line employees). Through brand personality, the service attributes are transferred into human attributes so as to develop a humanitarian relationship with the

customer. This relationship is believed to be the most effective way to develop customer loyalty.

Since the retail business has a salient dimension of service in its offering, effective retail brand management should appreciate the unique features of services brand management. Services brand management is based upon a triangular network of company's vision, employees and customers. The company's vision, the brand's major source of differentiation, is conveyed and nurtured to customers through committed top managers and the humanitarian relationship between employees and customers.

2.2.2.2 Internal branding

According to Jensen (1999), in an era where technology offers efficient support systems that do routine work, more emphasis on intellectual work prevails in the workplace. Since employees are the source of intellectual capital, employees will only be committed to organizations with which they share values. Internal branding aims at making employees share the organizations' core values (Free, 2000). By making employees share the values and vision of the organizations' brand with the top management and/or founders, internal branding can solve the 'employee paradox', that is the employees' feeling of having organizational values imposed on them. This results in the "competent employee" who understands customers well and thus delivers the brand values to customers creatively and efficiently (Free, 2000, de Chernatony, 1999, Curtis, 1998).

Moreover, in order to properly reflect the organization brand(s) image to customers, employees must share the same image as customers (Schneider, 2000). Blackston (1993) argues the employees' role in branding is not only as a communication tool to reflect the brand but also as an integral part of it. Based on a successful Voluntary Sector Organization (VSO) branding experience, Ind & Bell (1999) recommended that organizations (where contact between the staff and customer is high) encourage the participation of employees in making and delivering corporate brand values. This was found to motivate employees to do a superior job because they developed the brand values rather than having them imposed upon them.

In order for internal branding to work effectively, an understanding of employees needs and wants is vital (Varey & Lewis, 1999; Raphel, 1993). Thus, according to Varey & Lewis (1999), it is necessary for internal branding to refrain from adopting a concept of internal marketing that is based on the traditional 4p's marketing concept, because this concept does not highlight the needs and wants of employees. Besides, it adopts the selling-oriented approach where the beliefs of the top management are dictated to the employees rather than involving them in their development. Thus, there is a need to broaden the narrow concept of marketing from that driven from external marketing issues (i.e. to end customers) to one that suits the employees. Therefore, the following amendments are needed for a broad internal marketing concept:

- The development of relationships with employees and the formation of

networks within the organization (teamwork is an example) so as to share formulation of the company's values with top management.

- A focus on exchanging economic and non-economic values with employees in the organization.
- A view of employees as customers, with particular needs and wants.

To develop strong relationships with employees, Pugh & Hickson (1993) stress that organizations should be seen as systems of interdependent human beings. Thus the understanding of employees in the relationship should be on the basis of them being humans. However, Pugh & Hickson argue that this notion has been neglected by managers, as they focus more on employees as resources in formal systems to be used to achieve the organizations' aims and objectives. But employees are a rather special sort of resource. They not only work for the organization they *are* the organization. Their needs and wants must have an impact on the organizations structure, function, and managerial philosophy. Raphael (1993) concluded a survey of managers' awareness of the needs and wants of their employees in retail organizations, which outcome supports the Pugh and Hickson view. The researcher found that managers' thought they understood their employees needs and wants, but most of the managers' ideas about their employees' priorities in the retailing sector were not right. The main priority an employee wanted in his job was the appreciation of his work. This element was ranked 10th in the managers' viewpoint. In addition, appreciation is a very humanitarian need that reemphasises the necessity of understanding

employees as humans.

Edger H. Schein, according to Pugh & Hickson (1993), argues that employee commitment is the end result of a psychological contract between the employee and organization when every side satisfies the other needs. This contract has economic components, such as payment, working hours, etc. but also has more implicit concerns that lie primarily in self-actualization, such as being treated well, work autonomy, having opportunities to learn, etc. He pointed out that the main cause of riots or strikes is the implicit concerns. Thus, on the emotional side Harkness (1999) recommended that similar to customer branding, internal branding should develop an strong emotional 'lock' between the organizational corporate brand (especially service ones) and its employees. On the economic side, Curtis (1998) and Ortega (1998), referring to successful retail organizations (Norman & Dunstone and Wal-Mart respectively), recommended that internal branding should also give an employee the chance to own a stake in the company arousing a sense of ownership. This will result in a personal interest in the corporate brand, which in turn will motivate employees to reflect the organizations' brand to customers.

For effective internal branding, communication strategies should be managed simultaneously with those for external branding (branding for customers).

According to de Chernatony (1999), products' communication strategies offer manageable tools to affect customers' emotions, while in services the staff

(employees) delivering the service drive the affect on customers' emotions.

Arising from their personal contact with customers, employees' develop two types of personal knowledge: "*tacit knowledge*" and "*explicit knowledge*", which guide the communication among employees to facilitate the service. A manager of a service brand can use these two main tactics to generate the desired effect of employees on customers.

Moreover, George and Berry (1996) emphasize that service advertising targets more than one target market. Customer contact personnel are prime targets for the service ads. He asserts that the ad not only shapes the customers perceptions of the company's offering but also shapes the perceptions and expectations of employees to their role in the offering. He adds that successful ads in the service sector should sell the offering to employees before customers. Finally, even non-verbal communication between employees and customers should be meticulously managed since it dramatically affects service evaluations (Gabbott and Hogg, 2000).

For effective management of the internal brand, organizational culture offers cues to define the psychological identity (e.g. what we value around here, what the company stands for, etc.) of the organization to its employees (Schneider, 2000). Thus, management, especially in the service sector, should pay attention to the organizational culture created in the organization, because this culture will be the brand image embraced by employees and experienced by customers

(Schneider, 2000, Gabbott & Hogg, 2000; de Chernatony, 1999; Free, 1999; Ind, 1999; Curtis, 1998).

In brief, since employees play a vital role in retailing, it is imperative for effective retail brand management to embrace internal branding. Effective internal branding makes employees develop and thus share the core values of their organization. To do so, managers must understand the needs and wants of employees through building humanitarian relationships with both emotional and economic dimensions. These relationships will lead to the development of a strong organizational culture that, in turn, commits the employee to the organization and ultimately reflects the corporate brand to customers.

2.2.2.3 Global branding

The opportunities for greater economies of scale and enhanced competitiveness have wooed companies involved in all kinds of business to go global (Jeannet & Hennessey, 1995). Hence, the lure of being world class brands has been amplified (Aaker & Joachimsthaler, 1999; Macrae, 1991).

According to Aaker & Joachimsthaler (1999), building leadership brands globally is more important than building global brands. Building global brands faces the risk of failure because of cultural differences across the world. These differences may make the standardisation of brand image, brand economies of scale, and the formation of successful global brand management teams very difficult tasks. Thus, developing global brands in all markets should not be the goal, but rather developing leadership brands in all markets. To achieve this goal, the

organisation as a whole (structures, process and culture) should work towards building the brand globally. This will lead to global synergies, and the development of a global brand strategy that co-ordinates and leverages country brand strategy.

Aaker & Joachimsthaler (1999) argue that to build a global leadership brand effectively, companies must stimulate the sharing of insights and best practices across countries through an organizational culture that facilitates communication of best practices and insights. Moreover, managerial programs, which communicate the brand's identity (what the brand stands for) to the employees, must be incorporated. This is because without internal enthusiasm about the brand, brand building has no chance. Additionally, it is paramount to adopt branding programs, which refrain from dependence on product attributes. The emotional attributes and benefits of a brand must be incorporated, such as brand personality (describing the brand as a person), user image (how the typical user is perceived), and the intangibles associated with the company as a whole (e.g. innovation, quality, etc.). Finally, it is crucial to balance the need to leverage global strengths with the need to recognize local differences. To do so, it is advisable to adopt creative strategies of brand building that suit the local market.

The host country's culture has been seen as a vital factor for successful global brand management. Based on a study of brand equity across countries of the European Union, Moore (1993) concluded that brand equity varies dramatically across cultures. Thus, he recommends that organizations should study cultures

meticulously in order for the brand to be successfully built in foreign markets. Moreover, de Chernatony (1998) argues that building a brand across cultures requires demystifying the “*culture myth*” at the heart of each brand. Since brands acquire their meaning in a culture context, the culture of the consumers of a certain brand should be appreciated to understand the encoding and decoding process. Thus, taking a brand to a new culture usually requires subtle changes to ensure that it conveys the desired meaning associated with its symbols.

Also, the brand’s exporting culture (brand origin) has been seen as crucial for managing global brands. According to Thakor & Kholi (1996), brand origin is defined as the place, region or country to which the brand is perceived to belong by its target consumers. It is paramount for brands because this constitutes an important dimension of the brand’s personality since brands are usually perceived in terms of their origin.

Thakor & Kholi (1996) highlight that there are key differences between country-of-origin studies and brand origin studies: First, the country of origin literature is concerned with determining the effects of consumer perceptions of *countries* on their evaluation of product quality and purchases process. Thus, focusing on a country as an exogenous variable leads to analysis conducted at the product level rather than brand level. This literature sees branding as simply a cue like price, package, etc. In contrast, brand origin is concerned with how countries’ personalities are used in harmony with other cues to contribute to the brand spirit. By focusing on the brand spirit, the brand origin concept is concerned with

brands rather than physical products. As result, brand origin should not change with any change in the brand's manufacturing location. Second, country-of-origin literature merely indicates a country's economic status while brand origin is more *inclusive* concept indicating issues beyond this, such as culture, history, etc.

Regional cultures have also been considered a necessary consideration for the management of global brands. Lewis & Stubbs (1999) argue that the movement of brands across regions is similar to their movement across countries (internationalization). That is because consumer behavior differs from one region to another as it does from country to country but with less significant differences. Thus, brand managers must take into consideration regional differences when deciding to expand nationally. This argument is particularly important for retailers since in retail brand management location is a vital element.

In short, since internationalization is a major challenge facing retail branding, retailers need to embrace global branding to thrive internationally. To do so, the retail organization should adopt a holistic branding approach where the organization culture facilitates communication programs to deliver the brand to its stakeholders. Moreover, for effective global brand management, the retail brand origin and hosting cultures should be deeply understood. Additionally, since location is vital for retail branding, retailers should understand the impact of regional cultures.

2.2.2.4 Corporate branding

Bickerton (2000) suggests that branding has to go beyond its traditional marketing definitions and adopt a multidisciplinary organisational perspective since the current business environment requires branding of the organisation to diverse stakeholder audiences. Thus, the corporate branding approach has been developed. The corporate branding approach aims at creating a strong sustainable reputation for the organisation throughout its stakeholders audiences (Frost, 1999). Corporate identity is the concept that can be managed to drive corporate brand reputation (Van Riel & Balmer 1997, Markwick & Fill 1997). The concept of corporate identity is defined as

“The organisation’s presentation of itself to its various stakeholders and means by which it distinguishes itself from all other organisations. Corporate identity is the expression of what the organisation is, what it does, and how it does it and is linked to the way an organisation goes about its business and the strategies it adopts.” (Markwick & Fill 1997).

“ The identity goes back to the existence of a system of characteristics which has a pattern which gives the company its specificity, its stability, and its coherence. It is not the characteristics themselves that make it possible to identify the organisation; it is the configuration or pattern of the system which gives it its uniqueness.”(Moingeon & Ramanantsoa, 1997)

According to Markwick & Fill (1997), there are three components forming corporate identity. These components are first ‘*corporate image*’: the totality of a

stakeholder's perceptions of the way an organisation presents itself, whether the organisations' visualised symbols and/or non visualised attributes (e.g. social responsibility, customer service, ethics, human behaviour). Second, '*corporate personality*: the characteristics from which identity is generated, such as organisation mission (Stuart, 1999; Leuthesser et al. 1997), founder vision (Check-Teck et al. 1999), the organisations' historic roots (Van Riel & Balmer, 1997), and the organisations' core values and strengths (Olins, 1990). Third, '*corporate reputation*: which is the esteem generated through maintenance of positive organisational image across time.

To manage these components to form a strong identity and thus reputation for the organisation, Stuart (1999) has formed a comprehensive model based upon the models of Kennedy (1977); Dowlings (1986); Abratt (1989) and Markwick & Fill (1997). According to Stuart, a corporate strategy is formed out of the corporate personality that addresses the top management vision of the corporate mission that in turn guides the products and services, and organisational structure of the organisation. Then, a communication plan for an organisation's symbolic actions (including those of employees and top managers) and marketing communications is established and managed to translate the reality of the identity to images held by the stakeholders. All of this process should be held within the context of the organisational culture. In fact, the role of organisation culture has been given a key role in organisational corporate identity management since its symbolic context is where the interpretations of corporate

identity are formed and the intentions to influence corporate image is formulated (Hatch & Schultz 1997, Hankison (1999), de Chernatony et al.2000).

According to Bickerton (2000), corporate identity management directs the branding processes to adopt a combination of both “bottom up” (customer value) and “top down” (vision, strategy) approaches so as to offer a framework for creating brand consistency and continuity throughout the organization and across the organization's diverse stakeholder audiences. Bickerton named this framework the corporate branding mix, and it comprises an internal continuum that includes organizational culture and vision/ strategy and an external one that includes image and competitive positioning.

In short, since retail business needs to manage the cascade of their vision to key stakeholders both internally and externally, managing the corporate branding mix is a major challenge. Retailers should carefully embrace managing communications within their organizational cultures so as to manage their corporate identity.

2.3 Conclusion

In this chapter, a review of the theoretical foundations of brands and their managerial approaches to brand management has been undertaken, to assess how retailers can manage their brands to embrace and adapt to the challenges facing them. Each brand management approach reviewed was found to partially contribute to the retailers' ability to embrace and adapt to its business

challenges. Hence, the outcome of this review indicates that retailers should subscribe to the more comprehensive and most sophisticated definitions of brands, which, in turn, indicate that the retailer brand is an organic/living entity embedded in a social context rather than a lifeless manipulable product/artifact (see section 2.1.1). A framework for the various brand management approaches required to manage a retailer brand can be formulated as follows:

Since the retail brand should be holistically managed with a strong end- customer focus, the existing approaches of brand identity and brand equity respectively should be adopted to build the brand's relevant differentiation, both internally and externally. Moreover, the challenges of the service dimension, globalization, vision dissemination, and employee focus inherent in retailing, suggest that a mixture of service, global, corporate and internal branding managerial approaches should also be embraced. Table 2.1 will sum up the main focus of each branding approach incorporated to collectively lay the bases for the formulation of the framework, which will be shown at figure 2.5.

Table 2.1 Contributions of existing brand management approaches to the development of a retailer brand management framework

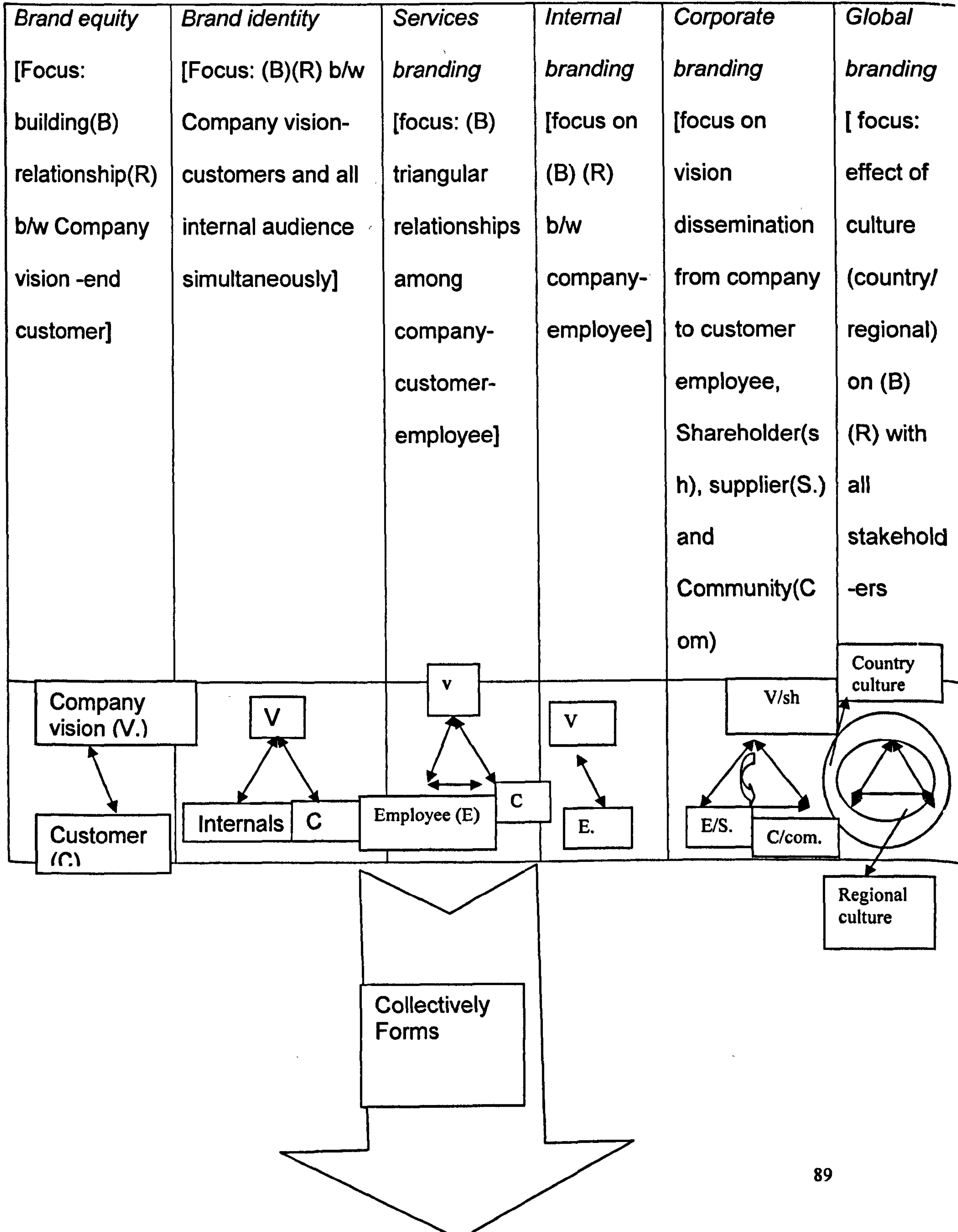
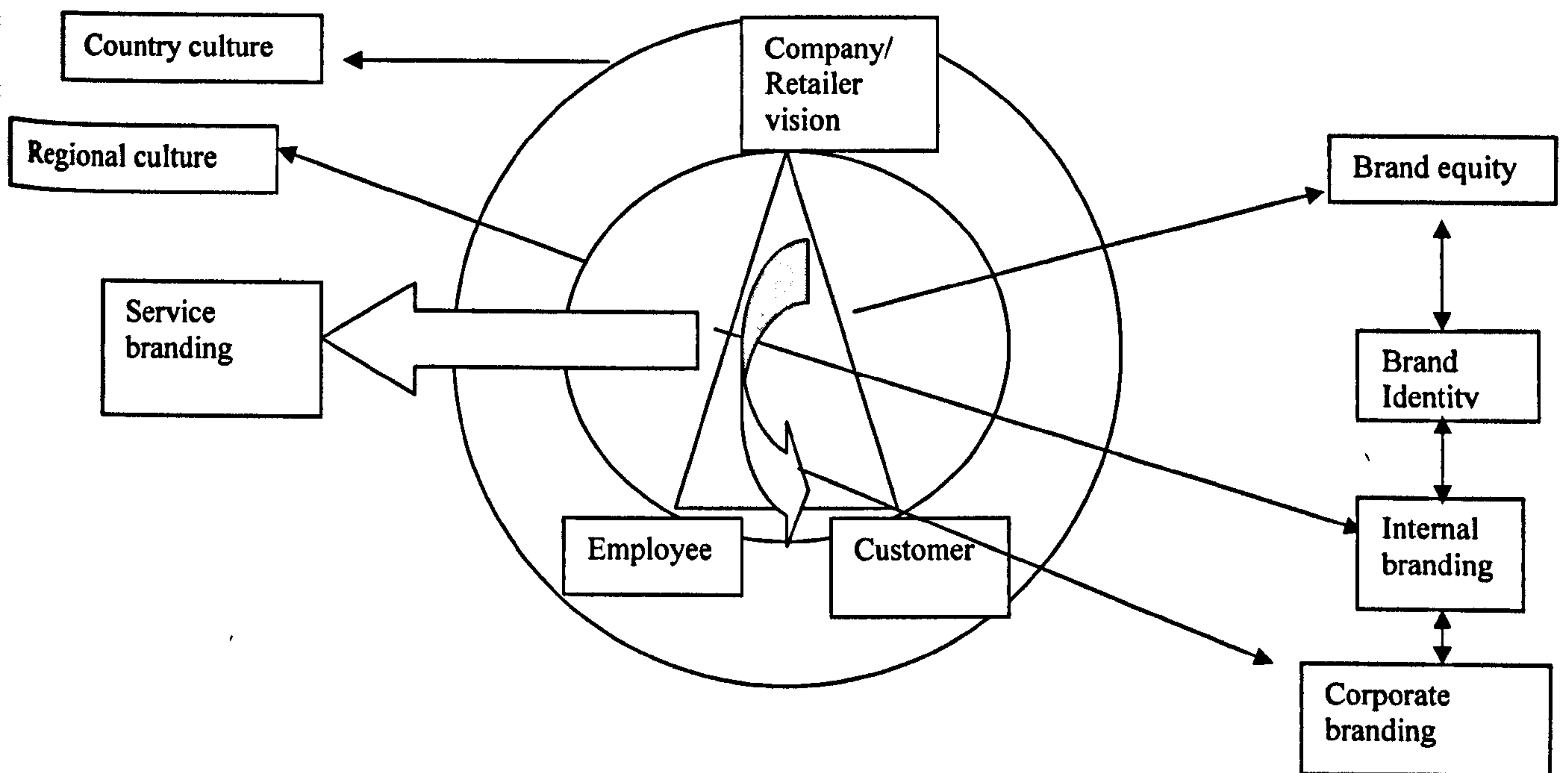


Figure 2.5 Framework for the contributions of the existing brand management approaches to the development of a retailer brand



Owing to the diversity of the framework, it can be concluded that developing a retail brand management approach capable of embracing and adapting to business challenges is a complex task. To focus the model, customers and employees are involved as stakeholders in almost every managerial branding approach to retailing (see table 2.1). Hence, studying these two stakeholders will help capturing the essence involved in all brand management approaches involved in retailing yet maintain the research focused on two groups, which, in turn, will allow for deep analysis and insights.

Finally, the next chapter is to examine how existing retail brand management literature has handled the diversity at figure 2.5. In other words, an assessment

of the retail brand management approaches will be the subject of the next chapter.

Chapter Three: Evaluation of Retail Brand Management Approaches

The last two chapters have discussed the business challenges which retail brand management is facing and how brand management can help to respond. The chapters revealed that managing a retail brand that embrace and adapt to the business challenges is a diverse and thus a sophisticated task. In this chapter, a review and evaluation of the existing managerial approaches available in retail brand management will be undertaken. This evaluation will be carried out in light of the framework of the diversified brand management approaches needed to manage the retailer brand (review chapter two, section 2.3). Based on this evaluation, the need for a new retail brand management approach will be assessed.

There are four main approaches through which existing retailing literature has addressed branding issues; these are retail store image; own (product) brands, store image internationalization; and strategic retail management. In the following sections, each of these approaches will be presented and then evaluated to assess their contribution to the objective of this research.

3.1 The Store Image Approach

The most popular approach in retailing literature to the topic of the retailer as a brand is the management of store image. Store image is essentially seen to be the basis of the 'retail' brand. Several definitions of store image have been cited, each of which has been associated with a managerial approach. The following

sections will discuss these. Then, an evaluation of the store image approach will be made, to assess its ability to embrace and adapt to retail challenges and their branding requirements.

3.1.1 Store image as the perceptions of store attributes

According to Steenkamp & Wedel (1991), store image can be defined as the overall attitude toward the store, based upon the perceptions of relevant store attributes (Bearden 1977; Doyle and Fenwick 1974-1975; James, Durand, and Dreves 1976; Korgaonkar, Lund, and Price 1985; Marks 1976). According to McGoldrick (1990), Lindquist (1974) views store image as a complicated construct that is formed out of a small number of attributes that are considered salient for customers since human minds tend, by nature, to simplify complicated things. The managerial approach following this definition focuses on managing the attributes of the store to create a coherent image of the store and thus position the retailer favorably compared to the competition in the customers' mind. Adopting such an approach, Davies & Brooks (1989) and Davies (1992) argued that a coherent image is a necessity in retailing. A successful retail image allows the retailer to position itself advantageously against its competition. To do this, the image should position of retailer as close as possible to the desired 'ideal image' for retailers in customers' minds. However, having the ideal image may lead to no differentiation from competition since all contenders must somehow have elements of the ideal retailer to be able to exist in a given category. Thus, differentiation can only be valid when the basis behind it is clear

and valued by customers. Davies (1992) conducted a study on retail image and positioning in food retailing using the concept of attribute hierarchy proposed by Levitt (1980). Attributes can be divided into two broad groups, those that a substantial majority sees as describing the ideal attributes of a retail store and those that describe the ideal attributes to a minority. The outcome of the study showed that food retailers were limited in their choice of positioning strategies because few attributes could be identified that both explained the market structure and segmented the market. Instead, it was found that most of the food retailers were trying to position themselves against the ideal and this reduced the overall level of differentiation. So to develop a basis for differentiation, the author made modifications to the Levitt model. He stated that the food retail hierarchy of attributes should consist of a set of generic attributes, which all retailers are expected to have in the core and be supported by the ideal sets of minority attributes. The minority attributes segment the customer base and can explain differentiation between competing retailers when a retailer associates himself with these attributes to service a certain target or a segment.

For effective management of store image, several authors have recommended particular attributes as paramount from a customer perspective. Grewal et al. (1998) studied the effect of store name, brand name, and price discounts on consumer evaluation of store image. They concluded that the strongest influence on store image comes from the price promotions and quality of merchandise attributes. Moreover, based on a study of brand recognition effects on store

image, Porter & Claycomb (1997) recommend that the products' brands within the merchandising strategy form the major attributes that construct retail image if retailers use anchor brands (brands with strong images). If a retailer wanted to build store image based on his own store name, he should not use anchor brands but use own brands and rely more on attributes other than the brands' merchandise mix.

Finally, from the retailer perspective, Oppewal & Timmermans (1997) identified six attributes underlying the self-perceived store image that retailers consider as the source of their competitive advantage; these are price; location, store interior; merchandise selection; service; and product quality.

3.1.2 Store image as a way to characterize the store for customers

According to McGoldrick (1990), Arons' (1961) defined store image as *"complicated meanings and relationships serving to characterize the store for people"*. Berry & Gresham (1998) argues that store image is formed through personal characteristics and expectations of the culture in which the customer lives since the cultural background influences the perceptions, reactions to and nature of the image formed. McGoldrick (1990) defined store image, as *"the result of functional and emotional attributes together, not one without the other forming a holistic store character because an image is always greater than the sum of its parts"*.

The managerial approach following how these definitions are aimed at forming a match between the customer's self images and the store image attributes, and is, thus focused on customer behavior analysis. Joyce & Lambert (1996) studied the effect of the customers' memories of the way stores were on store image. They concluded that age affects the psychology of an individual, thus customers' views of retail store image change according to their age. Older customers used their past views of a retail store to evaluate the current one, while younger customers chose a store based on its contemporary format. Furthermore, using the means end methodology, Thompson & Chen (1998) explored the link between perceived store image and consumer self image. Interviewing 30 females and focusing on fashion retailing, the research revealed that there are two hedonic values: "enjoying myself" and "the quality of life", which consumers look for when evaluating fashion store image. The reputation of the store, its prices and some other tangible elements of store image signal these hedonic intangible values. Thus, Thompson & chen (1998) recommended that the store managers' knowledge of these hedonic values helps to direct communication towards creating the desired store image by addressing the right signals. In addition, Thompson argues that these hedonic values should be disseminated to all members of the customer-led supply chain so as to fulfill customers' values throughout the chain.

Using the instrumental values and the terminal values of Rokeach's (1973)

study, where the instrumental values represent general beliefs regarding modes of conduct and terminal values represented enduring beliefs concerning desirable end- state of existence, Erdem et al. (1999) examined the link between consumer values and some salient store attributes. They found that the importance of store attributes was related to terminal and instrumental values but terminal values predominated. The three main terminal values were found to be security, idealism and personal gratification while the two main instrumental values were social responsibility and self-reliant intellectual. The store attributes found to evoke those values are Status (including clients social status, store layout, and brands carried by the store), merchandise (including salesperson helpfulness, and quality of merchandise) and price (including credit arrangements, special offers, general price level and convenience of location). Thus, Erdem et al. recommended that the target customers' values should shape the attributes that convey the store image.

Besides, Mitchell and Kiral (1999) argued that store image attributes should help customers to reduce risk, which is a salient value they hold and affects their behavior towards retailers. They found that attributes like price, variety, cleanliness, reputation of brands carried, speed of check outs, quality of merchandise, attractiveness of the store, size of the store and layout were the most effective to reduce the financial and convenience risk. However, they stressed that financial risk and time & convenience risk reduction should be seen as two separate strategies. A retailer who is stressing one should not use the

other so as to avoid customer confusion.

Martineau (1958) argued that the main driver encouraging end customers to buy in a specific store was the personality (or character) of it rather than price, quality, or services. He describes the power of the personality as *“the way in which the store is defined in the shopper’s mind, partly by its functional qualities and partly by an aura of psychological attributes”*. The author stressed the power of symbols in developing the personality of the store. He suggested that managing symbols is one of the most important factors to attain personality. Included among the salient factors were: store layout, advertising, and sales personnel. According to his research, it was found that friendliness of store sales staff was paramount for a personality to prosper, even in store like grocery where self-service dominates. Customers still interact—maybe indirectly- with the checkers, or stocking staff. The author emphasized that economical aspects of the retail offer (e.g. price, quality, etc.) are always important and that psychological ones are as important as economical ones. Nonetheless, he argued that store personality is always greater than the sum of its parts.

3.1.3 The retail image instead of the store image

In the broader sense of image and breaking free from associating the image totally with the store and limiting the image to end customers, Berman and Evans, 1998 defined retail image as *“how a retailer is perceived by consumers and others”*. He suggests that to be successful, a retailer must create and maintain a distinctive, clear, and consistent image. To do so, the authors defined

a set of image components to be managed: communication; price; the quality of product carried and location. Moreover, uniquely, they emphasised community service as part of the components of retail image. To them, the way in which retailers deal with communities around them has a huge influence on the retailers' image and performance.

3.1.4 Evaluation of the store image approach

In general, the store image approach to retail brand management is centered upon creating a favorable retail store image for customers. Such an approach, however, has basic brand management frailties. From a brand management perspective, this focus falls into the brand image trap (Aaker, 1996). Brand stores' image is just what customers perceive the brand to be at a certain point of time. Thus, only knowing how customers perceive a brand image is a passive way of managing brands that is concerned with the past rather than the future. The store image brand approach therefore offers an incomplete view for managing brands. Similarly, Kapferer (1997) argues that brand image is about customers decoding the messages sent by the product, service and their communication forms. However, in terms of the branding process, coding should precede decoding (image). Hence, a focus on image makes brand management capitalize too much on the brand's appearance and not enough on its essence. The essence of a brand is its identity (Aaker, 1996; Kapferer, 1997). This indicates that store image approach seems to ignore identity, which is vital for retail branding to be managed holistically. Moreover, since identity is the source of the brand vision (Kapferer, 1997), a lack of identity indicates a lack of brand

vision or its strategic intent which is vital for brand success (Aaker, 1996).

The definition of store image as the outcome of perceived attributes that position a retailer favorably against competition reflects a very shallow understanding of brands for two reasons. First, managing the brand's position in the customers' mind relative to competition is thinking that falls into the brand-positioning trap.

According to Aaker (1996), creating a position is not enough for brand management because a brand is not limited to a specific target group.

Positioning is just the part of brand identity that is to be actively communicated to a certain target group and which creates differentiation from competition.

Furthermore, Kapferer (1997) adds that brand positioning provides answers to the following questions: A brand for what, when, for whom and against whom?

Thus, the positioning concept is focused on a particular product and cannot give a brand meaning in the case of brands with multi-product portfolios. Since retailers need to manage their brands in a variety of product categories, the approach is inappropriate for retailers. Moreover, positioning only guides the words that the brand uses to communicate, while providing no clues about the brands' spirit and style, depriving the brand of its salient advantage of being able to make a speech that states its objective and subjective qualities (Kapferer, 1997).

Second, according to the six components of brand meaning developed by Kotler (1998) brand attributes are just one component of brand meaning. This could

explain why the store image approach alone has not given the service dimension of a retail business brand the depth it deserves. The service dimension is addressed as just one attribute contributing to store image not a unique branding approach. This indicates a shallow view of service branding and a lack of appreciation of the prime role service plays in the retail business.

The wider definition of store image as characterizing the store to customers relates to the fifth and sixth brand meaning components (personality and user); developed by Kotler. However, the store image approach primarily focuses attention on matching customer needs (emotional and/or functional) to store attributes. Therefore, there is a gap between what store image approach aims to achieve (personality and user) and the brand meaning component (attributes' benefits) used to do so, since some vital brand meaning components contributing to personality and user goals (namely values and culture) are not addressed.

As a result, it can be seen that the store image approach tends to ignore employees who are a major part of the brand meaning components of values and culture. In fact, the majority of store image definitions have focused solely on end customers. Such concentration on one stakeholder among many is a major frailty of this approach to retail branding. The only definition that considers a wider base of stakeholders is the non store-based image definition. However, this definition used the word '*others*' to represent stakeholders, which implies that any stakeholders other than customers are not worth mentioning. In other words, it

still champions customers over any other stakeholder, which is in turn a clear underestimation of vital stakeholders, such as shareholders and employees. The retail businesses' major stakeholders alongside end customers are employees (see section 1.1.3). Nonetheless, employees are treated (if addressed) in the store image approach, as just another attribute that reflects image to end customers. Thus, a narrow view of the employee role prevails in such an approach, neglecting the depth provided by a consideration of internal branding in retail brand management.

Based on the above frailties of the store image approach, store image can be seen as essentially adopting a brand equity managerial approach while neglecting those of brand identity, service branding, internal branding and corporate branding which are necessary for retailers to meet their brand management challenges. Therefore, it can be concluded that store image alone cannot fulfill the diverse requirements of retail brand management.

3.2 Store Image Internationalization

The importance of globalization for retailers has inspired a special stream of store image literature aiming at branding retailers in their international destinations. In this section, a presentation of the internationalization store image literature will be made, followed by an evaluation based on the globalization challenge facing the retail business and the global branding literature.

3.2.1 Internationalization of store image

Dupuis & Prime, (1996) stressed that a country's culture is the dominant factor that determines the success and failure of a retail internationalization decision. They argue that international marketing in retailing should be called "intercultural marketing"; because culture shapes the behavior of every aspect in the retail business: customers, staff, the retail marketing mix (communication, merchandise, etc.); the channel mix (e.g. suppliers); and the environment (e.g. public opinion, and legal, political environments).

Therefore, the culture effect on retail branding has to be considered. Burt & Carralero-Encinas (1999) hypothesized that differences in cultures (country culture specifically) amplifies the store image gap between managers and customers in other countries. They supported their hypothesis, based on a case study of Marks & Spenser in Spain and UK and found that there are tangible and intangible store image components that transfer with store image across cultures either in absolute or relative terms. It is the role of management, they suggest, to determine which of these tangibles and intangibles are transferable to build up the desired image in the destination. Burt & Carralero-Encinas (1999) were surprised find that some intangible attributes were transferred more effectively than tangible ones. Thus, they concluded that mainstream components of store image might be too simple a framework for image studies in foreign markets.

McGoldrick & Ho (1992) studied the cases of Marks&Spencer and Yaohan of Japan in the Hong Kong market, to advise on positioning strategies in foreign

markets. They found that the success of these cases stems from their deep understanding of the customers' local culture. This enabled them to generate images, which successfully settled in the market and sustained.

McGoldrick & Blair (1995) examined the reason behind the paradox that some retailers established very successful positions internationally, while others could not. In a quest to discover what effects, from a customer's viewpoint, the settlement of international retailers in their destination markets, McGoldrick & Blair, (1995) studied the cases of Marks & Spencer (M&S) and C&A and the positioning of their images in the French and British markets. They evaluated these cases by comparing customers' perceptions of M&S and C&A on price/quality, service/fashion, and country of origin. The study revealed two new dimensions that customers are influenced by when evaluating an international retailer image; these are the *quantity of image*, which indicated the level of awareness about the brand in the national market and the *time* duration the brand spends in the local market.

Thus, McGoldrick (1998) developed a model that contains the determinants of international image of a retailer. He added the two new dimensions to the mainstream dimensions of retail image and explained how they work. First, the *image quantity* dimension recognises that the awareness of the store name is likely to be weak in the early stages of development. Second, over the *time* dimension, the quantity of image is developed through repeat experience,

advertising and word-of-mouth communication from a neutral stage to a favourable stage when trust is formed. He argued that mainstream dimensions of image in retail internationalisation, such as culture, shopping habits, climate, lifestyle, national stereotype, competition, etc. form the general expectations and predisposition towards the quality of the retail image, while the new dimensions contribute to image development or the quantity of the retail image. McGoldrick (1998) explained that time and quantity are not studied in domestic retail image studies because it is taken for granted that people knew the brand since childhood and the time is implicitly tested but in case of internationalisation it must be explicit.

In response to the question of whether retail brands sustain their meanings across national boundaries, Moore et al (2000) argue that the retail brands of fashion designers can have a fixed identity and meaning across international markets. That is because of standardization of the brands' communication strategies and firm control over merchandising, distribution and pricing strategies. They also add that the ability to standardize fashion designer brand meaning across national boundaries stems from the positive associations of being foreign. Therefore, the fashion designer brand and its flagship store appeals to local customers via conveying a clear foreign identity that in turn indicates exclusivity. This exclusivity and strong identity have been a major concern for international retailers. In a case study on an international retailer, Quinn's (1996) ethnography revealed that the international retailer was facing major problems in maintaining

their strong corporate image across the franchises with which they operate. He quoted top managers as saying that the problem in essence lies in the absence of a true concept or corporate identity that is capable to differentiate them from competition and to tie the franchisees together.

3.2.2 Evaluation of store image internationalization

As an approach to international retail branding, store image internationalization addresses the globalization challenge facing retailers. However, since store attributes, image and positioning are still the bases of this approach, all the critique of store image as a brand approach (see section 3.1.4) applies to this international dimension.

Focusing on globalization however raised particular issues. It is seen that time and awareness have been added as directly linked components to establishing an image in foreign markets. Moreover, culture has been emphasized as major factor affecting image formulation and brand positioning in foreign markets.

To craft an image to customers, culture was studied from the host country customer and the countries-of-origin perspectives. However, the country-of origin position is not enough to study brands. According to Thakor & Kholi (1996), country of origin literature views branding as just a cue like price, package, etc. for the customer. However, brands need a deeper view of the country of origin concept, namely brand origin. Brand origin is concerned with how countries'

personalities indicating issues, such as country's culture, history, etc. are used in harmony with other cues to shape the brand spirit (or identity). The work of Moore et al. (2000) on designer retailing reflects the importance of brand origin to international branding in a very specific case.

Similarly, the host country perspective of culture studies is not enough for retailers. This is because countries do not usually have one dominant single culture that affects customer behavior. In fact, each region has its own sub-culture; Britain for example has strong Welsh, Scottish, Irish, and English sub-cultures within the same county (Lewis & Stubbs 1999). As a retailer's location is vital for its branding, it is important to take the differences in the regional areas into account. Organizational culture is also vital for the success of retail internationalization since their entry modes always involve working closely with local employees or partners. In fact, Quinn's (1996) research has pointed out that the dearth of identity is a major problem facing retail franchises internationally. No studies have nevertheless attempted to study how retailers can market their brand to their employees or business partners across cultures.

Thus, it can be concluded that the weaknesses of the international retail branding approach stems from the narrow focus of its research on how to form image to end customers and the neglect of identity formulation to business partners and/or employees. In fact, calls for the literature on retail internationalization to broaden its conceptual base have been made (Whitehead, 1992, Brown & Burt, 1992) but there is no evidence of any response in the branding literature as yet.

3.3 Retailer (Product) Brands

The vital role of the own brand in the retail business has provoked a substantial amount of literature on the role they play in branding a retailer. The following sections will present the suggested role of own branding in retailing and then evaluate it as an approach to managing the retail brand.

3.3.1 The own brand approach

Laaksonen (1994) describes through four stages- the gradual development of retail product brands. The first and second generations of these brands were simple variations of commodities in order to increase margin and provide a price choice. The third generation imitates the manufacturer brand while sustaining a lower price. The fourth generation matched and surpassed manufacturer brands through product innovation. Burt (1994) argues that the second stage marked the beginning of retail product brands competing with national ones from the customers' viewpoint. At this stage, however, retailers' product brands should be called 'own label' since they are similar to manufacturers' brands in presentation, including similarities in the packaging, color codes, etc. which are mainly label related similarities (Burt, 1994). However, he emphasizes that 'own label' is not an accurate definition of retail product brands since it deals only with packaging issues. Thus, Burt (1994) argues that the last stage marked the beginning of innovation—added value—in retail products and the migration from price-based competition to non price (quality) based competition. Therefore, at this stage retailers' products can genuinely be called 'own brands'.

The role of own brands in retail branding is important as the products carrying the

overall retailers' brand values to customers (Burt, 2000; Gilbert, 1999; Davies, 1992). The management of own brands has focused on managing product development, exploiting product lines that are not feasible for manufacturers to exploit, and balancing product quality and price, according to Euromonitor (1996). Moreover, own brands were used tactically as a weapon against any arbitrary increase of suppliers' prices, and to increase customer loyalty to the store because these brands are not sold anywhere else (Nandan, 1996). In addition, own brands are used tactically to cooperate with suppliers in category management projects, which is the process through which both retailers and manufacturers manage a product category as a business unit to customize the product category on a store by store basis (de Chernatony & McDonald, 1998).

According to Aggarwal et al. (1998), when studying customer choice between national and own brands, the later had no distinctive personality or a meaning of its own to provoke their purchase. That is because first, the consumer decision to purchase them depended on a fault in the national brand strategy, not because of advantages in the own brand itself. Second, the consumer alternative to not having the national brand is either own brand or no purchase at all, which indicates that the store brand is not really a purchasing choice but just a makeshift alternative. Moreover, Ashely (1998) studied customers of own and national brands to advise national brands on how to compete against own brands. Her recommendation was for national brands to attack own brands through advertising that aims to persuade customers by stressing the national

brand's identity. This implies that own brands are vulnerable since they lack identity from the customers' perspective (Richardson, 1997; Halstead, 1995). Finally, a recent survey conducted by BMRB international in April 1999 (IGD, 1999) stated that the last reason why customers choose to shop in the four major supermarkets in the UK was their own brands. This again indicates that own brands are not the main carriers of the overall retail brand values.

3.3.2 Evaluation of retailers own brands

The use of retailer own brand as way to manage the overall retail brand marks a move from the use of the term *store image* to the use of the term *brand* in retail brand management. Own brands are considered to be the carriers of the overall retail brand values, and thus managing them should mean managing the retailer brand.

However, managerial practice and customer surveys have indicated that own brands were managed and thus perceived primarily as physical products. Thus, simply considering retailer own brand management as equivalent to managing the overall retail brand underestimates the vital role that service plays in retail branding. Besides, the notion of equating product management to brand management falls into a brand management trap. According to Aaker (1996), the trap here is the managerial view of brand management as equivalent to that of product management. A brand should be managed in a way for customers to realise their own self-image rather than as a mere physical product. In fact, it can

be argued that theoretically own brands should be managed as brands rather than products but practice proves otherwise. Besides, focusing on customers as a target for own brand, which is logical, indicates that it has limited scope, and again ignores the crucial role of employees and the service dimension in retail branding. As a result, it can be concluded that the own brand approach is too simple and narrow as an approach to managing retailers as brands.

3.4 Retailers' Strategic Management Approach

Because of the complicated nature of the retail business, a strategic view has been considered suitable to manage retailers as brands. The strategic view to retail branding has two main approaches; these are the marketing entity approach and the corporate branding approach.

3.4.1 The marketing entity approach

Walters' (1989) defined the retailer brand as a marketing entity, not simply a stocking place for manufacturers' brands. These are, in many instances, commodities in an overall retailers' statement or offer. To manage the retailer as a brand to create a desirable position, he argues, retailers should use the retail marketing mix. Walters' defined the positioning tools in retailing as trade format strategy, customer service strategy, communication strategy and merchandising strategy. Mixing those tools together leads to a coherent positioning statement and added values that reinforce the retailers positioning in the target customers' minds.

Davies (1992) argued that there are two ways for retailers to be managed as brands. According to Davies, since retailers face complexity in managing both services and products simultaneously, they should approach them as one entity and apply the brand management characteristics on both their products (own brands) and services. Davies argued that in general terms there are four characteristics a product or service should have to be called a "brand"; these are

- **Differentiation:** the brand *name* must positively differentiate the brand from competitive offerings in the marketplace.
- **Premium price:** the brand should be able to charge a price higher than competition.
- **Separate existence:** the brand can be franchised, sold or used independently from its original owner.
- **Psychic value:** the brand benefits the customers with symbolic and sensory level advantages.

However, Davies believes that all these characteristics may apply to retail brands (services and products) with the exception of premium pricing. He argued that the premium pricing characteristic was found to contradict the successful brands of discounters.

More comprehensive tools to manage retailer brands strategically were identified by Wileman & Jary (1997) from examples of leading branded retailers, such as Marks & Spencer, IKEA, and Gap

- **Investment in store brands:** considered to be the main differentiation tool

from competition.

- **Investment in supply chain management:** developing strong supplier relationships to sustain the development of strong store brands.
- **Mass marketing:** mass communication for the retailer's brand image.
- **Developments of direct customer relationships:** used for customer understanding, targeting, and communication. This is considered to be very feasible because the retailer is in a direct contact with the customer.
- **Brand integrity and brand culture:** brand culture and integrity are interrelated. The retail brand integrity is the long term values and brand positioning that is reflected by the retailing mix (prices, ranges, promotion, etc.). The brand integrity could only be guaranteed if the brand values are embedded in the members of the retail organization culture from top management to employees. This point is said to be distinctive in retail branding compared to product branding.

3.4.2 The corporate branding approach

Corporate branding has been suggested as a possible approach for managing retailers as brands because of the direct link between retail organizations and their offerings. Gilbert (1999) argues that corporate branding is relevant to service and retail organizations since, according to King (1991); consumer choice is more dependent on people behind the organization than the product or service's functional benefits. Thus, the organizational brand will be the most important differentiation tool in the future. Moreover, Diefenbach (1992) suggests that corporate identity works as the brand for retailers and service organizations

since their identity and products are the same. Diefenbach argued that to manage corporate identity, corporate identity programs should be applied to bridge the gap between image and identity. At the corporate level, there is a difference between corporate image and identity. The *corporate image* is the perceptions that the organizations' stakeholders have in their minds while *corporate identity* is what the organization really is or the objective reality.

3.4.3 Evaluation of the retail branding strategic approach

The work of Davies' and Walters' has a strategic emphasis, with a focus on end customers and the development of an edge over competitors. This strategic approach, although addressing the brand equity and the service branding requirements, falls into the trap of positioning and image from a brand identity perspective. Walters' retail strategies mix approach aims at creating a position for the retailer in the customer mind. Davies' proposal of applying both service and product-branding strategies simultaneously also will result in the retailer being perceived as a brand in customers' eyes. Yet, as he showed, some of the proposed criteria and strategies may contradict the successful positioning of some retailer brands.

Wileman & Jary (1997) provided a more comprehensive strategic approach and added to Davies' and Walters' work the coverage of the internal branding dimension and the concept of brand identity, represented in their brand integrity and culture elements respectively. However, this marketing entity brand

approach has failed to address the vision dissemination and globalization requirements of the retail brand management framework. The corporate branding view does not address any of the requirements covered by the marketing entity approach but did address the vision dissemination issue. Thus, by combining the marketing entity and corporate branding approaches, the strategic approach fulfills almost all of the requirements that retailers need to address the issues in the brand management framework. The only requirement the approach does not highlight is globalization. Nevertheless, the strategic approach does no little than highlight the retail branding requirements. In other words, it addresses what the components of the framework should be while giving no clue as to how to synchronise and link these components together so as to manage retailers as brands. Thus, a way to manage the components of the retail-branding framework needs to be developed.

3.5 Conclusion

In light of the brand management contributions framework (see figure 2.5) that is developed to encapsulate the various brand management approaches needed to embrace and adapt to the retail business challenges, an assessment of the existing managerial approaches available in retail brand management literature has been undertaken. It is concluded that store image, store image internationalization and own brand approaches take a simple and too narrow a view of retail branding and thus cannot fully address the framework needed for retail brand management. The fourth approach (the strategic approach) is found to address most of the framework requirements--except that of

internationalization—but lacks explanation of how to simultaneously manage the diverse branding approaches within the framework. Therefore, in order for retailers to manage their brands effectively embrace and adapt to their business challenges, the gap in the retailing literature, which links the components of the strategic approach together and to the globalization issues needs to be filled. Filling this gap forms the prime aim of this thesis.

3.6 The Research Design

According to Mason (1997), a research design has four interdependent components. The *research objective* followed by the *intellectual puzzle* that the research will try to explain. Then, a view of the social world in which the research explanation will take place or the *ontological position or perspective* of the researcher followed by the *epistemological questions* through which such a social reality can be revealed. Adopting Mason's framework in this section, the research design will be explained.

3.6.1 The research problem

Due to the diversity of the branding approaches involved in retailer brand management, achieving the objective of the thesis is a complex task. Hence, the challenge is to simplify yet maintain the crucial sense of diversity required in the retail brand management. The process of simplifying reality yet addressing its central issues to guide managerial decision making is the process of modelling (Forrester, 1969, Gladwin, 1989, McMillan, 1992, Britt, 1997, Gordon, 1999,

Roberts, 2000, Leeftange & Wittink, 2000, Laurant, 2000, Van Bruggen & Wierenga, 2000, Ehemberg et al, 2000). Consequently, the main objective of the thesis is formulated as follows:

To build a retail-brand management model that enables retailers to embrace and adapt to the diverse managerial branding requirements dictated by the business nature, unique managerial needs, and changing business environment facing retailers.

As the research aim suggests, building a communal retail-brand management model will be the *intellectual puzzle* that the research aims to explain/achieve. To form a view of how to approach solving the puzzle (the researcher *ontological position*), two main issues have to be identified.

First, it is paramount to identify the *unit of branding* from which the model will be built. Since retail organizations have a multiplicity of stakeholders (see sections 1.1.2 and 1.2.1.2), the unit of branding should be the melting pot in which all the stakeholders' contributions (all financial and managerial efforts) to the retail brand crystallizes. As a bottle/can is the melting pot in which all the stakeholders' contributions to a soft drink manufacturers' brand crystallizes, a store is the melting pot in which all the stakeholders' contributions to a retailers' brand crystallizes. Hence, the store will be the main unit of branding in retail settings as it is the melting pot where all company policies (merchandising, communication, format and service) planned by the company's top managers (*stakeholders*) and supported by suppliers and shareholders (*stakeholders*) are implemented by

front line employees (*stakeholders*) and delivered to end customers (*stakeholders*) who are influenced by the community at large (*stakeholder*) (e.g. the environment, the economy, etc.)

For a complete understanding of all aspects of retail branding, it would be ideal exploring all the stakeholders involved. However, since the store is taken as the unit of retail branding, the brand will be explored at the store level. Consequently, some stakeholders will be directly considered (e.g. frontline employees and customers) as they are active in the store, while others (e.g. top managers, suppliers, community and shareholders) who are inactive yet influential within the store will be considered indirectly—thus rendering them to a shadow role.

Consequently, the model will highlight retail branding issues at the store level while render branding issues at the organizational level to a background role.

The illumination of some issues and shadowing of others is inherent in the nature of model building as no single model ever offers a complete understanding of reality (Forrester, 1969, McMillan, 1992, Britt, 1997, Gordon, 1999, Leeflang and Witting, 2000). As a result, the word '*Towards*' in the title of this thesis is intentionally used to acknowledge that the model to be developed will be a model (not *the* model) on the road to modeling the retailer's brand.

Second, a *synthesis of the core element* of each brand management approach (involved in retail branding) should be extracted so as to identify a common core.

The service branding approach emphasizes that any service marketing activity

should be approached in a triangular way that involves company's vision, employees, and customers. The internal branding approach focuses on building humanitarian relationships with employees so as to make them share the brand meaning with the top management. The brand equity approach focuses on forming humanitarian relationships between the brand and customers leading to a desirable brand image that in turn motivates customers to stay loyal to the brand. The brand identity approach focuses on encoding the brand vision via an innovative personality by the sender (the retail organization) to be decoded by the customers and employees through the brand equity and internal branding humanitarian relationships. The global branding approach requires an understanding of the effect of the country culture, regional culture and the personality of the exporting culture (brand origin) on the development of brand meaning from customer, and employee perspectives. Finally, the corporate branding approach calls for managing communications within the organization culture to disseminate the organizational meaning that is encapsulated in its vision to its stakeholders.

3.6.2 Research objectives

To account for the core element of each branding approach, the research should achieve the following objectives at store level with customers and employees as the key (active) stakeholders to be addressed. The research objectives are:

- To explore how retail brand managers can build and maintain a humanitarian relationship with customers to build and maintain the brand's meaning (*essence of the brand equity approach*).

- To explore how retail brand managers can build and maintain a humanitarian relationship with employees to build and maintain the brand's meaning (*essence of the internal branding approach*).
- Out of the above relationships, to explore how retail brand managers can formulate brand identity and coordinate this brand identity dissemination to employees and customers (*essence of the brand identity and corporate branding approaches*).
- To explore the effect of country (host and exporting) culture and the regional cultures on the formulation of brand meaning (*essence of the global branding approach*).

The research objectives are focused on formulating and nurturing brand meaning among stakeholders across cultures through human-based relationships with the brand. Consequently, it is vital to study how meaning is formed and nurtured by humans to identify a common core that can meet these objectives. Karathanos (1998), influenced by Blumer's (1969) work, argues that symbolic interactionism views meaning formulation as the product of the process of interaction between people. Meanings are social constructions; they are creations that are formed by people as they interact (Blumer, 1969). The process of forming and sustaining meaning leads to the formulation of the concept of culture (Blumer, 1969; Ross, 1973; Jeager & Selzneck, 1973, Schneider & Bonjean, 1973). Therefore, it could be argued that formulating and nurturing brand meaning among the human participants (stakeholders) resembles constituting a brand culture. Consequently,

the concept of culture is identified as the common theme underpinning the approaches involved within the retail brand management framework and consequently forms the researcher *ontological position*.

Nevertheless, since the concept of culture varies in substance across disciplines (e.g. anthropology, sociology and organization studies) (Schneider & Bonjean, 1973, Fetterman, 1997), it could be argued that the concept of organizational culture could constitute the brand culture. This is because a brand is formulated and nurtured within organizations (Kapferer, 1997; Aaker, 1996) and organizational culture is the catalyst for effective brand management (Hankinson, 1999; de Chernatony et al, 2000). Moreover, organizational culture is characterized as being a holistic concept capable of developing the organization's self-identity from the interactions of its members, which in turn differentiates the organization to them and thus results in a shared commitment (Eldridge & Crombie, 1974; Morgan, 1996; Buskirk & McGrath, 1999; Rosenfield & Wilson, 1999; Fincham & Rhodes, 1999). In addition, organizational culture is sensitive to the wider cultures (e.g. country culture) within which it operates (Jeannet & Hennessey, 1995) and hence can operate flexibly across cultures (Norburn et al. 1990). As a result, organizational culture can enable retailers to holistically develop a brand self-identity (central meaning) from those interactions of its stakeholders, which differentiate the brand to them, and encourage them to become brand loyal across cultures. In other words, organizational culture provides the basis for a holistic approach that envelops the diversity found within

the retail brand management framework. Consequently, its interpretation at the store level (*the retail unit of branding*) forms the backbone for building a communal retail brand management model.

Hence, organizational culture forms the first step towards building the model and ultimately, therefore, guides the *epistemological questions* through which brand culture can be revealed. As a result, it is necessary to define organizational culture to identify its cues and the way these cues are managed to form the frame on which the model will be built. Organizational culture is defined as follows: "*values and beliefs that people hold central and that bind organizational groups. Culture is also a set of all-material elements and artefacts. These are the signs and symbols that the organization is recognized by, but they are also the events, behavior, and people that embody the culture. And the medium of culture is social interactions, the web of communication that constitutes a community.*" (Fincham & Rohdes, 1999).

Most of the organizational culture definitions are unanimous in that culture embraces the cues to formulate and nurture organizational identity (values and beliefs/central meaning) to its members (groups) to ultimately form an organizational community (Fincham & Rhodes, 1999, Hatch, 1993; Karathanos, 1998; Jeffcutt, 1994; Schien, 1996, Pugh & Hickson, 1993). To manage the formulation and maintenance of organization identity (values and beliefs) within the organization culture, identifying and consequently manipulating the cues of a

culture is vital (Karathanos, 1998; Hofsted et al. 1990; Morgan, 1996).

Organizational culture is swayed by manipulating its cues but, since it is an on-going process, controlling it is tough and requires continuous monitoring (Morgan, 1996).

In an analogy, the culture of a retail brand would embrace the cues of the retail brand's central meaning to its stakeholders, to form the retailer community. To identify the cues of central meaning, the manifestation levels of organizational culture must be explored (Hofsted et al. 1990). According to Hofsted et al, the manifestation of organizational culture is seen in four categories, which are *"mutually exclusive and reasonably comprehensive"*. First, symbols; these are words, pictures, signs, or objects that carry a particular meaning within a culture. Second, Heroes; these are alive or dead, real or hypothetical personalities who possess characteristics highly prized in the culture and thus act or represent a model for behavior. Third, rituals; these are the collective activities that are technically superficial but are socially essential within a culture. Fourth, values; these are the core of culture, which are the unconscious and seldom discussed feelings that cannot be observed but rather felt in the behavior. This fourth stage represents the deep meaning of culture. Thus, some authors define this stage as the beliefs or assumptions of culture, which are the heart of it (Turner, 1990; Fincham & Rhodes, 1999 quoting Deal & Kennedy, 1982; Hatch 1993 quoting Schein, 1985). Hofsted et al. argues that the visible cues of culture, that can be observed, are the Symbols, Heroes and Rituals while Values are the invisible

cue. Turner (1990) adds that analyzing the visible cues identifies the invisible ones.

3.6.3 Research questions

In order to build a retail brand management model using organizational culture cues from a store level, this research will attempt to answer the following *epistemological questions*:

- What are the meanings that emerge from the interaction between the retail brand symbols and its customers and employees at the store level?
- What are the meanings that emerge from the interaction between retail brand rituals and its customers and employees at the store level?
- Who are the heroes in the retail brand culture and what are the meanings they hold for its customers and employees at the store level?
- What are the values (central meaning/s) underpinning the retail brand culture that emerges from the interaction between symbolic and ritualistic meanings for both customers and employees at the store level?
- How can country/regional culture influence the formulation of the retail brand culture at the store level?

The research methodology selected to pursue these research questions will be presented in the next chapter

Chapter Four: Methodology

The literature review chapters have encapsulated the research problem as the gap between retail brand management requirements, dictated by the business challenges facing retailers and the existing contributions in the retail brand management literature. The research project has been designed to fill this gap. A research aim was formulated as building a brand management model for retailers to address the characteristics of their business nature, their unique managerial needs and to adapt to the demands of the business environment. This objective identified building a communal retail branding model as the *intellectual puzzle* that the research will try to explain using a cultural lens (specifically through organisational culture lens) as the researcher's ontological position. This *ontological position* guided the formulation of the *epistemological questions*, which aim at interpreting retail brand culture through an exploration of the cues of organisational culture. Based on the interpretive and exploratory nature of the research inquiry, a research methodology and, accordingly, an ideological paradigm will be determined in this chapter. The chapter will start with a review of methodological approaches to select an appropriate one for the research. Based on the chosen approach, a strategy (tradition) of inquiry will be selected. This strategy will reflect the researcher's ideological paradigm, and propose the appropriate data collection and analysis techniques. Finally, the chapter will conclude by setting the plan for the research fieldwork.

4.1 The Methodological Approach

The nature of the research inquiry is focused on two key terms: *interpreting a*

culture and *building* a model. Thus, a methodological approach should be selected to enable the researcher to interpret (or discover) the retail culture and ultimately build a retail brand model. There are two types of research methodological approaches, quantitative and qualitative (Malhorta, 1993; Creswell, 1994; Mason, 1997; Burs & Bush 1998; Strauss & Cobin, 1998; Denzin & Lincoln, 1998; Rice & Ezzy, 1999; Punch, 1999; Kent, 1999). To select a suitable approach for the research inquiry, a discussion of each type will be carried out. Then, the capabilities of the selected approach will be examined to show how they can effectively address the substantive issue being studied (branding) and the desired outcome of the research (building a model).

4.1.1 Quantitative vs. qualitative approaches

In marketing research, qualitative and quantitative research are seen as complementary approaches (Malhorta, 1993, Burns & Bush, 1998, Kent, 1999). Malhotra (1993) defines qualitative research as providing insights and understandings to the problems set, while quantitative research seeks to quantify the data and typically applies some form of statistical analysis.

Malhotra warns that qualitative research cannot be an end product for marketing research since its findings cannot be generalised but can only be used either to explain the output of quantitative research or as an input to it.

Burns & Bush (1998) saw the difference between quantitative and qualitative research as how each of them is done. They defined quantitative research as that involving the use of structured questions where response options have been predetermined and a large number of respondents are involved. In contrast, qualitative research involves collecting, analysing and interpreting

data by observing what people do and say. They classified qualitative research, as the 'soft' part of the market research that can only be used to explore a problem or when quantitative research is inappropriate. However, in most cases, they advocate the use of both. They called the combined approach "pluralistic research".

This academic and disciplinary resistance to conducting qualitative research alone is recognised by Denzin & Lincoln (1998). They state that quantitative researchers claim that their qualitative counterparts are journalists and soft scientists. Their work is seen as unscientific, only exploratory, and full of bias. Nonetheless, Denzin & Lincoln argue that qualitative research is a field of inquiry in its own right. They point out that qualitative research emphasises the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape the enquiry. Such research stresses the value-laden nature of inquiry. Also, it seeks answers to questions that stress how social experience is created and given meaning. In contrast, quantitative research stresses measurement and analysis of causal relationships between variables, not processes in an inquiry framework that is value-free. Qualitative researchers use ethnography, prose, historical narratives and biographical material, while quantitative researchers use mathematical models, statistics, graphs and often write in third-person form.

Denzin & Lincoln (1998) question the quantitative researcher ability to provide a deep understanding of a phenomenon. They argue that to accomplish a deep understanding of phenomena, triangulation--defined as the use of

multiple methods within quantitative, qualitative or both approaches—is paramount. Since qualitative research always employs multiple methods, it is by definition a triangulation exercise and thus naturally capable of probing an issue deeply. Besides, Rice & Ezzy (1999) contend that the standardised statistical techniques of quantitative research cannot examine meanings since they neglect the interpretative process, which is the essence of meaning formulation.

Additionally, according to Glaser & Strauss (1970), qualitative research should not be treated as just a prelude to quantitative research. It should be scrutinised for its usefulness in the discovery of substantive theory, which is the formulation of concepts and their interrelationships into a set of hypothesis for a given area of research. Therefore, seeing qualitative research as a preliminary for quantitative research ignores several important facts about substantive theory. First, substantive theory is usually the end product of research within a substantive area beyond which few researchers are motivated to move. Second, qualitative research is often the most 'adequate and efficient' way to obtain the type of information needed and to contend with the difficulties of an empirical research. Third, substantive theory is highly beneficial for practitioners in day-to-day work life. Fourth, substantive theory is the base for the generation of formal grounded theory.

In management research, Gummesson (2000) argues that the researchers main problem in the use of the traditional sophisticated quantitative methods is access, which means lacking the opportunity to find viable real-world data and information on which to conduct sophisticated statistical analysis. The

best methods to obtain viable real-world data are the qualitative ones, particularly informal interviews and observation because they allow deep probing beyond face value. Gummesson describes management reality as an iceberg that reveals 10-15% of its mass above the surface while the remaining 90-85% is submerged under water. Qualitative methods enable the researcher to access the 85-90% side of managerial reality while survey (quantitative) methods just set foot on the surface of managerial reality, accessing just 10-15% of it. To illustrate this, Gummesson gave an example from practice. A Japanese businessman criticises American researchers working in Japan for asking direct questions about the process of decision making despite living and working in Japan. He believes understanding the process of making management decisions cannot be properly accessed by straight forward questions since it involves many subtle issues that cannot be uttered in words but can be observed in the process.

Mason (1997) and Strauss & Corbin (1998) sum up the debate over the use of qualitative and/or quantitative approaches. They argue that there should be a true interplay between qualitative and quantitative approaches in an evolving process. However, each research approach should be adopted based on its capabilities to meet the objectives of the research.

Since the research questions of this project are exploratory (interpretive) in nature and ultimately aimed at building a model, the qualitative research approach seems more capable of addressing the research questions than the quantitative approach. In managerial research, the qualitative approach is

capable of exploring and understanding the phenomena under study, particularly meaning formulation, which is the essence of organizational culture and branding studies. Moreover, it is a more suitable than quantitative methods to *build* or formulate substantive theories. To substantiate the selection of a qualitative approach, the following section will focus on scrutinizing the qualitative research ability to efficiently address the substantive issue being researched (branding) and to contribute to the desired outcome (a managerial model).

4.1.2 The qualitative approach

The section will start with a discussion of qualitative research definitions and characteristics, so as to explore its capabilities to address the research questions and thus build the retail model. Then, the section will show how qualitative research is best suited to study branding issues.

The professional bodies of qualitative research in Australia and New Zealand (AQRP and QRCA) define qualitative research as research capable of answering what, how, and why but not how many? Thus, the emphasis on understanding things rather than measuring them (Gordon, 1999).

To Mason (1997), qualitative research does not represent a unified set of techniques or philosophies as it has grown out of a wide range of intellectual and disciplinary traditions (Rice & Ezzy, 1999; Denzin & Lincoln, 1998). Since qualitative research is rich in variety of strategies and techniques, it is hard to

have a fixed definition. Nonetheless, a loose definition can be generalised from the five main characteristics below:

First, it is research that is grounded in a philosophical position which is broadly 'interpretivist', in the sense that it is concerned with how the social world is interpreted, understood, experienced or produced. According to Rice & Ezzy (1999), qualitative research draws upon an interpretative orientation that focuses on the complex and nuance process of creation and maintenance of meaning. Thus, qualitative methods are best used to study meaning formulation since the interpretative process is the focal point of the qualitative research techniques. Also, they add, qualitative methods help in exploratory stages of research, and the story-way of data presentation enable it to be understood by all groups concerned (e.g. managers, politicians, etc.). Besides, qualitative analysis is characterised by being thick (detailed) and thus capable of relating the parts and events to larger systems of meaning.

Second, it is based on methods that are flexible and sensitive to the social context (real life or natural setting) in which the data are produced. Patton (1990) argues that flexibility means avoiding rigid research designs that obviate responsiveness to field reality, and natural inquiry means studying the real world as events unfold naturally with openness to whatever emerges.

Third, it is concerned with a holistic form of analysis and explanation rather than charting the surface, trends and correlation. Patton (1990) argues that

holistic means understanding the whole phenomenon under study as a complex system, which is more than the sum of its parts

Fourth, qualitative research involves critical self-scrutiny by the researcher (this is called active reflexivity) where the researcher seeks to understand his role in the research through examining his own actions as he does with the rest of the data.

Fifth, qualitative research has research questions rather than hypotheses since qualitative research is aimed at exploring rather than testing. Also, the questions should reflect the essence of the inquiry.

Patton (1990) adds a sixth characteristics being *analytically inductive*, which provides a major difference between qualitative and quantitative approaches. Analysis should be inductive to facilitate discovering (exploring) concepts, categories and interrelationships within the data. Induction is the action to convert an idea or a view into a hypothesis and assess, at least provisionally, its ability to work in the designated field (Strauss, 1987). Thus, according to Lowe (1997), induction bridges the gap between a phenomenon and its theoretical basis. Induction enables researchers to create and then explain theory from data. In managerial research, induction is highly relevant because it crosses the knowledge boundaries created by academic disciplines, and the managerial process requires thought and action simultaneously so effective

research must deliver workable recommendations that take into account real-life obstacles (Lowe, 1997).

A comprehensive definition of qualitative research is given by Denzin & Lincoln (1998):

“Qualitative research is multimethod in focus, involving an interpretive, naturalistic approach to its subject matter. This means that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret phenomena in terms of the meanings people bring to them. Qualitative research involves the studied use and collection of a variety of empirical materials—case study, personal experience, introspective, life story, interview, observational, historical, intersectional, and visual texts—that describe routine and problematic moments and meanings in individuals lives. Accordingly, qualitative researchers deploy a wide range of interconnected methods, hoping always to get a better fix on the subject matter at hand.”

Based on the characteristics and capabilities of qualitative research discussed above, it can be inferred that qualitative research is most suited to addressing the research questions and building the model and thus explaining the research *intellectual puzzle* of this research. That is because the interpretive nature of qualitative research enables the researcher to efficiently tackle the exploratory research questions (what and how). Furthermore, the holistic and naturalistic capabilities of qualitative research enable the researcher to understand the broad concept of retail culture from its natural setting (the store). Finally, the inductive analytical nature of qualitative research enables the researcher to create (i.e. build) the desired managerial model and thus explain the intellectual puzzle from the data generated by adopting the idea (the social view) of organizational culture.

As seen above, qualitative research can efficiently address the desired outcome of the research but is it also appropriate for studying the substantive

issue being researched (branding)? To answer this question, a discussion about the capabilities of qualitative research to undertake branding issues in marketing research will be carried out.

Adopting the quantitative approach, Burns & Bush (1998) argue that marketing research should aim at predicting human behaviour. However, they believe, since human behaviour is neither stable nor constant, marketing research cannot predict consumer behaviour with a high degree of accuracy. They gave an example of how Coca-Cola's re-branding marketing research, with more than 190,000 respondents, did not anticipate that consumers would be upset with their decision to change old Coke branding to a new Coke branding despite favouring the new formula's taste. From this example, it can be inferred that Coke Company did not dig deep into its consumers' motives and relied on shallow survey results. Thus, it was forced to bring back its flagship brand: 'Classic Coke'. This example clearly indicates how a deep understanding of consumers, provided by qualitative research, is particularly crucial in branding issues. In fact, Poolton & Ismail (2000) argue that qualitative research is the catalyst for innovative product/brand development because of its unique ability to tap into latent and unmet consumer needs.

Additionally, Gordon (1999) claims that qualitative research has taken its place within marketing and advertising as the most sensitive tool through which to develop marketing strategies and executions. Based on Lannon and Cooper (1983) work on the holistic-cultural model of advertising, Gordon argues that qualitative methods are the best to understand the brands symbolic values, which differentiate the brand more than its practical, rational

values. That is because qualitative methods allow researchers to see the world as customers experience it and thus debunk cultural concepts (e.g. pain, beauty, etc) as they are defined and experienced by real people in their daily life.

Furthermore, Hanby (1999) recommends that the changing conception of brands from lifeless entities existing in physical space to living entities require a shift in brand research studies. This shift is suggested to be from the quantitative approach driven by the physical sciences to a qualitative approach that is driven by the social sciences since qualitative approaches are more capable to supply the investigative methodologies needed to cope with such a change.

Moreover, since brands are major assets in any company's international business, it is vital to understand international consumers in-depth for brands to prosper (Pawle, 1999; Zimmerman & Szenberg, 2000). To do so, Pawle recommends that international qualitative research should be deployed to enable businesses to 'mine' the consumer, and to identify what people really feel. Qualitative research is particularly relevant in uncovering the influence of cultural values on international branding such that it directs the brand's global communication strategy, and explores the effect of social change on branding to keep brands contemporary and alive. Also, qualitative research is uniquely capable of determining the core brand equity in each market so as to build up it successful brand extensions.

Qualitative research is as suitable for building models as it is for studying brands. Carson et al (2001) argued that since model construction is a process that is creative and conceptual in nature, it is specifically appropriate to the qualitative research domain. According to Gordon (1999), qualitative research provides models of thinking, which are effective in conceptualising. These models formed the 'theoretical or qualitative' perspective of modelling (Brewer, 2001, Britt, 1997) as opposed to the traditional 'scientific or quantitative' perspective of modelling (Forrester, 1969, Langhoff, 1965, Britt, 1997, Leeflang & Wittink, 2000). Qualitative modelling in the field of marketing is gaining ground from the traditionally dominant quantitative modelling. There are calls for an implicit inclusion of behavioural sciences, description, and deep understanding of decision making situations and explicit qualitative input to refine the marketing modelling process so as to be a true representation of the new era of customer-focused and relationship marketing (Gatignon, 2000, Ehernberg et al, 2000, Van Bruggen and Wierenga, 2000, Laurent (2000) Leeflang and Wittink, 2000, Roberts, 2000). Qualitative modelling is particularly popular in the advertising and branding field as it has produced many reliable and accountable branding models (Gordon, 1999), such as the double vortex model (de Chernatony & McDonald, 1998), and the brand identity prism (Kapferer, 1997).

Since qualitative research is found to be suitable for the study of brands as well as to build models, the qualitative methodology fits the objective of this research and hence will be adopted as the research methodology.

Consequently, the next section will review qualitative methods to determine

which ones can be deployed to answer the research questions and ultimately achieve the research objective.

4.2 The Qualitative Research Traditions/Theoretical Frameworks

The method/s and data sources used in qualitative research should be suitable to address the research questions (Mason, 1997), the substantive issue being investigated (branding) and the main goal of the research (building a model) (Patton, 1990; Rice & Ezzy, 1999). In this section therefore a review of qualitative research theoretical frameworks (Patton, 1990; Rice & Ezzy, 1999) or traditions of inquiry (Creswell, 1998) shaping its methods and techniques will be conducted first. Then, according to the most suitable tradition/framework, the research method will be selected.

Patton (1990) argues that there are many traditions of inquiry in qualitative research, such as Phenomenology, Ethnography, Heuristic Inquiry, Ethnomethodology, Ecological Psychology, System Theory, Chaos Theory, Symbolic Interactionism and Hermeneutics. Nonetheless, there are five main traditions of inquiry; these are the biographical study, the phenomenological study, the grounded theory study, the ethnographical study, and the case study (Creswell, 1998; Punch, 1999). Patton (1990) asserts that all these traditions aim at staying grounded in the empirical world. Yet, the conceptualisation of what is important to ask so as to understand the empirical world varies considerably. Hence, a review of each of the main tradition's conceptualisations will be carried out to determine the best tradition

to address the researcher's view of understanding the empirical world, which is the concept of culture.

4.2.1 The biographical study

According to Creswell (1998), in a biographical study, the life story of an individual is written by someone other than the individual being studied using archival records and documents. There are three main forms of biographical studies; these are autobiography, life history and oral history. In an autobiography, persons write their own life story. In life history, an approach used in anthropology and social sciences, a researcher reports on an individual's life and how it reflects cultural themes of the society, personal themes, institutional themes and social histories. An oral history is an approach where the researcher gathers personal recollections of events, their causes and their effects from individual or several individuals. The main concerns with biographical studies are the researchers' need to gather extensive information and to have a clear understanding of the historical & cultural backgrounds of the subject under study.

4.2.2 The phenomenological study

The phenomenological study describes the structure and meaning of the lived experiences for several individuals about a concept or *the phenomena* (Patton, 1990; Creswell, 1998). The researchers focus on finding the source underlying the meaning of experience and stress the "*intentionality of consciousness*" where experience contains both the outward appearance and inward consciousness that stem from memory, image and meaning. Rice &

Ezzy (1999) emphasize that a phenomenological study underpins the individuals' construction of their own everyday life experience.

Creswell (1998) argues that phenomenology is a challenging research tradition since researchers should be fully aware of the philosophical principles of phenomenology and very prudently choose respondents who have experienced the phenomena.

4.2.3 The grounded theory study

Two American sociologist (Glaser & Strauss) fist articulated the tradition of grounded theory in 1967 in a book entitled "*The Discovery of Grounded Theory*" (Strauss, 1987; Strauss and Corbin, 1998, Creswell, 1998).

Grounded theory is defined as theory derived inductively from data that is gathered and analysed systematically throughout the research process (Strauss, 1987, Glaser, 1996, Strauss & Corbin, 1998, Punch, 1999). Thus, according to Creswell (1998), Punch (1999) and Gummesson (2000), the central aim of the tradition is to discover or generate a theory rather than testing it. Thus, the theory developed by the researcher is presented at the end of the study. The theory should emerge from actions, interactions and social process of people evident (*i.e. grounded*) in the data.

The grounded theory tradition rejects forcing ideas on the data and promotes allowing the data to speak for itself (Glaser, 1996). Therefore, Strauss & Corbin (1998) argue that a researcher adopting such a tradition should not begin a project with a preconceived theory in mind (unless his purpose is to adjust an existing one). Rather, he/she should start with an area of study

allowing the theory to emerge from data. As Punch (1999) puts it, the grounded theory researcher goes to the field *not empty* minded but *open* minded.

Grounded theory can be applied in any discipline since its precepts are generally applicable (Strauss, 1987, Glaser, 1996, Punch, 1999). For example, Gummesson (2000) advocates such a research tradition as an effective one in business research. He argues that successful business leaders, who have a proven record of leading great companies to success, gain their ideas about running businesses stem from (i.e. grounded) their extensive experience (i.e. data).

Grounded theory is not only a style of research but also a very efficient analytical technique that brings discipline and organisation to qualitative data analysis (Creswell, 1998; Punch, 1999). It offers the most systematic and coordinated, albeit flexible, way of analysing qualitative data that opposed to the mostly uncoordinated, ad hoc analytical techniques available within qualitative research.

Finally, the main concern regarding adopting grounded theory lies in the difficulty for inexperienced researchers to conduct it because of its unique style of inquiry (theory generation) that is different from the mainstream research inquiry (theory verification) (Lowe, 1996; Saunders et al. 1997; Creswell, 1998).

4.2.4 Ethnography

According to Punch (1999), the term 'Ethnography' comes from cultural anthropology. 'Ethno' means people or folk while 'graphy' means describing something. Therefore, ethnography is defined as the art and science of describing and interpreting a cultural or social group/system (Creswell, 1998; Fetterman, 1998; Rice & Ezzy, 1999; Punch, 1999). Thus, Patton (1990) argues that the ethnographic research focus is on answering the question: "What is the culture of this group of people?" The idea of culture, and its importance to understand human groups of all kinds has found its way into the study of modern society. The Ethnographic tradition can be used to study a variety of social groups' cultures ranging from a whole nation to a small group of people participating in a program (Patton, 1990; Fetterman, 1998; Rice & Ezzy, 1999).

According to Fetterman (1998), ethnographic studies are conducted on two scales; these are the macro and the micro. The macro level focuses on capturing the large picture of a culture that ranges from a single institute to a global system. In contrast, the micro level study zooms in on a small social unit or a specific activity within a social unit. Friedrichs & Ludtke (1975) argue that micro level studies are more popular among sociology rather than anthropology since sociologists tend to focus on a slice of a culture (e.g. studying youth clubs rather than studying the youth culture as a whole).

Ethnographic studies are characterised as being holistic (Fetterman, 1998, Creswell, 1998, Punch, 1999). According to Fetterman (1998), ethnographers

assume a holistic outlook in research to attain a comprehensive and complete view of a social group. The holistic outlook also enables the researcher to simultaneously tap into the insiders' (emic) perspective and place it in the overall external (etic) social scientific perspective. The latter is known as contextualization, which means placing observations into larger perspectives. This made Baszanger & Dodier (1997) believe that 'relating the part to the whole' is the major contribution of ethnography to qualitative research. Thus, Worden (1998), quoting Wolcott, summed up the process of doing ethnography as the researcher's "*engagement in the process of cultural interpretations and construction of a theory of cultural behaviour through making sense of how a multitude of behaviour fit together in a harmonious way*".

Furthermore, an ethnographic study is a naturalistic research. That is to say the emphasis is on studying the social world in its natural setting. That is because the tradition believes that human meaning is formulated not by any mechanical way but it is constructed and reconstructed on the basis of the people's interpretations of the situations in which they are. To capture this meaning in great depth, the ethnography is characterised by being 'thick' in its description (Fetterman, 1998; Creswell, 1998; Rice & Ezzy, 1999). Hence, ethnography is believed to be suitable for conducting social research.

According to Baszanger & Dodier (1997), the ethnographic method simultaneously satisfies main requirements of human research. First, the need for empirical research since social phenomena cannot be deduced. Second, the need to remain open to new or unexpected data through having a

flexible approach rather than being restricted to predefined items or rules.

Third, the need to ground the phenomena under study within a larger backdrop. This process is known as 'totalization' whereby the researcher integrates different observation patterns within a larger whole (usually culture).

Moreover, ethnography is a distinctive tradition of inquiry because it is highly flexible in research design and data collection methods (Hammersley & Atkinson, 1987; Punch, 1999). Hence, elements of other traditions, which are consistent with its cultural orientation, can be adopted in the research design, such as grounded theory, and case study (Punch, 1999). Additionally, multiple methods to capture data (techniques), such as non-participant observation, participant observation, interviews, and archive material can be deployed within the study (Fetterman, 1998; Creswell, 1998; Punch, 1999). Despite the variety of techniques employed in ethnography, the primary technique is *participant observation* since the researchers' immersion in the day-to-day life of the culture under study is vital for effective ethnography (Patton, 1990; Fetterman, 1998; Creswell, 1998; Punch, 1999; Rice & Ezzy, 1999). In fact, some authors used the terms of 'ethnography' and 'participant observation' as synonyms (Hammersley & Atkinson, 1987; Baszanger & Dodier, 1997).

Finally, prolonged contact with people under study is a characteristic that is essential for effective ethnography (Fetterman, 1998; Creswell, 1998; Punch, 1999). Creswell believes that such a characteristic is a concern of which researchers should be fully aware. However, the length of study time depends

on the culture being studied, as doing ethnography in the researchers' own culture takes less time than doing it in foreign cultures (Fetterman, 1998). Besides, Fetterman added that limited time and project restrictions sometimes make prolonged time periods impossible for researchers. Thus, Fetterman suggested that a "fully-blown" ethnography required on average fieldwork from six months to two or more years. Finally, Creswell (1998) advised researchers not to get over involved in the culture under study in order to avoid falling into the trap of "*going native*" that may impair their ethnography.

4.2.5 The case study

According to Punch (1999), the central idea of a case study is to obtain, as fully as possible, an understanding of a certain case. The case study attempts to understand in depth a case in its natural setting, recognising its complexity & context. Also, it tries to retain a holistic focus aiming at preserving and understanding the wholeness and unity of the case (Gummesson, 2000; Punch, 1999). Thus, Stake (1998) argues that case study is a choice of an object to be studied rather than methodological choice. As a result, the case study as a research method is defined by interest in individual cases, not by the inquiry methods used. Also, a Case study is both the process of learning about the case and the outgrowth of such learning.

Based on the information above, a comprehensive definition of a Case study can be quoted from Creswell (1998):

The case study is defined as an exploration of a "bounded system" or a case (or multiple cases) over time period through detailed, in depth

data collection involving multiple sources of information rich in context
(p.61)

This definition indicates some of the main characteristics of a case study.

First, a Case study is characterised as being a 'Bounded System' (Stake, 1998; Punch, 1999). To Creswell (1998), this bounded system is bounded by time and space and is the case being studied (e.g. a program, an event, a company, etc.). Besides, Punch (1999) argues that the bounded system indicates the existence of boundaries around the case, and the researcher should be as clear as possible in defining them. Moreover, Stake (1998) refers to the bounded system as the integration system among the working parts of a case.

Second, a major characteristic of case studies is the use of multiple methods to collect data so as to gain deep understanding of a case (Eisenhardt, 1989; Simon et al. 1996; Stake, 1998; Punch, 1999; Gummesson, 2000). Finally, despite not being clear in the definition, Stake states that a major characteristic is that case studies might not necessarily be qualitative.

There are three main types of case studies (Stake, 1998). First, the *intrinsic case study*. This is used when the study is aiming to gain better understanding of a specific case or arrive at specific conclusions from a single case due to its uniqueness (Stake, 1998; Gummesson, 2000). Second, the *instrumental case* is used when the study is aiming at providing an insight for an issue or refinement of a theory (Stake, 1998). Third, when used to arrive at general conclusions from a limited number of cases, it is known as *collective*

case study (Stake, 1998; Gummesson, 2000). Any of these types can also be used to *generate theory* from a case study (Eisenhardt, 1989; Gummesson, 2000).

Finally, there are concerns regarding the use of case studies. The researcher should determine the boundaries of the case to be studied and justify its selection thoroughly (Creswell, 1998). Besides, the case captures the data in a particular point in time and thus its conclusions could quickly be obsolete (Simon et al. 1996). Moreover, it is a labour intensive research type and the researcher must be capable of gaining trust from the case host (Simon et al. 1996).

4.2.6 Conclusion

Since the research objective aims at building a retail management model through a retail brand culture interpretation, the ethnographic tradition of inquiry is the most suitable to achieve this objective. That is because the cultural-interpretation focus of the ethnographic tradition makes it the best available to uncover the retail brand culture. Besides, since building a model is the ultimate objective of the research, the flexibility of the ethnographic tradition enables the researcher to recruit useful techniques from other traditions to aid the construction of the model. For example, the techniques of the grounded theory tradition can be deployed to analyze the 'thick' ethnographic data in order to build theory out of data (i.e. building the model out of the thick cultural data). Furthermore, ethnography's holistic characteristic suits the study's exploratory nature, which requires access to

several stakeholders in the retail business. Thus, an instrumental case study of a retailer brand could be used to enable the researcher to gain holistic/multiple insights from within a defined 'bounded system'. Additionally, the multiplicity of data collection methods in ethnography facilitates capturing information about multiple stakeholders since it enables the researcher to deploy suitable method/s for each stakeholder. Finally, the naturalistic character of ethnography enables the researcher to interpret the retailer culture from the store, which is the setting in which retailing naturally occurs.

Since ethnography offers a tradition of inquiry that enables the researcher to achieve the research objective, it will be adopted as the research methodological strategy. Nonetheless, as the research strategy of inquiry, can ethnography be an effective strategy for research in managerial contexts?

The coming section will address this question.

4.3 Ethnography in Management

This section will review a variety of management research contexts, varying from the general to the specific, in which ethnography has been used to assess its effectiveness as a research strategy. The unique ethnographic style of inquiry, that involves participating or engaging in processes, has been hailed as an effective method in various management studies.

According to Mintzberg (1979), effective organisational research lies in the researchers' ability to engage directly (i.e. ethnography's main capability: participation) in the actual work observing what is going on. He argues

measuring in real organisational terms means going out into the field (into real organisations) capturing what actually happens and is experienced by the researcher so as to understand the organisation with its real complexity.

Using questionnaires, he says, focuses on a limited number of variables and requires holding other things constant. This technique, compared to the ethnographic one, is inept since it cannot represent the interrelated complex elements of an organisation but, in fact, seems to complicate issues as often as they clarify them. Besides, Gummesson (2000) proclaims that participation in the managerial process is the most effective way through which the researcher (or consultant) can access managerial reality. Furthermore, Harvey & Myers (1995) contend that since the ethnographic method enables researchers to tap into actual practices in real world situations, it allows relevant issues to be explored and frameworks to be developed that can be helpful for both professionals and academics. It also means that academics can work with real business situations rather than having to construct artificial situations just for the sake of research.

Thus, they conclude that the ethnographic method can bridge the gap between practitioners and scholars in the field of management. In addition to that, "being there", the core of the ethnographic method, enables organisational researchers to study in detail how members of an organisation create and execute their meanings (Hannabuss, 2000). Thus, organisational culture is best studied through ethnographical observations (Jeffcutt, 1994; Schein, 1996; Jensen, 1999).

In managerial research, the use of ethnography has been evident. In retail management, Sherry (1990) used ethnography to investigate the practice of informal retailing in the American mid-west. Also, McGrath (1989) used ethnography to examine the process of gift selection in a gift store.

Additionally, Quinn (1999) used ethnography to study how retail internationalisation decisions are made within an international retail organisation. In service management, Swan & Bowers (1998) used ethnography to understand how consumers experience service quality and satisfaction.

In the field of marketing, ethnography is seen as a very potent research method that allows the building of interpretations and formulation of marketing strategies (Arnould & Wallendorf, 1994). They use the term 'market-oriented ethnography' to refer to an ethnographic focus on the behavior of people constituting a market for a product or service, which is different from 'ethnographies of marketing' that focuses on studying people in organizations managing marketing activities. They argue that ethnography's characteristic of studying people in natural settings is influential in marketing. That is because it enables marketers to dwell on the unarticulated layers of consumer meaning through observing the customers behaving within all the normal complexities that surround their choices. Besides, participating in the observation within ethnography allows the marketers to capture the vital encountering moments in customers' everyday life and thus assess the gaps in the product or service ability to deliver. Moreover, the multiplicity of data collection helps to generate various perspectives on customers' behaviors and context of interest.

Mariampolski (1999) adds that the holistic nature of ethnography enables marketers to study customers from various aspects simultaneously. The marketer gains invaluable insights about customer satisfaction, frustration & limitations and captures customer language, myths & aspirations. Hence, Mariampolski(1999) believes that the ethnographic method is very powerful in studying marketing issues that are process intensive or holistically focused, such as retail or any commercial environment.

As a result, the branding process would benefit from the use of ethnography. According to Gordon (1999), the ethnographic method acknowledges people's everyday life context and their social/culture group. Furthermore, it recognises the meaning created from objects, events, and relationships within a brand's context. Hence, it is capable to explain and interpret the complex relationships that people have with brands especially at the emotional level. Besides, Arnould & Wallendorf (1994) state that ethnography explores unique dimensions in branding research. While motivational and brand-attribute research studies brands in isolation and focuses on a single meaning orientation (cognitive or psychological), ethnography studying brands within their cultural context and with multiple orientations of meanings (both cognitive and psychological). Moreover, while motivational and brand-attribute research rely on verbal reports, ethnography combines verbal reports with observational reports enabling it to give a more comprehensive understanding of brand behaviour. This, in turn, leads to relevant innovative product designs (Poolton & Ismail, 2000). Finally, ethnography is superior to motivational and brand-attribute research in its ability to crosscheck interpretation of one

product (or service) by examining the behaviours of related products (or services) within the same constellation.

Furthermore, in international branding, Pawle (1999) encourages the international qualitative researcher to refrain from concentrating on focus groups and interviews as methods of investigation. He advocates the adoption of more effective methods, recommending the anthropological ethnographic method that last over days, weeks or longer and thus reveals a lot about cultural sensitivity and consumer behaviour in-action.

In conclusion, the holistic yet deeply probing nature of ethnographic inquiry has proven to be an effective research strategy within managerial contexts, particularly those involving branding issues on both local and international levels. This reinforces the selection of ethnography as the research strategy for this research.

4.4 The Research Ideological Paradigm

According to Denzin & Lincoln (1998), qualitative researchers see the world in a set of abstract precepts (these are ontology, epistemology and methodology) called their ideological/interpretative paradigm. This paradigm marks the researcher's view of people's needs and social action (Creswell, 1998). This chapter has so far identified the ontology, and consequently the epistemology, as well as the methodological approach of the researcher.

Therefore, in this section, the researcher is in a position to place these precepts into the larger ideological paradigm.

Although the ideological paradigms of qualitative research can be countless, the main paradigms are positivism & post-positivism, postmodernism, feminism, constructivism and critical theory (Denzin & Lincoln, 1998; Creswell, 1998; Punch, 1999). Positivism & post-positivism refer to the belief that social sciences can be scientific in the same way as physical sciences (Rice and Ezzy, 1999). Thus, it is characterised by having a deductive logic in its ontology and epistemology and depends on survey in its methodology (Denzin & Lincoln, 1998). Postmodernism refers to the belief that knowledge claims must be set within the conditions of the world today and in multiple perspectives of class, gender, race and other group affiliations (Creswell, 1998). Hence, according to Punch (1999), its ontological and epistemological views are open to new and a variety of ways to attain knowledge.

Consequently, its method depends on the knowledge way to be adopted.

Feminism argues that much of social research is developed from the perspective of men to serve their political power (Rice & Ezzy, 1999). Thus, its ontology and epistemology, according to Creswell (1998), are shaped by the need to establish collaborative and non-exploitative relationships, place the researcher within the study to guard against objectification, and conduct research that is transformative. The main method used is in-depth interviews.

According to Denzin & Lincoln(1998), Constructivism assumes that there are multiple realities (its ontology) and the interaction between the researcher and the subject forms understanding (its epistemology). The findings are presented in a grounded theory format and thus the most common method used is in-depth interviews (Strauss, 1987; Strauss & Corbin, 1998; Creswell,

1998). Critical theory is centred on the theme of exploring social institutions and their transformation via interpreting the meanings of social life to understand the social and systematic relations forging a society (social theorising) (Creswell, 1998; Denzin & Lincoln, 1998). Thus, since patterns of social meanings are called a culture (Rice & Ezzy, 1999), the cultural lens drives its ontology and epistemology. Consequently, the main method employed is ethnography (Creswell, 1998; Denzin & Lincoln, 1998)

Based on these definitions of the various ideological paradigms, this piece of research belongs to critical theory. That is because a cultural lens drives the research ontology and epistemology. Besides, the method selected is ethnography. Moreover, since critical theory does not end at interpreting social meanings (culture) but goes further to social theorising, it embraces the researcher ultimate aim at modelling the retail brand through interpreting its culture. The next section will discuss the ethnographic techniques available to accomplish this aim.

4.5 Ethnographic Techniques

Due to the interdependence between doing ethnography and its foremost method of enquiry (participant observation), both the ethnographic method and participant observation are usually used interchangeably (Hammersley & Atkinson, 1987 and 1998). Nevertheless, there are views that argue that ethnography is the method while participant observation is a technique, however fundamental, within this method (Patton, 1990; Delbridge & Kirkpatrick, 1994; Baszanger & Dodier, 1997; Fetterman, 1998; Creswell,

1998; Punch, 1999; Rice & Ezzy, 1999). Thus, in this section, a review of the participant observation (P.OBV.) as the major ethnographic technique of data collection will be carried to demonstrate its ability to answer the research questions. The review will address the technique, theory and features. Then, the P.OBV. technique will be compared to the two other main techniques of data collection in qualitative research: these are focus groups and in-depth interviews. Finally, a focus on how to do it, problems of use, and the way to analyze the data generated will be conducted to direct the research fieldwork.

4.5.1 Theory

Participant observation (P.OBV.) falls under the umbrella of the data collection technique of observation (Saunders et al. 1997; Creswell, 1998; Punch, 1999; Boote & Mathews, 1999). Observation can be a qualitative or quantitative technique (Punch, 1999; Boote & Mathews, 1999). Researchers can carry out observations in various forms, such as human or machine observation, structured or unstructured observation, natural or artificial observation, and participatory or non-participatory observation (Malhotra, 1993; Boote & Mathews, 1999). However, ethnographic observation is different from all other observations in the sense that it has an ethnographic flavor (Punch, 1999). That is to say just capturing the behavior or the situation is not the goal, rather it is capturing the meaning this behavior or situation has to people that is emphasized. As a result, P. OBV. is defined as the technique for generating data that involves the researcher immersing him/herself in a research setting, and systematically observing dimensions of that setting as well as interactions, relationships, events and actions within that setting so as to

understand its meaning rather than artificially constructing it (Delbridge & Kirkpatrick, 1994; Mason, 1997).

4.5.2 Features

According to Jorgensen (1989), there is a set of major features that characterise participant observation (P.OBV.) First, it has a special interest in human meaning and interactions as viewed from the perspective of the insiders' (i.e. members of a particular situation or setting). Bruyn (1970) believes that this point is the essence of a P. OBV. Besides, Jorgensen (1989) stresses that seldom is any set of evidence perfect or even exhaustive to all possible meanings that people can make in their daily lives. However, the P.OBV. aims to gain access to as many perspectives as possible and to collect as many meanings as possible, as 'evidences'.

Second, it has a special interest in forming theory and theorisation, which stress as a deep understanding of human existence. Thus, it is fundamental for a participant observer to cover the *'here and now of everyday life'* situations and settings through an in depth analysis of a case or a setting (Hammersley & Atkinson, 1987) using direct observation along with other methods of gathering information.

Third, it has a logic and process of enquiry that is open ended, flexible, opportunistic, and requires constant redefinition of what is problematic, based on facts gathered in concrete settings of human existence. This requires the performance of a participant role or roles to develop and maintain relationships with the natives in the field. Becker (1970) added a fourth

significant feature of P.OBV. He believes its analysis ultimately leads to the construction of generalized models of social systems. Accordingly, Jorgensen (1989) summed up the aim of P.OBV. as follows: *"...to generate practical and theoretical truth about human life grounded in the realities of daily existence"*(p.14).

4.5.3 Participant observation compared to interviews and focus groups

In-depth interviews and focus groups are major data collection techniques in qualitative research, especially business research (Malhotra, 1993; Saunders et al. 1994; Burns & Bush, 1998; Kent, 1999). Since ethnography is a flexible tradition of inquiry, it can adopt several data collection techniques (Creswell, 1998; Punch, 1999). Thus, why is participant observation (P.OBV.) believed to be superior to the other two data collection techniques that can be used in ethnography? This section will answer this question.

Like P.OBV, interviews and focus groups have the ability to interpret meaning formulated by people (Becker & Geer, 1970; Mason, 1997, Gordon, 1999). Nonetheless, P.OBV. makes the researcher's interpretation or inference of the respondents' meanings more accurate since he/she works, while gathering the data, in the social context that is rich in situations, cues, and information of all kinds rather than the isolation characterizing interviews or focus groups (Becker & Geer, 1970). Moreover, in contrast to focus groups that capture artificial human behavior in laboratories (e.g. studio or telephone conferences) P.OBV. captures natural human behavior in real settings (Mariampolski, 1999; Gordon, 1999).

Formal interviews are advantageous in their ability to dig deep in the respondents' stances and beliefs (Saunders & Thornhill, 1997). P.OBV. includes informal interviews in the technique enabling it to dig deep as well but with an extra benefit of the informality (Arnould & Wallendorf, 1994). It puts respondents at natural ease and thus gathers attitudes that are not governed by the impressions they are trying to make upon the researcher (Mariampolski, 1999). Additionally, interviews only gather data in verbal form, which capture what is said rather than done. Combining verbal and observational data in P.OBV. enable the researcher to capture what both said (via hearing) and done (via seeing), which leads to more accurate interpretations of data (Becker & Geer, 1970; Arnould & Wallendorf, 1994).

The last and foremost reason for the inferiority of interviews and focus group to P.OBV. with regard to cultural interpretation is its unique ability to engage researchers into the socialisation process and thus they can appropriately interpret cultures, since Thio (1992) argued that socialisation (participation) is the primary sociological act through which culture of any social group should be explored.

In short, since ethnography's prime objective is to interpret cultures with all their complexities in their natural setting, the characteristics of the P.OBV. data collection technique, compared to any other qualitative technique, qualifies it to be the chief technique within the ethnographic tradition of inquiry. Moreover, since the researcher aim to develop a model through

interpreting a culture, he believes that P.OBV features, compared to any other qualitative technique, is the most competent method to achieve this aim. That is because it offers a multi-perspective analysis of a setting through participation in and systematic observations of day-to-day interactions, events, and social actions, which produce an in-depth interpretation of culture within that setting. This capitalises on the ability of P.OBV. to form theories or models of social systems via deep understanding of the setting culture, P.OBV provides a technique through which the researcher can solve the intellectual puzzle, which is the constructed model.

4.5.4 Doing participant observation

Jorgensen (1989) provides a comprehensive guide for doing P.OBV. Thus, this section will be largely based on his work with support referencing when applicable.

Participant observation (P.OBV.) can be used in two ways to tackle research problems. First, *from setting to problem*, which is concerned with formulating a problem out of the research. Second, *from problem to setting*, which is concerned with studying a problem previously set by the researcher and defined further by the researcher's observations. P.OBV. enables researchers to go to the field with a general idea about the problem and what is problematic. However, it stresses that researcher must be open to the widest possible range of findings including that the initial idea might be wrong or inappropriate. Besides, any problem set previously in a P.OBV. study must be sufficiently broad to permit the inclusion of central issues and concerns, yet

narrow enough in scope to guide data collection in form of research questions. Employing P.OBV, is therefore perfectly suitable to the address the design of this piece of research. The research problem was graphically depicted in a broad framework encompassing the branding issues involved in retail branding (see figure 2.5), and organisational culture was identified as the common core (the narrow view) through which the research questions were formulated.

There are two ways (overt and covert) to perform participation in the field. The overt method is where the people in the setting know the researcher's interest. The advantage of this strategy is reducing the ethical problems and thus honest co-operation will exist from respondents. To implement an overt strategy, first an informal approach to the target setting is made to gain a general idea about whether the concept of the researcher as a participant observer is possible or not. As long as the researcher gains this informal acceptance, he/she can then request a formal approval from the authority or who ever in charge. Acceptance of a formal proposal will enable the researcher to gain trust among the authorities and consequently they will help to inform the rest of people in the setting that the researcher can be trusted. Yet, to maintain such trust, it is imperative that the researcher forges friendly relationships with the people involved in the setting to maintain that trust (Delbridge & Kirkpatrick, 1994). The researcher followed this process in approaching Sainsbury's (the retailer brand where stores will be the research settings). Also, to add more credibility to the research proposal, the researcher's supervisor was directly involved in the talks with the retailer.

Additionally, an overt strategy has an advantage that if not working well, the researcher can re-enter as a covert observer.

The covert strategy is where the researcher approaches the setting in a disguised form. This runs a risk of having, if recognized, a complete rejection. Besides, it suffers from ethical criticism (Saunders et al. 1997). However, the covert strategy has advantages, it helps to acquire truthful information under normal circumstances. In fact, Stafford & Stafford (1993) argue that if respondents are protected from harm and if advancement of a discipline will result, the covert strategy should be emphatically considered since it will bring researchers closer to the optimal truth. As a matter of fact, both overt and covert strategies could be used simultaneously.

The way the researcher enters the field as a participant observer depends on his intentions (Jorgensen, 1989; Saunders et al. 1997; Punch, 1999). First, the complete participant where the researcher intends to become a full member of the group using the covert strategy. The complete observer, in contrast, is when the researcher intends not to participate at the activities of the group but just observe. This category does not belong to the ethnographic tradition since ethnography requires participation (Fetterman, 1998). Participant-as-observer (P&O) is when the researcher intends to participate in the same capacity as the real candidates while observing. Finally, observer-as-participant (O&P) is when the researcher intends to mainly observe and does not participate in the same capacity as the real candidates.

In this piece of research, the researcher will aim to immerse himself in the retailer store culture to study the behavior of two groups, employees and customers. Therefore, he will be a *P&O* with employees since he can work with them, and *O&P* with customers to observe their behavior while able to participate if needed. Consequently, the researcher will enter the field as a covert observer with customers while an overt observer with employees.

A major decision for a researcher when doing *P.OBV.* is sampling, the selection of subjects or respondents to provide information. Rice & Ezzy (1999) argue that within the ethnographic tradition in general, the researcher learns from his respondents and thus they are called 'informants'. They stress that the researcher should choose informants based on *competence* rather than *representation*. That means selecting the informants based on their ability to give invaluable information about their group culture rather than their representation of it. To do so, Fetterman (1998) suggests the use of a technique called "the big net". This technique requires the researcher to meet and chat in the setting with as many respondents as possible at an early stage of the study then it will become clear who can provide more information than others: these respondents are called the 'key informants' (Rice & Ezzy, 1999). Finally, to have a robust sample, Gordon (1999) recommends that the key informants should represent the target, the segments of the process being studied, the changes of behavior over time (e.g. different times of the day or week), and different cultural backgrounds (especially in international studies). Recording the information in the field is cardinal for successful participant observation, it is the documentation of what the researcher sees and

experiences in the field (Fetterman, 1998, Rice & Ezzy, 1999). Field notes are the major technique used to collect data or transform observation to data (Mason, 1997). This means recording observational information in writing at the time of happening or just after happening (Fetterman, 1998; Rice & Ezzy, 1999). Also, observations can be recorded on audio/video tapes, and through the use of charts and graphics. The method of data recording depends upon the researchers' critical judgement about what each method can offer to the research and its context (Mason, 1997).

Supplemental data collection tools are used in P.OBV. to enhance its value.

The ethnographic interview is an informal in-depth interview that is used to complement observations (Arnould & Wallendorf, 1994; Fetterman, 1998).

The verbal reports emerging from the interview provides access to informants' inner perceptions and beliefs, and therefore add depth to the understanding generated by P.OBV. of the phenomenon under study. Documents and archival materials are also used alongside P.OBV. to either generate or verify the data gathered (Mason, 1997, Fetterman, 1998)

Finally, the time spent in the field is important to allow an effective P.OBV. study. Fetterman (1998) reckons that ideally, in anthropology, six months to one year is a sufficient time. In managerial research, Delbridge & Kirkpatrick (1994) state that four months is enough time, based on conducting two doctoral studies with P.OBV. as their technique. As a matter of fact, no absolute timing can be fixed. That is because the timing of data collection in qualitative research in general is determined by the time in which the data

saturated (Glaser & Strauss, 1967; Strauss, 1987; Fetterman, 1998; Strauss & Corbin, 1998; Punch, 1999). Saturation of data is the time where researchers realize that the value of the data gathered is diminishing (Fetterman, 1998). In other words, no more significant data about the phenomenon under study is being generated or the patterns of behavior are being repeated again and again (Glaser & Strauss, 1967; Strauss & Corbin, 1998; Fetterman, 1998).

4.5.5 Problems facing participant observation

The problems facing participant observation (P.OBV.) are centered on three main issues; these are objectivity (researcher bias), validity and reliability. These issues are in fact in the criticism of almost all qualitative research techniques (Becker & Geer, 1970; Malhotra, 1993, Burns & Bush, 1998; Denzin & Lincoln, 1998).

Objectivity, or having the researcher play the neutral role in social (humanitarian) research, is considered pragmatically impossible (Delbridge & Kirkpatrick, 1994; Mason, 1997; Denzin & Lincoln, 1998). Hence, to guard against researcher bias, the realisation of the role the researcher plays in the field is essential to the objectivity of the P.OBV. technique (Bruyn, 1970; Jorgensen, 1989; Delbridge & Kirkpatrick, 1994). This issue has been highlighted as vital for objectivity of the whole ethnographic tradition of inquiry calling it *the researcher's reflexivity* (Barnes, 2002, Creswell, 1998).

According to Jorgensen (1989) a validity problem does not exist in P.OBV. On the contrary, it is a highly *valid* technique since its aim is to define accurately

the concepts through which people create their meaning and how they use them in their everyday lives. Therefore, since validity means testing the accuracy of a concept representing what it suppose to represent, participant observation by nature observes and participates in the use of each concept daily and thus ensures that it represents what it is supposed to be with very high accuracy level. Additionally, Gill & Johnson (1991) argued that P.OBV has very high ecological validity since it examines the phenomenon in its natural setting (Saunders et al. 1997).

As for *reliability*, in a conventional sense, this is about consistency of repeated measures. Thus, since participant observation's main aim is not to measure, the conventional sense of validity does not hold (Bruyn, 1970; Jorgensen, 1989). Another view of both reliability and validity in P.OBV. is concerned with enhancing both concepts through the use of *triangulation* (multiple methods) to cross reference among different sources of data, the use of documents, simple counting and/or reviewing data gathered with key informants (Delbridge & Kirkpatrick, 1994; Saunders et al. 1997; Fetterman, 1998)

4.5.6 Analysis of P.OBV. data

Like most qualitative research, P.OBV. data collection and analysis are part of the same process (Glaser & Strauss, 1967, Saunders & Thornhill, 1997; Strauss & Corbin, 1998, Creswell, 1998; Punch, 1999). In other words, both are carried out simultaneously. The data collected in P.OBV. is mainly rich descriptive data that is either analyzed to be presented in a rich narrative or to construct social models or explanatory theories (Becker, 1970; Hammersley &

Atkinson, 1987; Delbridge & Kirkpatrick, 1994; Saunders et al. 1997). Since the research objective is to construct a model, the analysis will be carried out to do so. When P.OBV. analysis aims at constructing a model or theory, it should be guided by the analytical precepts of grounded theory (Hammersley & Atkinson, 1987; Worden (quoting Agar), 1998). The grounded theory way of analysing data is seen as the most systematic in qualitative research (Strauss, 1987; Strauss & Corbin, 1998; Creswell, 1998; Punch, 1999). According to Strauss & Corbin (1998), the grounded theory technique works as follows: The researcher identifies a single central phenomenon to look for in the data (in this research the retail brand culture). Then, develop a set of properties to open up the data to form concepts. This process is known as **Open Coding**. These concepts can stem from the data itself, the experience of the researcher, or the related literature (Strauss, 1987 and Strauss & Corbin, 1998). After defining the open codes, the interrelationships and casual relationships among them should be revealed through subcategories in a process known as **axial coding**. Then, a coherent story connecting the open and axial codes should occur through process known as **selective coding**. The selective coding will generate a set of abstract categories selected by the researcher to form the core of the theory.

Since the grounded theory analysis technique offers a systematic way of constructing theory using concepts as building blocks, it qualifies as a technique suitable for building qualitative models, which Britt (1997) described as "*much similar to playing with a Lego set. However, instead of blocks, qualitative models have broad concepts...*". Since the model is to be

formed out of P.OBV descriptive data, metaphor-type models are the most suitable since the metaphor has the power to go beyond “telling” to “interpreting” (Davies & Ward, 2002), extreme power of illustration because of its pictorial nature (Carson et al. 2001) and hence bringing description alive (Gordon, 1999, Morgan, 1996), which ultimately builds potent theoretical/conceptual/thinking models (Brewer, 2001, Carson et al. 2001, Gordon, 1999). According to Gordon (1999), particularly metaphorical models have been effective in depicting (thinking) brands and the branding process. For example, this style was used in influential branding models, such as Kapferer (1997) brand identity *Prism* Model and de Chernatony & McDonald’s (1998) *double vortex* model.

The final stage in P.OBV. analysis is developing an interpretation of the cultural group through linking the discovered culture with existing theory (Creswell, 1998). Thus, the researcher should link the discovered retail brand culture to the branding theory in the literature.

4.6 Conclusion

In this chapter, a methodology has been developed to achieve the research objective: namely building a retail brand model through interpreting the culture of a retail store. Since interpretation is central to the objective, the researcher decided to use the interpretive research approach—i.e. qualitative research.

In addition, since culture is the subject to be interpreted, ethnography as a tradition of inquiry has been adopted owing to its unique ability to explore cultural interpretations, and its effectiveness within managerial research.

Accordingly, participant observation is used as the main technique for data collection since it is the prime ethnographic data collection technique and possesses features capable of addressing the research objective. Finally, the ultimate aim is to build a model. Thus, the researcher utilised the flexibility of the ethnographic tradition and its data collection technique (P.OBV.) to implement the model-construction analysis embedded in the grounded theory tradition of inquiry and deploy an instrumental case study to address, in-depth, the multi-faceted nature of the retailer brand.

The stores of a multiple grocery retailer were selected to provide the study with a natural setting: As the study has a global dimension, the retailer selected will be studied in both a home and a foreign culture. Therefore, the research settings will embody two stores for one brand, in two different countries. The retailer selected (the instrumental case) is J.Sainsbury's, a leading British grocery retailer. Sainsbury's has been selected because it has a well-developed, strong and reputable brand in the field of grocery retailing and has international operations mainly in the USA and, though for a short period, in Egypt. The countries to be studied are Egypt and the UK. Egypt is the researcher's native country and he thus familiar with its culture and grocery retail system. Furthermore in Egypt, Sainsbury's employed the domestic brand name. The UK is the country in which the researcher had been living and studying for three years prior to conducting the research. Thus, he is familiar with the culture and familiar with the British grocery system through his studies. The following chapter will address the methodology in action or the fieldwork in detail so as to form a context through which the research findings will be interpreted.

Chapter Five: The Research Setting

The previous chapters presented the research objective, framework and methodology. The goal of the next two chapters is to review the background of the research sites and present the research findings respectively. In this chapter, the research sites will be reviewed in order to build up the context in which the interpretation and analysis of the research findings took place. The research sites embody one grocery supermarket brand (Sainsbury's) in two different countries (Egypt and the UK). Hence, the chapter will cover basic country information (geography & economy), the grocery retailing background and brief history of the brand under study in each country. Additionally, the chapter will discuss the role the researcher played in each site to illustrate how the researcher carried out the fieldwork. This discussion provides the researcher role recognition in the field or the researcher's 'reflexivity'. It is an integral component of any ethnographic research since it helps the reader to view the field as seen by the researcher, and hence enhances the objectivity of the interpretation of the research findings (Barnes, 2002).

In accordance with the chronological order of the fieldwork, the site of Egypt and Sainsbury's in Egypt will be presented first followed by the UK and Sainsbury's in the UK.

5.1 Setting (1): Egypt

5.1.1 Basic country information

Egypt is situated in the north-eastern corner of Africa, bounded by the Mediterranean sea from the north and the Red sea from the east with the Sinai peninsula constituting a link to south-west Asia. The population of Egypt in 1999/2000 is 63.2 million (National Bank of Egypt, 2000). Forty five percent

of the population live in urban areas (World Bank, 2001a) and the major urban conurbation is Cairo, which is the largest city in Africa, the Arab world and the Middle East (Egyptian presidency, 1997; C.A.P.M.A.S., 1997). Cairo contains 11.5% of the Egyptian population and the major rural conurbation is Giza with 8.1% of the Egyptian population (C.A.P.M.A.S., 1997). Thus, Cairo and Giza are the most populated cities in Egypt and form the 'Greater Cairo region' (C.A.P.M.A.S., 1997).

Economically, Egypt is classified as a developing country (World Bank, 2002).

Although GDP was growing from 1980 to 2000, the domestic economy was declared to be in crisis in 2001 according to the Egyptian Minister of Planning (Business Today, 2002). It is anticipated that growth will continue but at a lower rate (2.5%) during 2002. According to the World Bank (2002) data, the Egyptian economic structure shows a steady increase in private consumption as a percentage of its GDP. This indicates that Egypt is a highly attractive market for consumption oriented businesses.

5.1.2 Egyptian grocery retailing

This section aims to shed some light on grocery retailing in Egypt to provide a background for the reader so as to understand the findings of the research in its context. Although every effort was made to gather information, there is little public information about retailing and retailers in Egypt. Thus, the sources used will be limited and some may seem quite old. The researcher's own experience within the market as an Egyptian is used to filter relevant information that truly reflects the market at the time when the research fieldwork was conducted. The review will cover the retail background for

consumers and employees in Egypt. This will be done in two sections, one deals with the technical side of retailing (the market structure and employment) and another deals with the social side of retailing (the social trends).

5.1.2.1 Retail market structure

"Egyptian food distribution system is inefficient, expensive, wasteful and unsanitary. Annual post-harvest losses, with an estimated farm-gate value of L.E. 700 million, would fill four columns of trucks bumper-to-bumper from Aswan (the far south of Egypt) to Alexandria (the far north of Egypt). The small scale of most food operations is the principle cause of these conditions" (National Co-operative Business Association, 1986). This quote from the mid 1980's summarises the food distribution system in Egypt and, indeed, all developing countries (Feller, 1986). Although this assessment is an old one, small scale food retailing still dominates the structure of grocery retailing in Egypt (Retail Monitor International, 2000a).

Retail Monitor International (2000a) provides some more recent views based on a study period from 1993 to 1998. In this report, food retailing in Egypt is envisaged to grow and to account for a greater share of overall retail sales. In 1998, the grocery-retailing sector accounted for 64.7% of total retail sales while the non- food sector accounted for 35.3%. The vast majority of food retail sales in Egypt are attributed to small, independent and largely family-owned outlets. The remaining grocery retail sales are attributed to supermarket chains and food specialists, such as butchers, bakers and *Laban* (dairy product specialists). Egypt has a relatively small number of

supermarket chains. The main chains are Metro, Edge (a chain of former co-operatives that went into joint venture with J.Sainsbury's) and ABC (formerly a privately owned chain, acquired by the Edge/J.Sainsbury's partnership).

Supermarket store size in Egypt usually does not exceed 2500 sq. m except for two outlets owned by Edge and ABC (*later branded Sainsbury's*), which exceeded 3000 sq. m.

With the expected opening of multinational supermarket chains, such as Metro of Germany and Carrefour of France (Agence France Presse, 2000), supermarket chains are expected to grow in importance in Egypt. However, as yet, the growth of supermarket chains has not affected the continuous growth of independent retailers (Retail Monitor International, 2000a).

5.1.2.2 Retail employment

Since small scale retailing is the dominant feature of Egyptian grocery retail operations, employment within the sector is characterised by poor salaries, and a small scale workforce (Retail Monitor International, 2000a). In general, the workforce in wholesaling and retailing is dominated by men constituting 92% while females make up the remaining 8% (C.A.P.M.A.S., 1998).

Moreover, because of the dominance of small-scale grocery retailing, the US National Co-operative Business Association (1986) believed that managers within grocery retailing in Egypt were poorly qualified. Their report described retailers in Egypt as *"shrewd traders who operate on the pocket theory, which is if there is more money in my pocket than I started with today, I am doing okay"*.

5.1.2.3 Social trends

Since Egypt is a developing country, poverty influences consumer behaviour towards food. According to the Retail Monitor International (2000b) report, as poverty is predominating, family budgets continue to prioritise food and allocate the largest percentage of their income to it. Also, disposable income is usually spent on food treats, such as candy. The highest annual spending on food and drink per family in Egypt is among the people of Cairo, the capital (C.A.P.M.A.S., 1998).

Customers' food shopping habits in Egypt are shaped by the characteristics, delineated by the Retail Monitor International (2000a), of the traditional grocery retail operating systems, namely:

- 1. An abundance of corner shops due to a high grocery outlet density estimated at around 5 outlets per 1000 inhabitants.**
- 2. Unfamiliarity with the concept of driving to shop for food. This point is reinforced by the US National Co-operative Business Association (1986) analysis of Egyptian retail consumers. They reported that consumers in Egypt tended to walk to food retail outlets and carry food home. Besides, Egyptian shoppers shop almost daily and many store types must be shopped, thus trade areas would normally extend to around 1-1.5 km. Furthermore, a typical shopper may spend around 12 hours per week shopping and transporting food home.**
- 3. A preference for home delivery of grocery shopping. AC Nielsen AMER (1999b) research on attitudes towards grocery shopping in Egypt**

confirmed that home delivery is highly popular to the extent that households would prefer not to shop if a delivery option was available.

4. Resistance to high volume grocery shopping, because Egyptians tend not to stock large quantities of food. This can be seen as a reflection of Egyptian preferences (across all classes) for fresh food as the prime factor considered in food shopping (AC Nielsen AMER, 1999b).

In light of these characteristics, the routine shopping trip of the Egyptian customer can be seen in its wider context. AC Nielsen AMER (1999b) sum up the routine food-shopping trip as follows: the food purchase decision-maker in the household is the female; shopping is performed in on average 5 types of outlet. These types include speciality stores (e.g. butcher, *laban* [dairy products specialist], etc.), open market (mainly for fruit and vegetables), and grocery shops. The main goods usually bought by the household are fruit & vegetables, cheese, milk, meat, and ghee/butter.

For the average customer in Egypt, modern retailing such as shopping centres tend to be very expensive making them affordable only to rich Egyptians and foreigners (tourists, diplomats, etc.) (Retail Monitor International, 2000a). Food supermarkets are no different. Supermarkets are seen as up-market shops tailored for upper classes only (Retail Monitor International, 2000a). The report by the US National Co-operative Business Association (1986) on Egyptian food distribution echoed this point. They questioned a small sample of Egyptian customers about modern supermarkets; the response was that they did not like to shop there because

"they felt they should dress up". In other words, customers felt that supermarkets were out of their social domain. Also, customers felt that the supermarkets' nice modern appearance indicated high prices. ACNielsen AMER (1999a) outlines the social classes shopping in branded supermarkets in Egypt as some (not all) of the A-class and B-Class customers while C-class customers do not shop there.

Given this general picture of a traditional grocery sector, a major event in Egyptian grocery retailing that had a phenomenal effect on all aspects of this market was the arrival of the UK grocery retailer J.Sainsbury's. This is the subject of the coming section.

5.1.3 Sainsbury's history in Egypt

Going into Egypt was Sainsbury's second internationalisation attempt after the United States (US). Since 1987, Sainsbury's has acquired three US chains, based on the East Coast, trading under the brand names of Shaws, Giant, which was later sold and replaced by, Star Markets (Wrigley, 1997a, 1997b, 2000). Sainsbury's story in the US would start this section as a background that may help in identifying trends used by the retailer when internationalising that, in turn, may help in understanding their performance in Egypt. Then, in this section, light will be shed on the background of the brand under study (Sainsbury's) in Egypt. This background is essential to place the research findings from the study of a Sainsbury's store in Egypt into the wider context of the relationship between the brand and the country in which it operates. To address this relationship, the section will describe the story of Sainsbury's in Egypt highlighting Sainsbury's Egyptian operations, the brand strategy and the effect it had on the Egyptian food retailing market.

5.1.3.1 Sainsbury's US operations

In June 1987, Sainsbury's paid \$261 Million to take control of the American regional supermarket chain of Shaws (Wrigley, 1997a). In 1994, Sainsbury's moved further in acquiring other US food chains by acquiring 50% of Giant food stores. Yet, in 1998, Sainsbury's sold its shares at Giant food Inc. and bought Star Markets (Wrigley, 1997b, 2000).

From the date they entered the US, Sainsbury's have been busy restructuring Shaws so as to transfer it from small to a large regional chain based on exporting the British model of food retailing that is characterized by having core competence in merchandising (esp. own label development), logistics management and store developments (Wrigley, 1997a, 1997b, 2000). At the first years, Shaws struggled to make the expected development and profits but by the second half of 1997, Shaws performance was transformed to a leading (second largest) chain in the region (Wrigley, 2000). The secret of change has been captured by Shackleton (1996, 1998) as the ability of Sainsbury's to fully instill the British corporate culture in their US staff.

According to Shackleton (1998), Sainsbury's struggled to instill its culture at Shaws in the first place because of tendency to focus on exporting the strategic know-how without having a hands-on approach and depending on the Shaws' top management, who were from a different corporate culture, to deliver it (Muskett, 2000). As Shackleton (1998) puts it, the "Sainsburyisation" of Shaws were not a reality till Sainsbury's top management realized their mistake and moved its executives to work in main postes in their US stores, and offered hands-on training to its staff in the US via exchanges in the UK

stores (Muskett, 2000). This made Shaws' management get involved in a social sense in Sainsbury's corporate culture and this have enable them to adopt it as their work ethos and consequently apply it into their strategies and thus performing as expected (Shackleton,1998).

Finally, with the retail consolidations stiffing in the US, Sainsbury's moved to keep pace with competitors but their troubles at their home market have dented their efforts and now casting a dark shadow on their financial credibility in the US (Wrigley, 2000).

5.1.3.2 Sainsbury's Egyptian operations

According to J-Sainsbury's plc (2001), Sainsbury's Egypt, also known as Edge SAE, is the company's Egyptian supermarket chain based in the greater Cairo area. Edge was established by the El-Nasharty group in 1997 and listed on the Cairo Stock Exchange in October 1998. In March 1999, J-Sainsbury's plc acquired a 25.1% share in Edge, and in October 1999 this shareholding was increased to 80.1%. The first supermarket trading under Sainsbury's banner opened in February 2000 and by November 2000, Sainsbury's Egypt operated from 106 supermarkets and neighbourhood stores in the greater Cairo area and employed 2,500 people. The Edge stores ranged in size from 1000 sq. ft. to 28,000 sq. ft.

The start of Sainsbury's supermarket operation in Egypt was reported to be a great success with customers (Huband, 2000, Bryant, 2000, Gordon, 2000, Salem, 2000, Eltahawy, 2000). However, only 14 months after opening the first Sainsbury's branded store, the company announced (9 April 2001) to the stock market in the UK and all its workers in Egypt that it had decided to pull

out of the Egyptian market. The announcement stated that the withdrawal was a decision resulting from a strategic review of the company's operations in Egypt that decided to sell the company's shares to the Egyptian partner. Despite consumer enthusiasm, the 2001 annual report showed a continuing loss of £35m (£11m in 2000). The company reported that this was due to difficult trading conditions in the Egyptian market; stated to be delays in getting trading permits, and the deteriorating political situation in the Middle East (the Palestinian uprising in September 2000). A strategic review was announced in November 2000 and the selling decision followed.

This sale led to an exceptional loss of £100m-£125m from the Egyptian operations in the company's year-end accounts to 31 March 2001. This result was clearly disappointing, according to the announcement, but with the sale of Home base in the UK and the ending of the Egyptian operations, the company was able to focus its operations around food retailing & related activities in the UK and the US.

5.1.3.3 Sainsbury's Egypt brand strategy

To understand the brand strategy of Sainsbury's in Egypt, interviews were held with the marketing director and the advertising account executive in Egypt. According to the marketing director in Egypt, the bedrock of Sainsbury's marketing strategy everywhere is offering "*quality food to ordinary people*". This offer of high food quality, which is relative to the market in which it exists (Egypt), leads to a better life for Egyptians. So, Sainsbury's (the brand in Egypt) is crafted to be customer oriented, offering to Egyptians great

quality, super value for money, helpfulness, and real respect for the culture.

Respect for the culture was taken into consideration by presenting the Arabic translation of Sainsbury's name on all communications first, and in a bigger font than the English name.

The marketing manager decided, based on qualitative and quantitative research, that the prime target customer for Sainsbury's Egypt was the family (including the husband, housewife and kids) particularly the housewife because she is the heart of the family. That is why, he argued, "we developed our stores, particularly large ones, to offer an experience for the whole family. For example, we provide shopping trolleys with calculators and list holders for the husband and wife to control their budget and trolleys with plastic cars in front for kids to enjoy. Also, our marketing communication is focused on portraying the family and particularly the housewife. The brand promise is therefore summed up in the slogan "*Everyday is a feast at Sainsbury's*". The words represent the everyday low price promise of food and fun for the family captured in the words *Everyday* and *feast* (*this is because feast in Egypt is always associated with plenty of food & fun*).

The brand's advertising executive in the Leo Burnett ad agency in Cairo, who handled the Sainsbury's account, summed up Sainsbury's Egypt intended brand personality as follows:

"Sainsbury's made my life easier..I've never imagined that shopping for my home could be something I learn to enjoy..On top, I can still be the savvy housewife I wanted .. However, more creative."

From this summary, it can be inferred that the brand intends to *make life easier* for the housewife by making the catering to her family creative and enjoyable. To carry this message to Egyptians, Sainsbury's used TV, Press (including leaflets) and outdoor mediums to advertise. TV and press were focused on creating brand awareness however some leaflets were innovative with food recipes aimed primarily at delivering the creativity promise. Thus, the recipe leaflet had a teasing design with a cover containing a picture of a food item and a caption saying, "*This is not this pictured food item*". Inside there is a full recipe just using the pictured food item as an ingredient . Finally, the outdoor medium was focused on directing customers to store locations.

As for the employees in Egypt, Sainsbury's marketing director argued that a manager the way he/she is managed, thus the employee is the product of top management. This is the philosophy adopted in Egypt by Sainsbury's British top management particularly since there is no retail management experience in Egypt." Within the marketing team, as a manager I had to lead by example but not forcing my way in order to take into consideration cultural differences, for instance, when designing Sainsbury's uniform for women working at the store, we had to take into consideration the Islamic scarf."

5.1.3.4 The effect of Sainsbury's on Egyptian grocery retailing

The arrival of Sainsbury's stunned the underdeveloped Egyptian grocery retail market. Gordon (2000) aptly encapsulated the Sainsbury's effect when she wrote "*....the arrival (in Egypt) of the first major western supermarket chain*

has caused nearly as much public disquiet and controversy as the recent endorsement of divorce for women (in Egypt) “. Sainsbury’s was controversial through its pricing strategy which undercut competition (Drummond, 2001, Salem, 2000, Huband, 2000, Bryant, 2000) and consequently broke from the expected supermarket position in Egypt by targeting the masses rather than the upper class (Drummond, 2001, Salem, 2000).

Sainsbury’s strategy was extremely popular among Egyptian customers because they were offered a wide choice of food and low prices in what was otherwise a closed, inefficient and consequently expensive food retailing system. Besides, in a developing country where the gross national income per capita (GNI) is around \$1500/year (World Bank, 2001a) and with a high basic food consumption, a low food price policy was desperately needed and consequently customers considered the provider to be their “*champion*” (Eltahawy, 2000).

This strategy however was not at all popular among the majority of independent food retailers in the market. It caused customers (rich and poor) to shift to Sainsbury’s (Eltahawy, 2000, Drummond, 2001) leading to about a 40% drop in sales for independent retailers in the areas where Sainsbury’s operated, consequently threatening these businesses with bankruptcy (Huband, 2000, Bryant, 2000). The setting of prices below competition was considered by the independent retailers as monopoly act and thus dishonourable (Salem, 2000, MEED, 2000). As a result, they submitted a formal complaint to the chamber of commerce in Egypt forcing Sainsbury’s to

negotiate an agreement not to sell below factory prices (MEED, 2000, Salem, 2000).

Complaints were not only formal but also informal. Traders called upon religious leaders to portray Sainsbury's as the "*devils' son*" and urged customers to boycott the chain because of its devastating effect on the local traders' lives (Eltahawy, 2000). Moreover, the Palestinian uprising in September 2000 ignited anti-western feelings among Egyptians leading some customers to boycott the stores (Dawoud & Whitaker, 2000). A rumour also spread that Sainsbury's was owned by Jews and helped Israel financially, which put Sainsbury's into a direct link with the 'enemy' (Israel) and thus some students stoned the stores (Davies, 2000, Drummond, 2001). This link also saw Sainsbury's appear on an informal western-company brands boycott list distributed in Cairo with the slogan "*Boycotting the enemies is not only a national duty but also a religious one*".

Although some believe that this political/religious pressure for Sainsbury's is the prime reason that they pulled out of Egypt (Davies, 2000), the marketing director of Sainsbury's Egypt cited traders' jealousy, and logistical problems as the prime causes. In fact, political/religious pressure can be a marginal cause of withdrawal from Egypt, because sales figures during the month of Ramadan (the holy religious month) in its largest store indicated a big increase from normal. These informal figures were backed up by the IPR database (2001) description of the demand during Ramadan across Sainsbury's Egypt stores as "tremendous".

The Sainsbury's debate not only flourished within the retail industry but also at the national level. Abed El-Hameed (2001) argues that the two years Sainsbury's spent in Cairo was certainly not enough to cover the costs of such a huge investment, and the great popularity of the chain was ideal for its debut in the market. Furthermore, the effect of the boycott would have only had a minor effect on the operations of such a giant retail company, and the support that the chain received from the government was unprecedented. Hence, he concluded that Sainsbury's was trying to solve its home market problems at the expense of Egypt's reputation as an investment destination.

Al-Ahram Weekly (2001) argues that Sainsbury's did not have a positive impact on Egypt economically, but actually made the situation worse by encouraging higher levels of consumerism rather than productivity. According to FitzPatrick (2001), David Reader, the UK commercial counselor in Egypt, argues against this, claiming that Sainsbury's had a positive economic impact on Egypt on two fronts. First, it created jobs for Egyptians. Second, it fostered Egyptian exports via sourcing from Egypt for some of its own brand ranges sold in the UK and the US. Nonetheless, he concluded that the effect, whether viewed as negative or positive, that Sainsbury's had on the Egyptian economy was the inevitable effect of globalisation on all developing countries.

5.1.3.5 Summary

Egypt is a developing country with an inefficient and underdeveloped food retailing system serving a majority of deprived customers. Sainsbury's arrival

in the Egyptian retail market was a boon for customers but a curse on existing traders. Sainsbury's technical know-how encapsulated in its aggressive pricing policy and convenience provided customers with a way out of the technical frailties of the existing local system. However, the lack of a social consideration towards the small independent retailers, who are the nerve of Egypt food retailing, made Sainsbury's a 'social villain' to Egyptian society. Since this 'social villain' status didn't damage Sainsbury's sales, it can be inferred that the social power of the retail brand was less important than its technical power in an underdeveloped market. To illustrate, comparing the Sainsbury's brand strategy as the Egyptian family/housewife's advocate, and the actual effect on the Egyptian market indicates that the brand's popularity with customers was derived first and foremost from its low pricing strategy.

Comparing Sainsbury's food retailing model (the British model) in the US vis-à-vis Egypt, it can be observed that it worked technically well in both countries. However, the problems the retailer faced in the US and Egypt were similar in their social nature but in the US they were mainly internal (micro) problems characterised by resistance to change within an organisation (Shaws) while in Egypt the problem was external with the society as a whole (macro problem) resisting to change the grocery retail traditions. This observation can indicate that success in managing brand visions (models) globally is not only dependent on technical performance but also dependent on social performance; that varies across cultures.

Finally, it is observed that Sainsbury's struggle at their home market (the UK) always have a negative impact on the international arm leading them to pull out of Egypt amid a series of criticism for their lack of strategic credibility and landing in hot water with their financial suppliers in the US because of the decline in share prices due to the struggling UK operations (Wrigley, 2000). This could indicate that retailers who travel as superior operators and directly invest in another country should ensure foreseeable rock-solid operations at home because otherwise it tends to severally affect the strategic credibility of the retailer.

5.1.4 The store in Egypt

In this section, the criteria for selecting the store in which the research was carried out in Egypt will be presented. Also, the researcher's role in the store and the data collection techniques used on the site will be discussed.

5.1.4.1 Store selection criteria

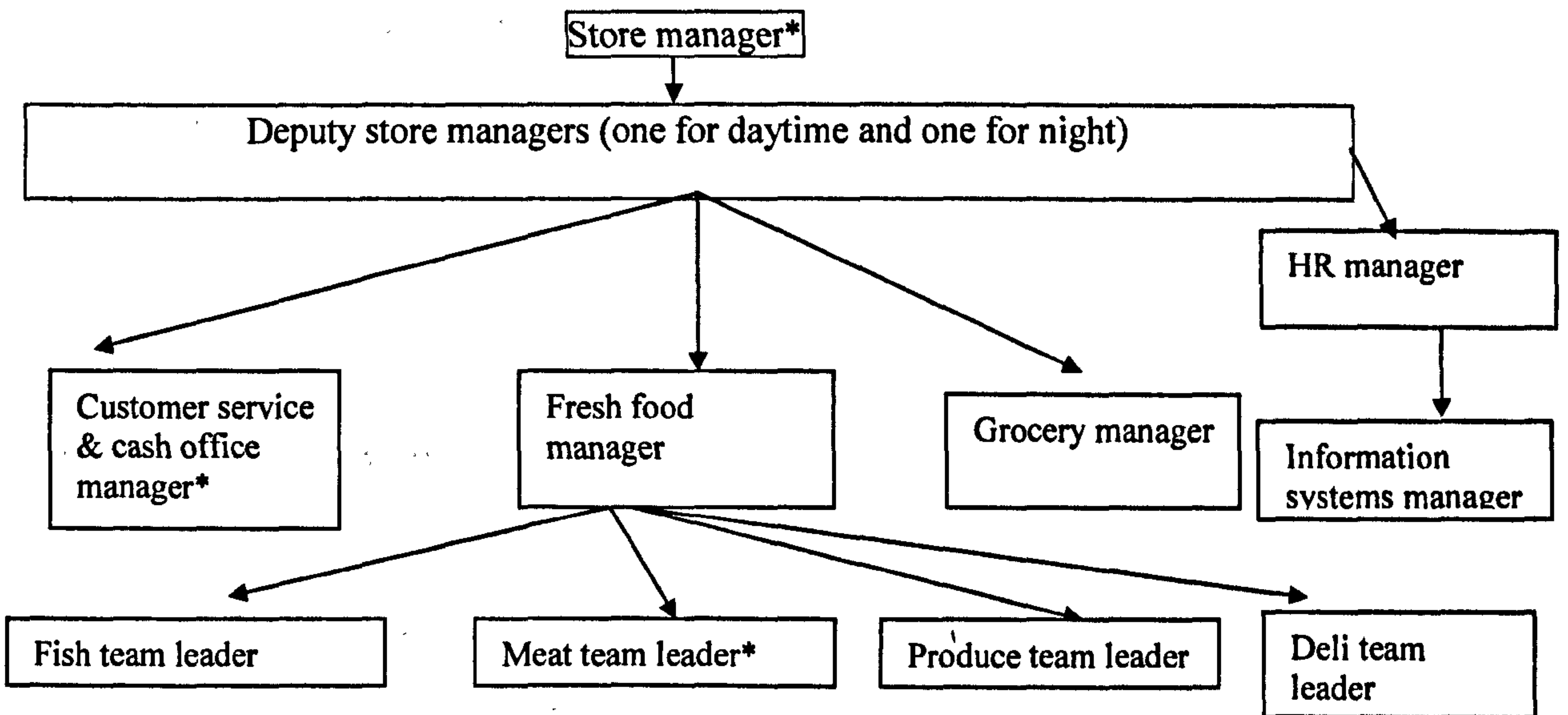
The store selected was the first to trade under the Sainsbury's banner (it took the Sainsbury's name in February 2000) in the greater Cairo area, a 27,000-sq. ft. store on Al-Ahram road, Giza. Being the first store made its employees the most experienced to work for Sainsbury's in Egypt, and for customers, it provided the first experience of Sainsbury's branded stores. As the largest store, it also allowed the researcher to participate in the full range of store facilities/services available to customers within a Sainsbury's store.

Furthermore, since it was the largest store, it stocked the widest range of merchandise that Sainsbury's offered in Egypt (including national and private brands), which attracted various types of customers and consequently allowed the researcher access to wide range of customer groups.

The store layout was based on the grid format (see map in appendix 2) including fourteen grocery aisles, and four fresh food counters (meat, fish, delicatessen, and bakery). It also had three aisles of health and beauty merchandise, two toy aisles, two aisles for home furniture and one aisle for plants/flowers. The majority of the stock was national brands (about 70%) with about 30% of own brands. The own brands were of two types: a value range named in Arabic as "*Wafar*" ("save") and regular ranges named as "*Sainsbury's*". The "*Sainsbury's*" range was offered within the following categories: detergents, soaps, mineral water, fresh juice, and paper goods (napkins, kitchen towels, etc.). The "*Wafar*" range was offered in the essential food category, such as rice, pre-packed bread, flour, ghee, oil, sugar, macaroni, tomato paste, noodles, tea, frozen vegetables, cheese spreads, and packed juices. Also present in the merchandise mix, was a wide range from Sainsbury's economy range in the UK but presented as the premium own brand range mainly in fancy (to Egyptians) food products, such as brown sauce, baked beans, and new potatoes. Limited ranges of selected leading British brands were also present, such as Worcestershire sauce, HP range of sauces, and Lotus canned bamboo shoots.

The management structure of the store was as follows (Figure 5.1):

Figure 5.1 The management structure of Sainsbury's store in Egypt



The (*) indicates the non-Egyptian staff in the store. Both the store manager and the customer services & cash office manager were British with work experience in Tesco stores in England. The meat team leader was a Palestinian with work experience gained from several food retailers in the Arabian Gulf.

5.1.4.2 The researcher's role in the store

The intention in this section is to shed light on the role the researcher played in the store to forge relationships, and to select appropriate sites to collect the data and record it. To discuss this role, the use of the first person (I) is essential.

As an Egyptian native, I possess a deep understanding of Egyptian society characteristics and attitudes towards grocery retailing. Although I have never worked for a grocery retailer in Egypt, I have been a customer and witnessed the changes in the system across the years. Thus, I have developed an

understanding of the market structure from a customer viewpoint. Going to the Sainsbury's store as a researcher poised to undertake a participant observation was a different experience than usual. The difference being that I will not only be a customer but also have a first hand experience of working in grocery retailing.

Hence, I had to allow for an introductory period of time to get acquainted with the new work experience and lay the basis for the rest of the fieldwork on the shop floor. Since the store had five main departments, I decided to make a 10-day introductory period averaging two days orientation per department, which could be extended if needed.

- **The ten-day store tour**

Within the ten day tour, I stopped by the five shop floor departments (delicatessen, fish, meat, customer services and grocery). The bakery department was out-sourced and did not carry the Sainsbury's brand, so it was not relevant to the study.

By observing and chatting with employees at each department, the tour helped me to familiarise myself with the nature of work done in each department. Also, the tour allowed me to apply Fetterman's (1998) technique of "the big net" where I met various employees and customers (the respondents) at the site to determine the key employee informants and the key departments from which I could collect information on customers.

To forge trustworthy relationships with employees, I had to deploy a variety of tactics. Being an Egyptian, I knew that Egyptian employees, particularly those who have a practical skill but low education levels (e.g. butchers,

fishmongers), are very cautious about talking about anything related to their job with externals, in case they should blackmail them with their managers and consequently lose their jobs. Therefore, I asked the store HR manager to introduce me to every department. That was because he dealt with all employees very often and thus knew how to make them feel at ease with me. My faith in him paid off because he explained to me the personalities of many of his employees and from this I decided roughly whom to contact as a key informant. Also, to avoid evoking any resentment or mistrust towards me, he introduced me to the staff in every department in person emphasising that my role at the store was strictly research (I had no power to blackmail any employee), and urged employees to be helpful and honest with me.

The HR manager's introduction laid the base for me to gain trust and to start forming relationships with employees in every department. However, I had a lot of work to do. I had to reassure the employees of my role and intent myself. Hence, I had to explain the purpose of my study in an informal and easy way so as to be understood. Besides, as a PhD student, the store employees held me in high regard, which helped me to gain their respect. In return, to show respect, I promised them that all the information they revealed to me would be anonymous. I was careful not to use any English technical terms so as not to make them feel inferior. Furthermore, to convince employees that their contribution was highly valued, I used the authorisation from Sainsbury's UK corporate H.Q. to conduct the research and report its findings to support my position. I emphasised to employees that it was their

chance to take their voice to the highest level and consequently they were highly motivated to contribute.

As for the customers, the first ten days were based on pure observation of their actions in each department to determine the best department/s to collect data. My criterion for selecting the best department/s was that site/s should give high exposure to customers with a service nature that requires conversation with customers. Besides, the departments were evaluated based on my ability to gain the rudimentary work skills required so as to participate fully in serving customers as a covert researcher.

Based on the first ten days work, I carried out my research in the store as follows:

- **One month in fresh food departments: fish, meat and deli**

The fresh food counters provided me with the highest exposure to customers in buying mood. I spent two weeks with the fish department, ten days with the meat and five days with the deli. The fish department took the majority of the time because I managed to get very well with the fishmongers forging strong relationships that allowed me to collect cardinal data about employees.

Because of this potent relationship, I was trained in the basic skills of the fish department quickly and was trusted to serve customers. Therefore, it was a great spot to collect data about customers. My performance and relationship with the fish team gave me a favourable reputation with the meat counter just next door. So, they kept asking me to join them as soon as possible. The butchers' acceptance made me think that I could emulate the success on the fish counter. There, I found myself easily integrated and got on well with the

butchers. They were quite happy to teach me some basic skills to be able to serve customers, talk about the customer encounter from their own viewpoint and to chat about their own Sainsbury's experience. In contrast, the deli team was not very receptive as they had a very suspicious line manager but the majority of the junior employees were happy to speak to me about their views of Sainsbury's and their customer encounter experiences. However, on the counter itself few people managed to speak to me because they were worried about their manager's resentment and were always very busy because of the nature of the counter. Although the counter was very busy all the time with customers, I felt it was a spot where chatting with customers is virtually impossible because speed is the prime element in the service. In addition, the department's name 'delicatessen' required fine skills, which I did not possess and needed a long time to gain. Therefore, I decided that just five days would be enough to study the department.

- **One month on the customer service desk**

The customer service desk provided the highest customer exposure spot in the store. Hence, I dedicated one full month for working there. The staff on the desk was very receptive to me, as I had already spent a month in the store, occasionally introducing myself to them. Also, this department had a British woman managing it. She found, in my UK retail knowledge and language capabilities, a person who could help her to get through many issues she struggled to explain to her Egyptian staff. So, she asked her team to help me as well as learn from me. This made the employees very open with me, talking about their experience as Sainsbury's employees, and their

experiences serving customers at the store while, in return, I explained to them how retailing worked in Britain. As a result of this mutual trust, I managed to collect invaluable data about employees as well as customers from this department.

The customer information gathered on the desk was different from that gained from the fresh food counters. The desk information logically captures the customer after finishing shopping, rather than during shopping. It helped to capture customers' comments and complaints about all departments of the store including the desk's core service (the checkouts) and the major department of grocery, which I did not manage to investigate during my time on the fresh food counters. To capture customers attention even more than usual, I got permission from the top management to put up a sign asking customers to speak to the desk should they have any suggestions or comments about the store, during the times when I was on the desk. As for employee information, being on the desk allowed me to interact with, and observe, employees working on the checkouts, and the security staff who, ironically, proved to be an invaluable source of information.

- **Attending weekly store managers' meeting**

To gather data about the relationships between the stores top managers and the department managers, I arranged to attend the weekly meeting of department heads. These meetings enabled me to observe the relationship between the British manager and his experienced Egyptian staff.

- **The role of the canteen**

The canteen also played a vital role for collecting data from employees. As a place of rest, I found it a great place to gather information from employees. That is because they had no work pressures or boss demanding discipline and thus talked freely without any interruptions or hesitation. Furthermore, information about the employees' social life (family, hobbies, kids, etc.) came up in the canteen discussions more often than in the work place because of the relaxed informal atmosphere that characterises the canteen environment.

- **Data recording in the store**

Recording data in ethnography is vital to provide a complete and accurate set of data. The recording of data should be simultaneous with its collection as much as possible. I managed to keep an immediate record of data in two sites: the customer service department and informal interviews with customers outside the store. This was because the nature of customer service work involves a lot of paperwork and thus recording data did not seem to be an odd behaviour. Also, in the customer interviews, since respondents trusted me and expected me to record the data on the spot, immediate recording was not an issue of concern. On the fresh food counters, I had difficulty keeping an immediate record of data for two main reasons. First, being involved in serving customers on the counter, I could not interrupt this task to record the data without appearing odd to customers, and had to maintain continuity in serving customers just as the rest of the staff. Second, the fresh food employees (butchers, deli and fishmongers) were always cautious about discussing their job affairs in public (see the first ten days in store section).

Hence, I realized that the presence of a 'pen and paper' would make my position very formal and could shake their confidence in me. In addition, since the majority of the fresh food employees were either illiterate or had low education levels, recording data about them in writing would seem as an offence that may have breached my data collection integrity with them. As a result of these difficulties, I opted to make the data recording records for the fresh counters four times a day, corresponding to the four praying occasions per day I make as a Muslim. The praying times were selected because prayers occurred in a place far away from the counters so I did not seem to be directly recording what employees said. Besides, the praying time allowed me to record data for about 15-20 minutes before and after the prayers that take just 3-4 minutes. As praying time gave me the ability to record data as frequently as four times a day, this enabled me to have enough time to adequately collect each day's data. Finally, praying gave me a religious image among the employees, which further enhanced my integrity among them.

- **Key informants**

In ethnography, information is gathered from respondents who hold the keys for their group culture. Thus, they are known as 'key informants' and should be selected based on competence rather than representation. For customers, since the data collection method is a covert participant observation and various customers are constantly present in the store, determining a key informant was neither desired, in order not to expose the researcher's cover, nor practical because there are no customers more culturally knowledgeable than others. Thus, I opted for those departments where access to customers

is high and interaction is information-rich as the key ones for revealing data about the customers' side of store culture.

To build trustworthy relationships with customers within the key departments so as to collect reliable data, I had to deploy various tactics to allow two-fold data collection phase. First, the covert data-collection phase. In this phase, the relationship between respondents and myself needed to be undercover. To be disguised, I had to perform as if I was a full member of the store staff. Thus, I learned the basic skills at each department so as to be able to serve customers as a member of staff. In addition, I wore a uniform similar to that of the store staff so as to look no different from the staff in each department.

Second, the overt data collection phase. I originally did not plan this phase of data collection but Sainsbury's decision to withdraw from Egypt before I felt the data was saturated forced me to do so. This phase was carried out by conducting ethnographic (informal) interviews with customers outside the store. To gain access to and form a trustworthy relationship with the respondents, I selected some of my relatives and friends who knew me well and thus trusted me. Then, I utilised snow-balling technique to gain further more interviews through asking them to recommend some of their friends so as to gain further access and maintain trust. I managed to meet a total of forty respondents during a period of twenty days. The interviews were semi-structured with open-ended questions for discussion and held in the respondents' home. The respondents were mainly families, which made these interviews a mini group discussion lasting for about 1-2 hours on average. To

ensure that the respondents had been in touch with the brand and to be able to comment on their experience with it, I selected only those who have been in a Sainsbury's store at least twice. This part of data collection, albeit not planned, added a valuable new dimension to data regarding the reasons why some people stopped going to Sainsbury's.

As for employees, to pinpoint key informants at the store, an opinion leader is a desired criterion. Opinion leaders are competent in their comprehensive knowledge of life at the store and willingness to speak openly about it. Additionally, having worked for the store for a long period of time was an essential criterion for a key informant, in order for the informants to be able to comment on the development of the store within the local market.

To identify the staff members possessing these criteria, I had a discussion with the HR manager. He briefed me on personalities and where they worked. Then, I utilised my ten-day store orientation period to introduce myself and interact with those recommended so as to confirm the HR manager's recommendation and to start building relationships with them. My first key employee informant among the employees was the leader of the fishmongers. He was known for his outspoken personality and his eagerness to fight for the employees' rights, whether in his department or elsewhere. I came in contact with him for the first time when he voluntarily came over to the deli department (my very first stop) to introduce himself and to inquire about my role at the department. From our talk, I found him very receptive to the idea of the research and a good person with whom I could easily deal. So, the first

department, which I selected, was his department (the fish department) so as to capitalise on his support and willingness to help me. Also, capitalising on his strong personality within all the fresh food departments, I envisaged that the fish department would be a potent starting point for the other departments. This vision proved to be correct when he strongly recommended me to the meat and the deli departments and the their staff. Moreover, he started in the store at its inception and had several years of experience working for supermarkets in Egypt. Hence, he had a wide experience of the brand and the Egyptian supermarket business as a whole.

My second key informant was at the meat counter. Although he was not the section head, he was a widely respected figure among the butchers for his expertise and placid personality. He was like a consultant for the meat team. All of them, including the head of team, asked his advice on technical as well as personal issues. I knew the person from his reputation before joining the meat team and I also had little chats with him in the canteen. I found him a very nice man with whom I could easily deal. In fact, he said to me after three days of joining the butchers, *"You are a respectable and trustworthy guy, I feel comfortable talking to you"*. These words indicated to me there was mutual respect and trust that I could utilise to the full.

Despite his quiet personality, his expertise and respect within the department made him the key man in this team. In addition, he had previous experience working with foreign managers while working for hotels in Egypt. This made him able to comment on dealing with cultural differences. Finally, he was also

in the store from its inception and thus was able to comment on the development of the store since the start of business.

My third key informant was a deli employee who had an interesting personality. He was a cautious but ambitious employee who wanted to improve himself and his department. He expressed a keen interest to learn about supermarkets abroad from me. Thus, I found a chance for mutual benefit. By being honest with him and explaining some retail concepts from Europe, he developed a great respect for my knowledge. So, he started explaining to me his vision for the deli department through his views of the status quo, the frustrations within the department for him and his colleagues, and what he believed would enhance departmental performance. By providing this type of information, he was a key man to explain and understand the issues within the deli department. He had also been working for the store since its inception and thus he was able to comment on the development of the store.

In the customer service department, I had a good rapport with the British woman managing it. Since she was the foreign manager of the department, I utilised her as a key informant on the issue of cultural differences in running the department. As for the day-to-day activities and local affairs, I developed a key informant who was an assistant manager experienced in customer services from his two-years previous work experience in Metro, a major supermarket chains in Egypt. He was a well-educate person with a BA in commerce and thus he respected for me because of my pursuit of the Ph.D. (particularly the retailing academic background) and the direct

recommendation of his manager to help me. Besides, he was a very polite person and consequently I had no problem in getting on very well with him. He was a well-respected figure among all his employees, colleges, and managers because of his polite nature and professionalism. In addition, he had been around the store since its beginnings, so he had the knowledge to comment on the store throughout its time in the market.

By definition, the store top managers (store manager and the deputy) are key informants because of their broad knowledge of all aspects within the store including both employees, and customers. Since it was not possible to participate in a manager's job, semi-structured interviews were conducted with them at the end of my time in the store so as to wrap up my observations with their comprehensive views.

Finally, although all the key informants were competent as information sources, I triangulated their data with information from other employees' to complete the views and consequently build up a comprehensive picture of the employee culture in the store.

The selection of key informants within employee groups and key departments for customers to collect the data within the store echoed Gordon (1999) characteristics for the correct ethnography site sampling. First, the site portrays the target (customers and employees) and the segments of the process being studied (the key store departments for the study of store culture). Second, Gordon (1999) argues that the researcher should capture

the behaviour changes of the target over different times of the day or week and different cultural backgrounds. Therefore, I worked at each department daily from 10am to 10pm including weekends so as to observe the employees' morning and evening shifts and customer shopping behaviour in the morning, evening and weekends. Finally, to capture the difference in culture, the British managers as well as local employees were picked as key informants.

5.2 Setting (2) : UK

5.2.1 Basic country information

The United Kingdom (UK) is a western European country located in northern Europe with London as its capital. The UK population is approximately 60 million (July 2001 estimation) spread across four unified regions; these are England, Scotland, Wales and Northern Ireland (World Fact Book, 2002). The World Bank (2001b) classifies the UK among the developed high-income nations with a Gross National Income (GNI) per capita of \$ 24, 500.

Economically, the UK has a GDP of \$ 1.36 trillion (2000 estimation) making it among the top four economies in Western Europe (World Fact Book, 2002; World Bank, 2001). The services sector delivers the highest percentage (73.4%) of this GDP followed by the industry (24.9%) and finally agriculture (1.7%). The UK GDP information indicates that although private consumption is high about 65% of the total, the local economy is well capable of meeting the demand making the UK a saturated market.

As for the labour market, the labour force distribution within the UK echoes the GDP distribution with the service sector as the largest employer followed by the industry and finally the agriculture sectors (World Fact Book, 2002).

5.2.2 UK Social trends

Since the researcher is not a native of the UK, an understanding of the contemporary features of the society is essential to make sense of the data collected from it. Therefore, UK social trends will be reviewed to highlight the contemporary features of the British society that may have an effect on consumer behaviour and employment in the country. To unveil these general features, basic information about contemporary household structure and expenditure patterns and the labour market need to be briefly reviewed. This is based on the data and comments made in the Social Trends report prepared by the UK Office of National Statistics (2000).

5.2.2.1 Household structure and expenditure patterns

The average household size in the UK is 2.4 people per household based on 1999 figures. Moreover, the number of one-person households increased rapidly during the 20th century reflecting an increase in the average age at marriage, a decline in marriage, and rise in separation and divorce rates. Indeed, almost four in ten live births in the UK happened outside marriage. As a result, the 'traditional family' with a parent couple and dependent children has declined from 38% of households in 1961 to 23% in 1999.

Like the rest of Europe, the UK has an ageing population. The proportion of the population aged under 16 years old has been falling since 1901, at a rate of decrease that is higher than that of population above 65 years. This trend is

set to continue and consequently it is projected that by 2016, for the first time, the over 65-age group will exceed that under 16. Also, immigration has had a major influence on the population structure in the UK with one person in fifteen now from an ethnic minority.

The UK population has been highly urbanised for much of the 20th century. Almost 90% of the UK population lives in urban areas with the largest urban centre located in Greater London area. The urbanisation trend has been reflected in household expenditure patterns. The proportion of expenditure spent on services has increased from 28% to 48% in 1998. Besides, the purchasing power of the British consumer has been very strong since earnings have been increasing at a faster rate than market prices. The emergence of new products and services in the market has also provided consumers with a wide choice. Affluence and choice make spending on non-rudimentary goods and services (e.g. leisure) increase while basic goods and services spending (e.g. fuel, light, etc.) decreases.

As a result of the above changing expenditure patterns, UK retailers (particularly supermarkets, department stores, e-tailing and high street chains) are unsurprisingly the main destination for households to spend their surplus money. Hence, the UK retail market is classified as the 2nd largest in Europe due to its large population and above average spending (Retail intelligence, 2001).

5.2.2.2 Labour market

The highest ever employment rate in the UK since record began has been recorded in 1999. Out of 35.9 million people of working age, 26.4 million were employed, which represented nearly 75% of the working population. Part-time employment is increasing becoming the dominant type of employment in the UK. However, full-time employment is still the dominant type with three times more people in full-time jobs than part-time ones.

As the service sector takes the ascendancy in the UK economy, the former industrial areas are the worst hit; Glasgow had the highest unemployment rate of these industrial areas. Furthermore, a service-based economy has encouraged training and development of staff skills in the workplace as a paramount issue.

The above brief review of the household structure and expenditure patterns and the labour market have revealed the general structure of the British society that is essential as a backdrop to understand UK customers and employees. To focus on understanding British customers and employees on the research site (a food retailer), the next section will focus on reviewing the general features of food retailing in the UK.

5.2.3 UK grocery retailing

This section sheds some lights on the UK customers and employees

background in grocery retailing. To do so, the section will review the UK

grocery market structure, events shaping the market and employment issues.

5.2.3.1 Market structure

According to IGD (1999), the UK grocery market size in 1998 was £91 billion,

while the total retail market in the UK was £194 billion. Thus the grocery

market accounts for 47% of all UK retail sales. Since grocery retailing account

for nearly half the total retail sales in the UK, it is declared as the single most

important component of the UK retail market (Key Note, 1999).

The UK grocery market is comprised of six main types of retailer. These, in

order of contribution, are the Major Multiples (62%), Convenience retailers

(18%), others--Discounters and Specialists-- (14%), and Co-operatives (6%)

(IGD, 1999).

According to Retail Intelligence (2001), since the major multiples possess the

biggest part of the grocery market, their performance reflects the performance

of the whole UK grocery market. Besides, the dominance of the major

multiples comes at the expense of the small and specialist retailers, because

their in-store fresh food counters and in-town store formats have taken

business away from the specialists and small supermarkets respectively. The

key to the power of the multiple grocery retailers is their business model that

is based on economies of scale in buying, economies of specialisation in

administration and economies of standardisation in selling (Seth and Randall,

1999). Out of the twelve major grocery multiples operating in the UK, four are

regarded to be the market leaders according to their market share; these are Tesco UK (20.1%), Sainsbury's supermarkets (14.7%), ASDA group (10.9%) and Safeway stores (9.1%) (Retail intelligence, 2001, IGD 1999)

5.2.3.2 Events shaping the market

A huge change has been witnessed in the UK grocery from 1940's to the 1990's. Seth and Randall (1999) describe the changes to customers as a move from small private local shop with limited range and high personal service to large national chains with wide and exotic ranges and standardised service. This change has been inspired by a variety of technical and social events during this period of time.

- **Technical events**

According to IGD (1999), in the 1980's, a major decline of specialist local stores occurred as the public in the UK opted for the convenience of one-stop shopping evoked by the supermarkets extension into fresh goods in the 70's. This led to supermarkets starting to replace their small shops with superstores (25,000-sq. ft.) sparking a race for the best locations among leading retailers. As the supermarkets developed, they centralised buying and started to introduce own branded products.

In the 1990's, according to IGD (1999), the leading supermarket chains achieved national coverage and European discount chains (Aldi, Lidl, Netto) arrived in the country (Burt and Sparks, 1995). Besides, Sunday opening was legalised in England and Wales, and 24 hour opening for some stores boosted the supermarkets trading. Furthermore, technological advances led

to more efficiency in supply chain management (Smith and Sparks, 1993) and consequently low prices and more efficient use of point-of sale information to understand customers. Therefore, retailers grew to the extent that the balance of power in the market shifted from manufacturers to retailers (Dawson and Shaw, 1989; McGoldrick, 1990; Ogbonna and Wilkinson, 1996). Favourable trading conditions and tough competition in the 1990's encouraged grocery retailers to diversify their offer by moving into non-food items (e.g. clothes, CD's) and to look to internationalisation to maintain profitability (Key Note, 1999).

- **Social events**

In the 1990's, cultural changes in the consumption of food took place affecting the grocery market. The positives, according to IGD (1999), are the increase in TV chef celebrity helping to broaden food tastes to accommodate a variety of cosmopolitan tastes (e.g. Indian, Italian, and Chinese). The increasing popularity of convenience, eating out and take-away food prompted positive responses from retailers offering varieties of ready-to-eat meals. Also, by capitalising on new technologies in product development retailers boosted sales by offering new ranges, such as low-fat ranges, microwave-ready meals, etc.

According to the Office of National statistics (2001), the UK National Food Survey reported an increase of 3.1 % in household expenditure on food between 1999-2000 indicating a positive consumer attitude towards grocery retailing. The highest per capita expenditure on food is found on small households, which have one or two adults and no children. That is due to the

tendency of larger households (those with children) to reduce food waste and utilise economies of scale. Moreover, the report argues that UK customers exhibit a negative elasticity of demand for food (the higher the price the lower the quantity demanded) across all households. This supports the tendency of UK grocery retailers, as reported by Seth and Randall (1999), to engage into fierce price wars.

Not all events in the 1990's were positive for grocery retailers. During the 1990's, the BSE crisis proved to be the most expensive food scare in the UK negatively affecting food sales (IGD, 1999). Also, genetic modifications (GM) to food became a major issue of debate that negatively affected sales of food in the UK (IGD, 1999).

5.2.4 Employment in the UK grocery retail industry

According to IGD (1999), the UK grocery retailing employs around 3.5 million people across the entire supply chain. This constitutes 16% of total employment in the UK. The grocery industry depends heavily on part-time workers, which represent about 60% of employees compared to 9% in manufacturing. This trend of increasing dependence on part-time employees follows the trend in the UK retailing industry as a whole (Freathy and Sparks, 1994). UK retailing witnessed a decrease of 19.9% in the number of full time employees and an increase of 29.2% in part-time employees between 1993 and 1998 (Retail Intelligence, 2001). Finally, IGD (1999) states that the UK grocery retailing is a major employer of young people (under 35). Also, the six major retailers have increased spending on training and development by 6% from 1998 to 1999 to reach a total of £121 million. This indicates that there is a tendency within the industry to invest in the development of their staff.

In the above sections, a brief review of the UK grocery retailing industry has been carried out to give the background of the UK customers and employees. Sainsbury's history as a brand in the UK will now be reviewed in the coming section so as to form a background to understand its customers and employees.

5.2.5 Sainsbury's history in the UK

In this section, Sainsbury's background as a company and brand will be reviewed to understand its role and positioning in the UK food retailing market. To do so, the section will cover a brief history of company's operations in the UK, and the brand's strategy in the UK market.

5.2.5.1 History of Sainsbury's operations in the UK

Sainsbury's Supermarkets was established in 1869 by John James and Mary Ann Sainsbury and is the UK's longest standing major grocery retailing chain (Keynote, 1999, Seth & Randall, 1999). According to Seth & Randall (1999), throughout its long history, Sainsbury's set the standard for food quality and fresh produce, pioneering the self-service revolution in the 1950's. The family-run company floated to become a public company in 1973, and dominated the UK grocery market for almost two decades (70's and 80's). Sainsbury's domination was lost in the 1990's to current rivals Tesco. The lost ground alarmed Sainsbury's who instigated a three year recovery plan announced in October 2000 by the newly appointed CEO (Sir Peter Davis) (Grocer, 2001). The objectives of the recovery plan are: "*....our priorities for the Group were to reverse the decline in profitability in the UK supermarkets business, to stabilise underlying Group profits before tax and e-commerce and to focus our*

activities around food retailing and related activities in the UK and US". To accomplish these objectives, key strategic programs were adopted; these are re-designing Sainsbury's IT system, modernising the supply chain, reinvigorating the stores and adjusting operations to deliver cost efficiencies. To fund these programs, Sir Peter Davis sold Sainsbury's DIY arm (Homebase) and the operations in Egypt (J.Sainsbury's Annual Review, 2001, Grocer, 2001, BBC, 2001).

According to the CEO, the first year of the recovery plan has shown encouraging results with the decrease in profits before Tax reduced from £175m in year 1999/2000(755/580) to £31m in year 2000/2001(580/549) (J.Sainsbury's Annual Review, 2001). These results made Sainsbury's chairman, Sir George Bull, optimistic and he declared that "*there is evidence that we are turning the corner*". Sainsbury's recovery was however debatable among city analysts (Connon, 2002). Some analysts considered the sales growth in four consecutive quarters as potent sign of recovery (Voyle, 2001, Jackson-Proes, 2001). While other city analysts are reported to be sceptical about the recovery citing decreased profits from 580 to 549 in year 2000/2001 and Sainsbury's competitors improved performances as an indication that "*Sainsbury's may be running just to keep still*" (BBC, 2001).

Sainsbury's UK operates three separate store chains; these are Savacentre, Sainsbury's Bank and Sainsbury's supermarkets, which are the biggest part of the business (Keynote, 1999). According to Sainsbury's annual review (2001), Sainsbury's operate 453 supermarket stores across the UK with sales of £13,894 billion from a sales area of 13,746 sq. ft. Almost 60% of the stores

are located in town centre or edge of town locations. A large Sainsbury's supermarket store offers over 23,000 products (40% of these are own brand) including food and grocery products. Many stores offer bakery, fish, delicatessen and meat counters, pharmacies, coffee shops, restaurants, and petrol stations (Sainsbury's plc, 2001a). Sainsbury's supermarkets employs over 138,000 people of whom 70% work part-time and 30% full time (Sainsbury's plc, 2001a).

5.2.5.2 Brand strategy in the UK

Sainsbury's vision for grocery retailing was encapsulated in John James Sainsbury's original message to his customers since the business inception "*quality perfect, prices lower*". This vision led Sainsbury's become a uniquely powerful grocery brand (Seth & Randall, 1999). This powerful brand becomes impressive phenomena in grocery retailing. It has been able to stretch the brand successfully to achieve high sales from a wide range of food items under its brand name, reaching nearly 50% of Sainsbury's customers' shopping basket (Seth & Randall, 1999). However, Seth & Randall argue that, particularly in the 1990's, many of Sainsbury's competitors managed to source equally high quality food and sell at a lower price challenging the supremacy of Sainsbury's. Consequently, Sainsbury's core promise in the market has been undermined.

To revive its fortunes, Sainsbury's now delineates its brand vision in J.

Sainsbury's annual review (2001) as follows:

"We aim to be the UK consumer's first choice for food shopping by reaffirming our lead in quality and offering outstanding value for money"

The strategy to become the UK consumers' first food choice is based upon in delivering three main parameters: *"outstanding quality, great service and competitive cost"*. To do so, Sainsbury's team aim to work *"simpler, faster and together"* to provide *"easier, enjoyable and inspiring"* shopping for customers. To enhance the quality of the Sainsbury's brand, the *Taste the Difference* range was introduced as a highly innovative range in the year 2000. The range was a great success becoming the best selling own brand range. Further initiatives were introduced between 1999-2001 to enhance Sainsbury's product quality and to meet UK customers' developing healthy eating culture, such as the *"organic range, Be Good to Your Self (low fat range) and Blue Parrot Café"* (children's healthy eating range).

"Easy, enjoyable and inspiring" elements of Sainsbury's shopping were captured by the new slogan *"Making life taste better"*, which represented a move from the long-standing meaning captured in the slogan *"Good food cost less at Sainsbury's"*. This indicated a change of culture at the company (J.Sainsbury's plc, 2001) with the new culture being more customer-focused, recognising that food is in the centre of people's lives. To communicate this new culture, the brand associated itself with a celebrity chef—Jamie Oliver—as the brand spokesperson in advertising campaigns, because he shares Sainsbury's passion for food. Sir Peter Davis, Sainsbury's CEO, argues that Jamie Oliver's ads are popular across all ages, sexes and classes enabling Sainsbury's to deliver home their *"passion"* for food (Grocer, 2001).

5.2.5.3 Conclusion

From the above sections, it is clear that Sainsbury's now projects an up market position focusing on high quality and value for money rather than traditional its trademark of quality associated with (explicitly) low price. This image implies that Sainsbury's differentiating itself as a grocery retailer that targets up-market segments and indicates a departure from its mass appeal. This positioning could provide the solution to the slipping profitability problem but not for regaining the top market share spot because becoming number one in market share by definition needs a mass appeal. Therefore, it can be concluded that Sainsbury's brand strategy to regain brand supremacy in the retail market via a distinctive quality image may not regain its top spot in the UK market, but may provide it with a high-perceived image or niche market position.

5.2.6 The store in the UK

In this section, the rationale for selecting the store in which the research was be carried out in the UK will be explained. Also, the researcher's role in the store and the data collection techniques will be discussed.

5.2.6.1 The store selection rationale

One of Sainsbury's core supermarket formats was selected as the UK site.

The store is located in Darnley area, Glasgow, Scotland, UK. Glasgow was selected for two main reasons. First, it is the largest city in Scotland and it has the highest concentration of retail stores in Scotland (Glasgow City Council, 2002, IGD, 1999a). Hence, the city offers access to a large population and the most intense competition in retailing in Scotland. Second, as the researcher

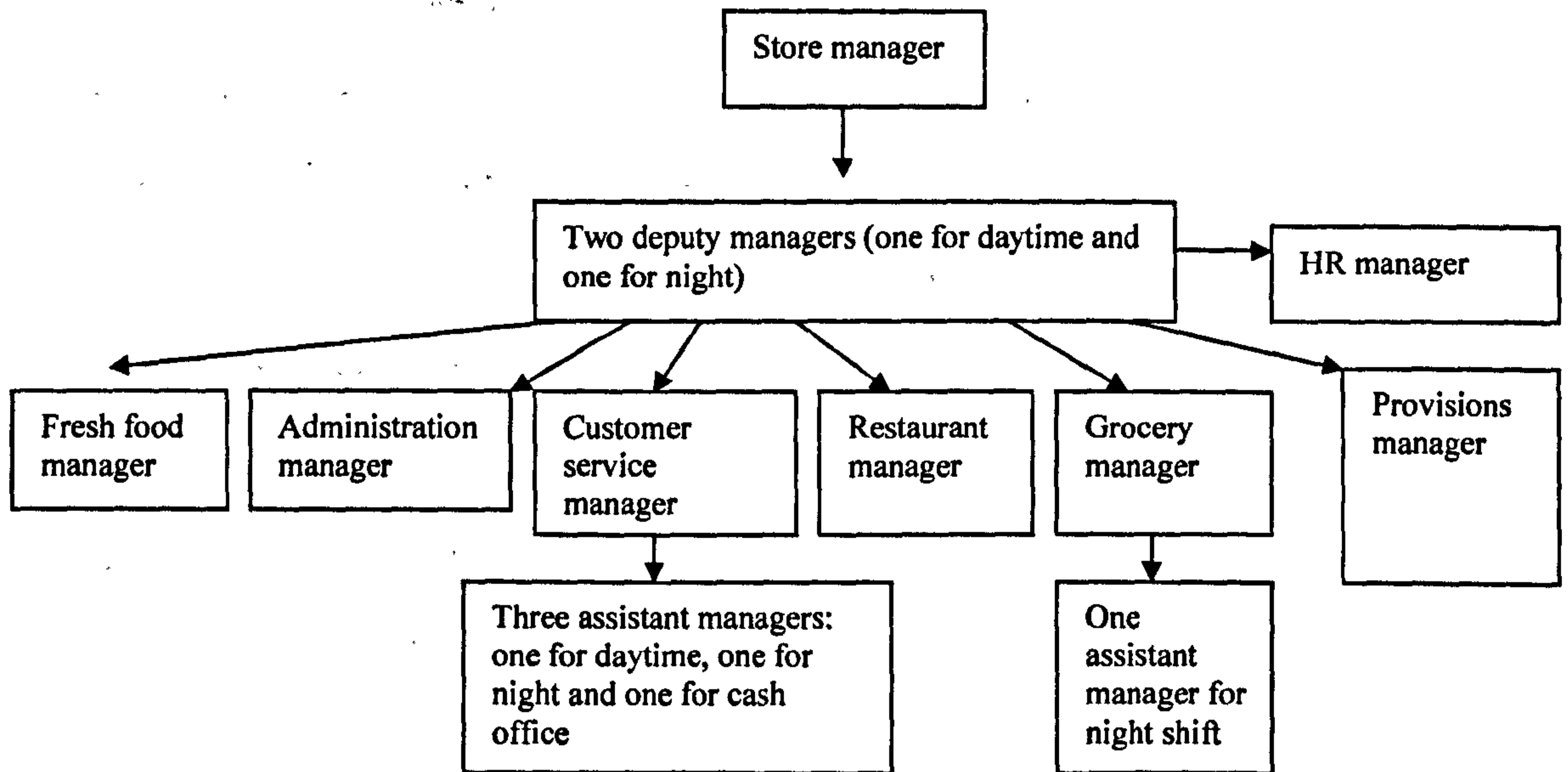
was based in Scotland, the company offered access only to stores in Scotland for mutual convenience.

The store selected was the first Sainsbury's store in Scotland (IGD, 1999a). Hence, it offers the ideal site as it provides the customers' longest exposure to the brand and hosts the most experienced employees working for the brand in Scotland. The store is classified as an out-of-town superstore where shoppers make their main shopping trips, so the majority of the brand facilities and product ranges (26,000) are available and a large number of service personnel are employed (J.Sainsbury's plc, 2001). Thus, it offers the researcher the chance to study the customers' main shopping experiences in their natural setting where the majority of the brand facilities and product ranges are in offer on a large sales area. In addition, it offers a chance to study a large population of food-retailing employees.

The store is based on the grid format with a sales area of 39,973q.ft. and a gross area of 81,023 sq. ft.(IGD, 1999a)(see appendix 3). The store has three fresh food counters: delicatessen, fish and bakery. The store also has produce, provisions, grocery (include health & beauty and kitchen tools ranges), administration and customer service (including 25 checkouts and an information desk) departments, where national as well as all Sainsbury's own brand ranges are stocked. The facilities in the store include toilets, restaurant, ATM, baby change and 500 parking spaces. A kiosk is in store to sell tobacco, newspapers, CD's and Videos.

The managerial structure of the store is as follows:

Figure 5.2 The managerial structure of Sainsbury's store in the UK



5.2.6.2 The researcher's role in the store

As I had lived in Scotland for about three years prior to the commencement of the research fieldwork, I developed an understanding of the basics of the UK grocery retail system as a customer, and became familiar with the language. Besides, studying retailing in a Scottish University provided knowledge of the country's grocery retailers' strategies and tactics and kept me in touch with the latest trends in the market. Being familiar with the system in Scotland enabled me to quickly start focusing on data collection and make sense of the data collected in its wider context. Nonetheless, an external understanding of the system is one thing, and becoming an insider is another. Since I'm poised to collect data using a participant observation technique, I'll be directly involved in or become an integral part of the data collection process. Thus, I had to be aware of my own role in store to collect reliable data.

Hence, the objective of this section is to identify the role I played as a researcher in the store. This objective will be accomplished by discussing the

researcher's approach to select areas from which to collect data and the forging relationships with key informants. Since I had already collected similar data during my spell in Egypt, I again opted to maintain the same in-store data collection strategy. The strategy was to select service counters in the store as *areas from which data about customers could be collected* because they possessed the highest rate of customer contact. As for the employee data collection, I relied on relationship formulation with key informants.

Although I have the strategy outlined in Egypt store, the Scotland store has its unique UK customer and employee characteristics and a different layout.

Taking into consideration these differences, I had to use the introductory days to familiarize myself with the store, so as to apply "*the big net*" strategy.

- **The first fourteen days**

On the first visit to the store, I had a meeting with the store manager arranged by my contact person in the marketing department at Sainsbury's H.Q.

Although he had an idea why I was there, I sat with him for an hour to explain my research intentions and what I was planning to do. I also sought his advice on how to achieve my research aims in the store. He suggested to start my orientation to the store by making a plan with the administration department manager to visit all the departments in the store since the administration department was the key department in managing the store operations. Based on his advice, I had a meeting with the administration manager where we agreed to visit the following departments: the administration, the fish counter, the backdoor, grocery & provisions, customer service, the restaurant and produce. The administration manager said that I could not visit the bakery department, cash office, deli counter or become a

teller on the checkouts because all these departments required specially trained people. I was also allowed to attend both the weekly managerial meetings and classes of a training program called “ *customer obsession*”, which was running in the store at that time. I was given a uniform, upon my request, so as to apply the *disguised participant observation technique*.

Given the departments I could participate in, I allocated two days for each to check the level of customer interaction and spot the potential key informants, which added up to a 14 days of orientation period in the store. This period helped me to get to know the store staff and start forging relationships with them across the store. Because of a staff shortage at the store at the time of my research, my presence and willingness to participate as a member of staff helped me to be accepted as each department was desperate for an extra hand. This made the employees feel that they should help me with my research as a kind of payment especially when they heard that I was not paid to do this research. Moreover, since part-time employment prevails in UK grocery retailing, the departmental work was made easy for anyone to learn in a matter of hours. So, I did not need much time to learn the skills that allowed me to participate in each department.

Having come through this period of orientation, I selected the following departments and employees to be my data collection sites and key informants in the store respectively.

- **One month on customer service desk**

As expected from the experience in Egypt and the 14-days orientation period, the customer service desk was a data-rich spot for customers. The desk

enabled me to collect data about customer reactions (including comments, complaints, etc.) to all departments in the store. Furthermore, the department had all kinds of employees from inexperienced part-timers to highly experienced full-timers (including some employees with eight to ten years of experience in the department). Thus, it was a great spot to find key informants for all types of employees. Also, it was a good spot to enrich the study of customers, capitalising on the experienced staff's deep knowledge of serving customers.

In this department, the staff soon accepted me as I learnt the job quickly and offered a helping hand. Besides, having worked for Sainsbury's in Egypt, some employees wanted to know about the experience. So, a mutual interest to share information about Scotland and Egypt developed allowing them to talk about Sainsbury's in Scotland and allowing me to see some similarities and differences between the two cultures. Finally, *because of the rich data* that could be collected from this department, a month was essential to be exposed to as many cases as possible.

- **Ten days Fish counter**

As noted earlier, fresh departments are highly suitable to study customers in buying mood. Since I had no access to bakery and deli departments due to technical reasons, the fish counter was one that I needed to capitalise on. Reflecting the popularity of fish as a food item in the UK (UK food survey, 2001), the fish counter was busy. Thus, I got a good access to many types of customers. As I was collecting good data from the counter, I planned to stay

for at least two weeks working two shifts. However, since I could not attend Sainsbury's new employees' hygiene course, because I'm not a proper employee, the store manager decided that I should leave the counter after just ten days. I managed to settle in well at the department because of my previous experience in the fish department in Egypt. The skills I acquired in Egypt helped me to learn the job very quickly. Besides, the workload was high with only two people working on one shift apiece, so having me as a third person to help was great news for them.

- **Ten days Produce and Fish counter**

After the misfortune (early departure) on the fish counter, I went to the produce department to continue working on a fresh food department. The produce department deals with fresh products and has higher customer interaction with the staff than pre-packed goods. So, it provided a substitute for the fish counter. I was also fortunate that the manager of produce was the manager of the fish counter as well. Hence, every time they need temporary cover on the fish counter he ask me to do it, enabling me to be once in a while on the fish counter. In addition to that, the shortage of staff worked in my favour and I was considered an extra hand that was badly needed in the produce team.

I had built a strong relationship with the produce manager earlier in the orientation period and he kept asking me to join him in the produce department. His interest in working with me went in my favour because he urged his staff to support and help me in my research without hesitation or worry. This endorsement helped me to gain trust quickly in the department

since some members of staff, particularly the older staff, were quite suspicious about my research intentions. Thus, ten days were enough to achieve my objectives in this department.

- **Twenty days grocery and provisions**

During the 14-day orientation I got the feeling that stocking of shelves helped in communicating with employees at work and observing customers while buying. I found that twenty days on shelf-stocking based departments (grocery and provisions) are enough to speak to many employees and observe many customers. For the employees, helping with shelf stocking did not waste their time, and thus put them at ease for an effective chat.

Additionally, while working, employees are in their job's natural setting and can therefore use practical incidents to express their viewpoints. As for customers, these twenty days were essential to observe their natural shopping behaviour. Moreover, since British customers are heavy buyers of pre-packed food, observation of customers in the shelves is important to reflect store culture in the UK.

- **The canteen**

Unlike the Egypt store, the canteen in Scotland was not a rich spot for collecting data from employees as they used their rest time completely for relaxation, with little conversation. However, I did manage to speak to some employees cryptically about some issues, but in general it was very hard to get employees talking to me or even to each other very much. Their actions in the canteen reflect their approach to rest in the UK culture, as an undisturbed time for relaxation. Hence, data collected via observation rather than participation was the most valuable type from the Scotland store canteen.

- **Attending the managerial meetings**

The store management meeting was a rich data spot for studying the relationship between the top management and the second level managers in the store.

- **The training classes**

The training classes helped me to gain first hand experience of employees while in training, how they applied its content in their day-to-day activities and consequently how customers responded to them. Moreover, since this training was particularly focused on improving customer service, the sessions showed how the customer service strategy worked from the employees viewpoints (live day-today cases) versus the company viewpoint (the general strategy)

- **Key informants**

Since the research has a covert strategy for data collection from customers and an overt one from employees, determining key informants was primarily among employees not customers in order not to spoil the cover in the customers' case. While for customers, I relied on selecting strategic departments to collect data (as discussed above), for employees, I selected various people to cover all types of employees, such as leaders, experienced employees, managers, and part-time/full time employees.

As the first Sainsbury's store in Scotland, many experienced employees who had served since the store inception were available. Therefore, in the customer service department, I capitalised on this expertise by recruiting a full-time employee with eight-year experience. I became aware of her

experience from working along side her on the customer service desk in the first 14 days tour and during my early days in the department. She was technically competent and was a respected figure to her colleges, who always referred to her for work as well as personal advice. Hence, I realised that her experience was an invaluable source of information about customers as well as employees. Being a very kind and polite personality helped me to build a good rapport with her and ask her to train me on the basics of the departmental work. This teacher-student relationship built trust between us and consequently I managed to collect valuable data from her.

To diversify the sample of employees on the customer service department, I also recruited a young assistant manager (a full time employee). He had only a year retail experience with Somerfield supermarkets prior to joining Sainsbury's. He was a very active and hardworking person that made him popular with customers as well as employees. This popularity made him a potent source of information about both customers and employees. I had a very good relationship with him because, fortunately, one of his close friends was one of my colleagues at the University. This made us close friends and consequently he trusted me.

Opinion leader is a character suitable for a key informant because of the major role he/she plays in the work lives of his/her fellow employees and his/her personal viewpoint about the company as a whole. There were two employees I spotted in my first 14 days with such a character: the restaurant manager and the produce and fish manager. For me, the fact that they were

opinion leaders enabled me to gain their followers trust, should I gain their own. To gain their trust, I started by meeting them informally in the canteen to chat with them about my research objectives and ambitions hoping to gain their interest in the topic. Thus, I emphasised the role of satisfied employees in the retail company's progress and how my research aimed to shed light on their needs and wants in order to deliver their best to the company. This gained their interest and they supplied me with information about them and the rest of the employees. In other words, they found in me an external researcher who was capable of making their points beyond the store since I'll be reporting to the company H.Q.

To cement the leaders trust in me, I accepted their invitations to work for their departments. The produce and fish manager's departments were vital ones for customer data collection, so I was happy to work for a long time alongside his team. His support helped me to gain the trust of the rest of his team. The restaurant was not a department that had the desired customer contact.

Hence, I joined for just two to three days to get employee data and satisfy the manager, so as to keep capitalising on his information. I managed to maintain a good relationship with him, after the short stay at the restaurant through canteen chats.

To further capitalise on the experienced employees, in the first 14 days tour, I came across the provision manager and the food tasting expert at the shop floor. Both had experience of working for the store for 6 and 8 years respectively. The provision manager was popular among her colleges for her

hard work but she was a shy person who talked very little. Thus, to establish a dialogue with her, I opted to work with her in the department as an assistant so as to chat with her as many times as possible, and closely observe her while working with customers or managing her team.

As for the tasting expert, she was talkative and a helpful person and she expressed great interest in what I was doing. She was a valuable informant on employees' affairs as well as customer service. Her job was to tour the Sainsbury's stores in Glasgow. Thus, her working time was quite tight while in the store, so I opted to interview her in the canteen over lunch when she is in the store.

Since I worked for long hours on the fish counter, I managed to build a good working relationship with the fishmongers. There were two fishmongers, one full-time and one part-time. They helped me gain information about part-time/full time employees as well as providing insights about their customer encounter experiences.

Obviously, the store top management is a key source of information by definition. They possess great knowledge of the employees, company, and customers. Thus, the store manager and his deputy were selected as key informants. The deputy manager added an extra dimension to the store manager's knowledge via his hands-on approach, working directly with employees and customers on the shop floor. Because of their limited time, information was captured from them through in-depth interviews.

- **Data collection at the store**

Recording the data in the UK store was an easier task than that in Egypt. That was because in the UK the employees did not have any fear about me recording my data in the spot. My co-ordinator in the store, the administration manager, when asked about employee sensitivity over recording data on the spot, encouraged me by saying, “ *there will be no problem at all*”. In the first days, I tested her opinion by trying to record data on the spot while paying attention to the employees’ reaction. I found no negative responses at all.

As for customers, since I was adopting a covert strategy for data collection, I tried to keep the data recording away from the customers’ eyes in order not to raise any suspicion and to be able to participate normally as a member of staff. The only department where I managed to record immediately was the customer service desk because it is a normal behaviour on the desk.

Finally, to capture site representative data, I worked from 9:00am to 7:00pm daily in the first 14 days to spot the key data collection sites for customers and key informants for employees. After settling down sites and key informants, I started to work from 9:00am to 6:00pm daily, except Sundays, throughout the period in the store. The long working hours enabled me to cover the whole day at the store and thus cover the times in which customers shop as well as employees work shifts.

5.3 Conclusion

In this chapter, a comprehensive review of the records pertaining to the two sites (two Sainsbury's stores in Egypt and the UK) under study has been carried out. The review included general information about the two countries involved, and the history and strategy of the brand under study (Sainsbury's) in both countries. In addition, the researcher role in each store (the reflexivity) was outlined and discussed, a summary of the researcher's role and key informants will be presented in table 5.1.

Table 5.1 The research sites' key departments and informants

Key departments (<i>time spent in each</i>)	Key informants (nationality/Job contract)
<p>Egypt (<i>total time spent in field is 80 days</i>)</p> <ul style="list-style-type: none"> • Fish, Butchery and Deli (30 days) • Customer service (30 days) • The canteen (daily for 60 days) • Managers' meetings (weekly for 60 days) 	<p>Egypt (<i>Nationality</i>)</p> <ul style="list-style-type: none"> • Head of Fish (Egyptian/full time) • An inspirational leader for Butchers(Egyptian/full time) • Ambitious Deli employee (Egyptian/full time) • Customer services manager (British/full time) • Customer service assistant manager(Egyptian/ full time) • Store manager (British/full time) • A deputy manager (Egyptian/full

	time)
UK (total time spent in the field is 84 days) <ul style="list-style-type: none"> • Fish (10 days) • Produce/Fish(10 days) • Grocery/provisions (20 days) • Customer service (30 days) • The canteen(daily for 84 days) • Training classes (daily for 40 days) • Managers meetings(weekly for 84 days) 	UK (nationality/Job contract) <ul style="list-style-type: none"> • Senior customer service employee(British/full time) • Provisions manager(British/full time) • Restaurant manager(British/ full time) • Produce and Fish manager (British/ full time) • Customer service assistant manager(British/ full time) • Fishmonger (British/ full time) • Tasting expert (British/ part-time) • Fishmonger (British/ part time) • The store manager(British/ full time) • A deputy manager(British/ full time)

This intensive review of the two sites provides the background information needed to interpret the store culture from the field data. This process is like interpreting the development of a tree through understanding the ingredients of the soil in which it lives. Therefore, the review in this chapter can be seen as the soil for interpreting the brand culture. Using the information reviewed in

this chapter as a background, in the coming chapter, the author will interpret the store culture emerging from the sites' field data.

Chapter Six: Findings (Symbols)

This chapter is the start of a series of chapters designated to present the research findings in order to achieve the objective of this thesis, which is the modelling of the grocery retail brand. After conducting a participant observation study in two Sainsbury's stores in the UK and Egypt for five months, the findings revealed answers to the research questions pertaining to the cultural manifestations of symbols, rituals and heroes, and values, leading to the formulation of the grocery retail brand model. Modelling the retail brand culture within the stores revealed a tree-structure with attractive leaves as its symbols, crucial rituals and local heroes as the support trunk, and basic values as the roots anchoring in a soil, which represents the cultures in which the retailer operates. To illustrate the development of the metaphorical tree model, each cultural manifestation will be presented in a chapter forming three findings' chapters: Six (symbols), Seven (rituals and heroes) and Eight (values). Each chapter contributes to the development of the tree metaphor, which will be presented at the conclusion of chapter Eight.

Prior to presenting the findings, the researcher will define, according to Strauss and Corbin (1998), the grounded theory terminology (see table 6.1), and then describe the process of analysing the data (see figure 6.1).

Table 6.1 The grounded theory terminology

Terminology

Phenomena: are central ideas in the data represented as concepts, they answer the question what is going on here?

Concept: is a labelled phenomenon; it is an abstract representation of an event, object, or action/interaction that the researcher identifies as being significant in the data.

Categories: are concepts that stand for phenomena

Properties: are general or specific characteristics or attributes of a category, the delineation of which defines and gives a category meaning.

Dimensions: are the range along which the general properties of a category vary, giving specification to a category and variation to the theory.

Sub-categories: are concepts that pertain to a category, giving it further clarification and specification, and answering questions like who, how, where, how come, with what results, and why.

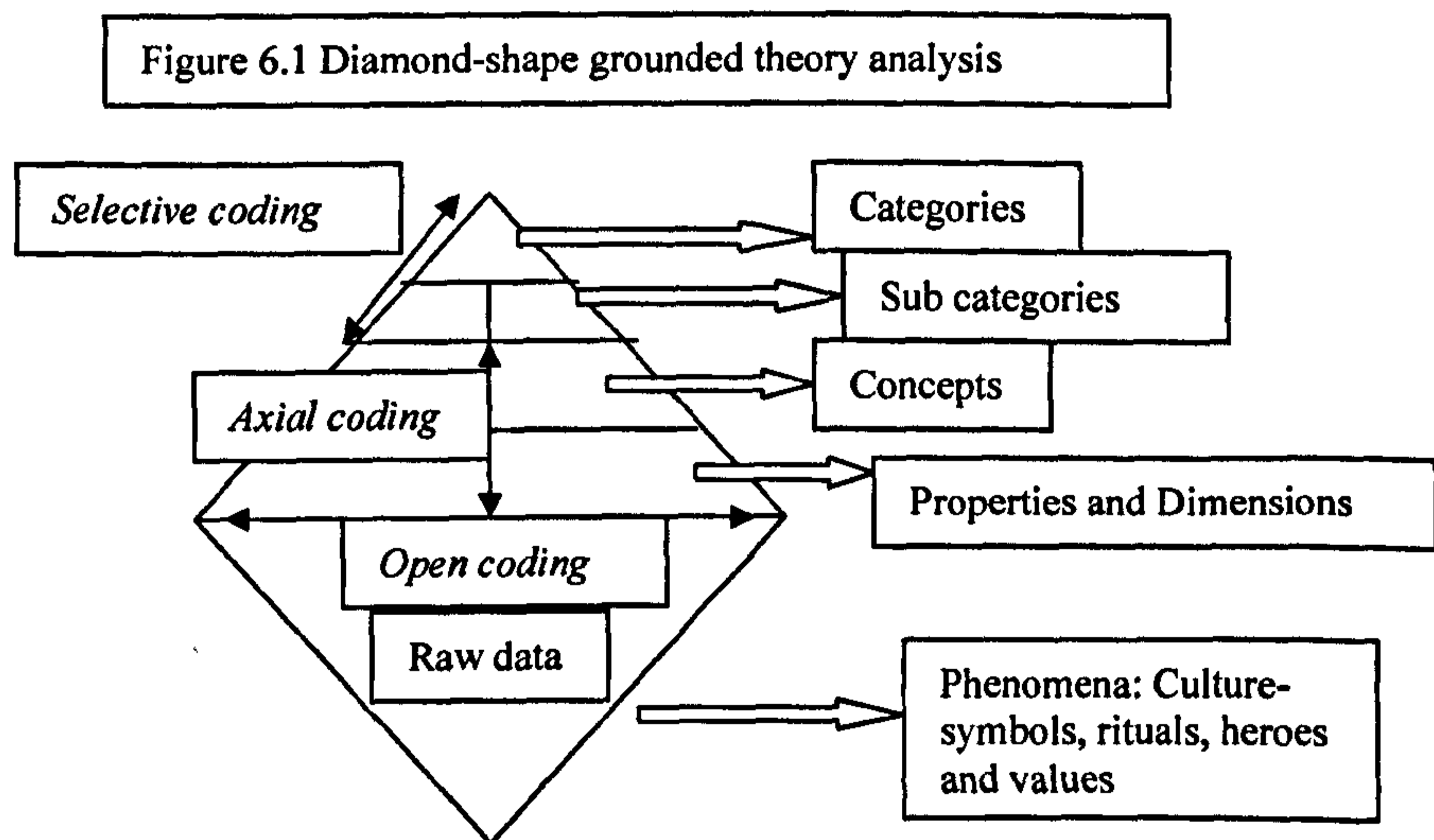
Coding systems

Open coding: is the analytical process through which concepts are identified and their properties and dimensions are discovered in data.

Axial coding: is the process of relating categories to their sub-categories, termed axial because coding occurs around the axis of the category, linking categories at the level of dimensions and properties.

Selective coding: is the process of integrating and refining theory.

Since the author has already selected culture as the data collection framework, the cultural manifestations (symbols, rituals, heroes and values) are seen as pre-set phenomena. To identify the categories pertaining to each phenomenon in a retail brand culture, open coding takes place. In this process, concepts and ultimately categories will be built by identifying their properties and dimensions from the analysis of field raw data pertaining to each cultural manifestation. Concurrently, axial coding takes place to relate each category to its sub-categories. Thus, the grounded theory analytical style resembles a diamond shape (see figure 6.2), with open coding as its wide central base, selective coding (the focused and refined final step) as its tip and axial coding as the supportive layer sandwiched in between.



Hence, each section of the findings' chapters will present the findings' coding process in two stages. First, a detailed discussion of the derivation of properties and dimensions from raw data, leading in turn to the formulation of concepts and categories, pertaining to each cultural phenomenon. This will involve both open and axial coding processes. Second, the selective coding

process will be covered in the conclusion of each part to select a metaphorical code to model the categories of each cultural phenomenon.

Symbols are the first phenomenon in culture manifestation. They are objects, words, pictures, or signs that carry a particular meaning within a culture.

Therefore, the data collected by participant observation was analysed to explore the meanings that these symbols could carry to customers and employees in a supermarket culture. Analysis revealed the merchandise as objects, brand communication as words and pictures, and store format as sign as the symbols carrying vital meanings to customers within the supermarket culture. Physical resources as objects, work package as sign and communication as words & pictures are the corresponding symbols identified as carrying vital meanings to employees within the supermarket culture.

In the coming sections, the categories pertaining to each symbol will be explored in terms of the concepts and their properties & dimensions in order to explain the development of each category and delineate the meanings that it carries to both customers and employees. First, we will start with customers.

A) Customers

6.1 Brand objects

The merchandise was found to be the main object that carries, by itself, meanings to customers within the store. There are obviously other objects in the store but they are parts of larger domains, and will be covered later in other sections, where the object itself is not the meaning carrier. The main meaning that emerges from interaction between customers and the

merchandise offer of a retailer brand is their entitlement to '*freedom of choice*'. The concepts of customised variety, customised availability, and merchandise quality capture the customers' quest for freedom of choice. The following sections will explain how open coding leads to the development of each concept and how they can produce the category of freedom of choice.

6.1.1 The concept of *Customised Variety*

Customer interactions with the merchandise offer by a retailer brand produce two main properties: affordability and responsiveness, which evokes a meaning of *customised variety* of merchandise. This meaning seems fixed across both cultures since it was evident in Egypt and the UK alike.

- **The property of *affordability***

In Egypt, I asked a customer, what do you think about Sainsbury's? He said "*nice....good*" [why do you say so?] "*It offers everything at reasonable prices*". The word *everything* indicates a wide variety of merchandise offered, while the phrase *reasonable prices* indicates affordability. This response clearly shows that customers associate affordability with variety. The nature of the association can be explained by the phrase *everything at reasonable prices* since this indicates a linking of the merchandise variety to the customers' own financial capability. Thus, it can be inferred that affordability provides a way to customise the variety of merchandise available to customers. Further, the words *nice* and *good* indicate the customers' favourable view of the brand, as a consequence of its offer of customised merchandise variety.

Similarly, customers will form an unfavourable view of the brand should it offer

a 'non-customised variety' of merchandise. For example, customers consider an unaffordable variety of merchandise as inappropriate. A customer in Egypt commented "*There are some very expensive products (merchandise) sold in the store, I don't see them being sold at all.....they are irrelevant to us.*"

Another customer argued that exceptional quality merchandise should not be offered to customers who cannot afford it: "*very high quality goods (merchandise) should not be on the shelf, it won't sell in Egypt. People here are only concerned with price, price, price*"

Customers also welcomed the capacity of the retail brand to offer customised variety for the masses rather than for individuals. A customer gave a positive opinion of Sainsbury's "*It is good, we all come to one place to find what we want and have a nice price suitable for our budgets*". The words *we all* indicate that the customer not only sees himself as the beneficiary of the affordable variety but also sees 'all' other customers as beneficiaries. Another Egyptian customer hailed Sainsbury's ability to offer affordable variety to the general masses rather than just imported goods to niche segments. He said "*They (Sainsbury's) made the ordinary customer see imported goods and be able to buy them at affordable prices*". These points are clearly important in Egypt, since supermarkets were traditionally restricted to rich niche customers because they used to offer expensive imported goods. Therefore, in Egypt, customers had high regard for Sainsbury's (the retail brand), as it offered the public customised variety. This is well encapsulated in one customer quote "*Sainsbury's offered us a variety of merchandise we have never seen before, whether they are Jews or not, they brought civilisation to Egypt*".

Customised variety is seen as a generic way for a retailer brand to entice customers. For example, one customer showed an interest in Sainsbury's customised variety, but argued that it did not what the brand or the nationality of the brand was, as long as affordable variety existed in the merchandise offering. He said "I'm loyal to Sainsbury's it has everything in one place with good prices. Any supermarket that offers that, I'll shop in it whether foreign or local. For example, FATALLAH (a local supermarket in Alexandria), he is Egyptian but offers the same formula and thus I go there regularly when I'm visiting Alexandria."

Sainsbury used the customised variety meaning as the core of its advertising in Egypt. The advertising associated shopping at Sainsbury's with both variety and affordability. The TV advert featured a housewife (*the target*) touring the store with her shopping trolley showing a *variety of goods*, such as fresh vegetables, fresh food counters, toys, and cosmetics. A voice over accompanied each good saying; "*a smile for the price*" without mentioning or showing any specific prices, which implied the idea that all prices are affordable. Then, the last shot, as if it is the end result, was a Sainsbury's bag full of shopping with the slogan "*everyday is a feast at Sainsbury's*". A voice over accompanying the bag shot says, "*Sainsbury's bag is full of new ideas (merchandise variety) you can find at your visit to Sainsbury's*".

The property of 'affordability' is also evident in the UK but not as vivid as Egypt. The provisions team members, talking about themselves and their

neighbours as customers, argued that customers in the UK hold Sainsbury's in high regards for quality compared to others. However, "people do not come so often because ASDA sells same things but cost less, may be not as good but people can afford it". The store-staff level customers who represent low-income customer's held this view. They argued that despite the high quality of merchandise offered at Sainsbury's, the main deterring factor is affordability. Thus, given a similar variety (seen in "sells same things") the customisation of merchandise to lure customers is via affordability rather than quality as evident in the phrase "..._but they cost less, may be not as good but people can afford it".

- **The property of *responsiveness***

In the previous cases, the customisation of merchandise variety to customers was derived from affordability. However, one customer, who is an ex-manager of the Egyptian duty free stores, disliked Sainsbury's because they did not tailor their offer to the geographical area in which they operated. He argued "! see a problem with Sainsbury's approach in Egypt. They do not adapt the merchandise to the area in which they operate. However, they standardise it."

This customer refers to the 'area' as the customer segment that the merchandise variety should satisfy. He argues that the merchandise has to offer variety in response to the type of customers living in the specific geographic areas in which the stores operate. Therefore, this view adds 'responsiveness' as another property alongside 'affordability' by which a retail brand can customise its merchandise variety.

As in Egypt, customised variety is a meaning that also emerges from the interaction between UK customers and the merchandise offer. However, customisation in the UK is focused more on the '*responsiveness*' of the merchandise variety rather than its '*affordability*', which is the reverse of the case in Egypt. In the UK, the deputy store manager summed up the situation, "the prime base for the store is to offer food ranges focused on the area / regional market". This shows that the retailer brand in the UK aims to customise the merchandise by adapting the variety offered in response to customers' needs in the geographical areas in which the retailer operates. This view can be illustrated by a female shopper's comment, "Its very nice shopping here at Sainsbury's but you used to have low Scottish produce but you have improved on that.....You know when you get the local (produce) it is close and thus more fresh". This case explains how the customer's view of the brand is cemented through the brand's progress in responding to customer needs, by stocking the customer's favourite range of produce, which stems from the local area.

UK customers also consider customisation of merchandise variety as a generic formula for a retailer brand to entice customers. A lady submitted a written complaint saying, "the service is very nice and people are friendly but the produce range is so poor no good quality potatoes and large quantities for families I really go to ASDA because they have better range and quantities".

The lady is complaining that the variety in the produce range is not directly responding to her family needs that are large quantities and acceptable quality. Thus, she opted for the competition, which implies that failure to

respond to customer needs leads to defection to competitive brands.

Moreover, since she ranked the lack of range diversification higher than the service offered, this implies that (responsive) variety is a crucial formula for the retailer brand to lure customers.

The use of merchandise responsiveness to lure customers can be clearly observed in offering specific merchandise varieties that respond to specific customers needs. This was clearly seen when a customer explained to me why he visits Sainsbury's regularly. He said, "You have things that no one else has, exotic things, specific fruits. If I can't find something in the market especially fruits I come over here". Another customer commented "I come here for the fair-trade bananas, they told me it is discontinued, I come here for it otherwise I'd shop at a nearby retailer, I drive here for it". This customer demonstrated how responsiveness to specific customer needs among merchandise could entice customers to select a specific retailer. As depicted in "I come here for it otherwise I'd shop at a nearby retailer" and "I drive here for it" respectively. Customers urge retailers to respond to their needs by suggesting that customised items of merchandise are stocked. For example, by ordering in the form of questions, customers requested that items not stocked by the store were brought in, "Are you going to have a vegetarian sushi? Can I get cans of lemonade instead of 2 litre-bottles?"

In summary, the concept of customised variety is a meaning that emerged from the customers' interaction with the merchandise in both Egypt and the

UK. There are two properties to customise merchandise variety: responsiveness and affordability. In each country both dimensions were evident but in Egypt affordability was more vivid in the data than responsiveness, while the reverse was found the UK. This could be due to Egypt's status as an underdeveloped and thus poorer country where affordable variety is more important than responsive variety, while the richer UK exhibit the opposite. Finally, customised variety proved a vital formula for the survival of a retail brand since it has an attracting power to pull customers to the stores and guard against defection.

6.1.2 The concept of *Customised Availability*

In an interview with the deputy manager of the UK store, he argued that product availability was the single most important factor from the customers' viewpoint: "Availability is the foremost, price isn't as important; queuing is OK if availability is there". His words were echoed across both cultures, as availability proved a vital contribution to the retail brand strength in both Egypt and the UK. The interactions between the merchandise and customers in a store result in a customer tendency to do inductive or deductive assessment of merchandise, the two properties evoking the meaning of *customised availability*.

- **The property of *inductive assessment of merchandise***

Customers tend to use their intuition to assess merchandise availability in the store. In Egypt, while going to my break, I saw a man wandering around the shelves (who could not find what he wanted) approached trying to help. He looked at me and said "I'm surprised, the shelves are almost empty and the merchandise are not available. This is an indicator that Sainsbury's is

declining fast I guess. It used to have large variety available on the shelves but now I can barely find anything.” Given that some shelves were empty but not all, this event shows that the customer was taken aback by not finding the variety of merchandise *he was used to*. The customer did not just consider availability at the store level in lack of merchandise presence on the shelves but also at a personal level seen in the use of “I” in “*now I can barely find anything*”. The customer in the above quote was comparing the early days of Sainsbury’s when the store was very well stocked, and the late days of Sainsbury’s when they started to mull over withdrawal from the country and had fewer goods on the shelves. The difference in store merchandise availability made the customer conclude that the store is “declining fast” despite not knowing that the management was thinking about withdrawal. This implies that the consequence of a lack of merchandise availability is a weak perception of the brand. Another customer comment starkly reinforced this relationship. “Availability of goods is vital in the store, simply no products makes it look weak”. Finally, a customer criticised the brand for not having what *he used to* buy. Thus, poor customised availability in his eyes coloured his perception of the brand as a whole. He said: “Availability is the direct sign of quality for me in a store. Nothing available from what I used to buy, why?”

The above show that when customers inductively assess the issue of merchandise availability, they don’t literally mean shelf space but they mean customised shelf space. In the UK, as in Egypt, customisation is encapsulated in the question ‘*Do the shelves have what I need?*’ In other words, availability does not simply mean that the store is stocked, but whether the store is

stocked with the goods that customer intends to buy. Also, there are negative connotations associated with merchandise availability when goods are frequently out of stock yet competitors stock them.

A customer in the UK complained about being unable to find the size of butter pack, which she wanted despite alternative sizes being available. She said "*I couldn't find the size I need; you have got the bigger and the smaller but not what I need*". The customer wished to customise the availability of the merchandise to the specific size needed. Another Customer came to the customer service desk complaining "*I can not find any leaf Spinach in the freezer. You used to have it, It has been four days or even a week out of stock*". The customer's complaint about lack of availability of what she was looking for (*leaf spinach*), reinforced the view that customers are looking to customise the availability of the brand merchandise offering.

Moreover, the complaint shows that the negative view of availability stems from the frequency of the customised product being out of stock. A frequent lack of customised availability is directly blamed on the brand as one customer said, "*I'd like to complain. There is no organic chicken, this is the second week. How can a supermarket promoting organics not have chicken or almost any organic meat?*" The repeated default ("second week") in stocking organic (customised) merchandise makes organic food customers think of the "*supermarket promoting organics*" as a brand that breaches its promise of making their customised goods available. Furthermore, the produce team manager said, "*Sainsbury's is positioned high and thus*

customers' demand, very high level of service and availability, accusing us of being a big supermarket that has no certain products..... They say 'you (Sainsbury's) do not have that, what a shame' but the company does not offer us the resources to deliver such high promise." As the manager pointed out, customers associate high brand positioning with high availability of customised products. However, if the high position is not matched by merchandise availability, a negative view is developed about the brand merchandise offering seen in "you (Sainsbury's) do not have that, what a shame". Besides, the manager argued that the company does not offer the resources to live up to its promises. It can be inferred that a promise that does not reflect reality (represented by the availability of customised merchandise) can only negatively affect brand positioning. Thus, the meaning of customised availability carried by the merchandise on offer is the nucleus of a strong brand position rather than the reverse. In particular, high levels of customised merchandise unavailability undermines a high brand position and leads customers to defect to the competition. This is clearly reflected when a customer complained "Unsalted butter LURPACK the small and the large pack has been out of stock for four weeks. How does a big store like Sainsbury's have any for this length of time? I went to another store and got it." Therefore, availability of customised merchandise has a crucial influence on the brand's competitive advantage. The lower the customised merchandise availability, the more customers will defect to competition.

Retailers aim to manage the perceptions of item unavailability by using labels to inform customers that the items are out of stock. Some retailers use "sorry

this product has sold out” while others use “*sorry this product is temporarily out of stock*”. The second phrase is more effective than the first since the words give customers a feeling that the item is not going to be out of stock for long and thus reduces the perceived frequency of unavailability. The consequent defection to competition as result of high frequency of unavailability of customised merchandise can clearly be seen in the following cases:

Case (1) “When (frequency) shelves are not stocked with what I need, I drive to Safeway (competition) if I cannot find things here. I’m satisfied and I get everything from here but not when shelves are empty, as it used to be in here. Just today I was so happy seeing the shelves stocked well so I want to salute the manager for working on improving availability”.

Case (2) “I come here and everyday (frequency) they say next week for things I’m looking for, it is making me have to go elsewhere to do my shopping (competition)”.

Case (3) “Shelves are empty constantly and no refilling, frankly, in Tesco and Safeway (competition) the shelves are always full of stock. Some traditional products (customised goods) are not there anymore... Stopped, for what, I don’t know? For example, butter you had the medium and the large sizes, now it is the large and that is it.”

The above case also indicates that, in the customers' eyes, competitors provide the benchmark for the brand to match in offering customised availability. As one customer commented, "You (Sainsbury's) used to have Beef crisps. I can not find them on the shelves, ASDA does them but I want to save a trip to ASDA". Here, ASDA is the competition to which Sainsbury's (the brand) is compared, on the basis of the availability of the customised product (*beef crisps*).

- **The property of *deductive assessment of merchandise***

Customers not only pick up the meaning of customised availability by interacting directly with merchandise on the shelf (intuition) but also by interacting indirectly with merchandise via the information given to them either by employees or by the way the merchandise is displayed (deduction). An ordering service for unavailable merchandise is a technique used by many retailers to rectify the problem of unavailability. The employees administering such a service should however, offer a precise time limit in which their order will be made available to customers. Failure to do so causes the same negative effect as the high frequency of unavailability associated with customers directly interacting with merchandise in the store. The following case reflects this and shows a customer's angry reaction when the expected time limit for making the goods available has been breached. A female came asking for two items, which she had ordered (i.e. customised items) two weeks earlier, one own brand and one manufacturer brand. She said, "For two weeks I have phoned and come over to ask about these two items. I have been told that you ordered them for this week. Please can I check if they are

on the shelf because I can not find the staff member who took my name and address to inform me when they arrive.” Customer service officer replied, “Then they are not yet in”. She reacted (with an angry tone), “But I expected to find them today, it has been two weeks (high frequency) and you told me it is going to be in this week (breached promise).”

The main customer enquiry aimed at employees on the shop floor is “*Do you have this item?*” Thus, for shop floor employees, knowledge of their own departments’ merchandise availability is a crucial part of their job. The following incident explains how an employee’s lack of knowledge about merchandise availability can result in inaccurate responses to customers’ enquiries that will, in turn, communicate negative availability. While I was stocking bacon and meat on the shelves, a customer asked me if we had pork chops (customised good). Since I was new, I went to ask an experienced colleague but he did not know, and in turn went to ask the meat section head. The section head told him to check at the back chiller. Then, he got back to the customer saying, “sorry we don’t have it”. After finishing my stocking, I found pork chops clearly marked on another shelf in the meat section.

Employees are encouraged by store management to use display as a way to communicate information about merchandise availability. The store management is keen on keeping the store looking fully stocked by directing employees to fill any gaps on the shelves. This process is known as ‘*shelf dressing*’. This strategy of visual illusion, as the word *dressing* suggests, attempts to make the store seem well stocked even if it is not. This illusion will

however have a limited effect on customers, as they are concerned with customised availability not displayed availability. Thus, employees should not only dress up the shelf but also possess a detailed knowledge of merchandise availability in order to respond to the customers' customised needs.

In short, 'customised availability' is a concept that results from the properties of both inductive and deductive assessments of the store merchandise available in stock. Customers were found to be focused on the availability of their own required merchandise, using it as the prime factor by which to judge the retail brand's merchandise offering. Hence, customised availability is vital for the *attractiveness* of any retail brand. This attractiveness is also manifest in customers' use of merchandise availability as a benchmark by which they assess the brand merchandise offering against competitors, and as a base in forming perceptions of the brand positioning.

6.1.3 The concept of *Merchandise Quality*

Merchandise quality is a third concept emerging from the interaction between customers and merchandise. When asked about the quality of Sainsbury's products, a customer said "*regarding quality my wife can tell you but price is my issue and you have suitable prices*". Since the wife is the one who cooks in Egypt, the *performance of merchandise* is what determines the quality of the merchandise. Customers compare the quality of merchandise within a product category by comparing their performance. For example, customers use performance comparisons between retailer own brands and well-established manufacturer brand to evaluate own brand quality. In an interview with a housewife and her husband in Egypt, the wife said, "*their (Sainsbury's)*

own brand is very good and well priced. For example, their washing powder is very good it can really compete with P&G (Producers of the brand leader in Egypt) ". Hence, merchandise performance is the property through which customers judge the merchandise quality.

The two technical dimensions through which customers evaluate *performance* and consequently quality of merchandise are *preparation and taste (technical considerations)* and *consistency (time considerations)*.

A housewife in Egypt in response to a question about whether she buys Sainsbury's own label, answered: "*their own brand products are cheap but poor in quality. When you cook them (I tried their Macaroni) it took a lot of time to be ready and was not tasty at all. I guess people buy Sainsbury's brands because it is cheap, I did that myself but I'll never do it again". The reaction to poor taste and difficult preparation, seen in "*took a lot of time to be ready and not tasty at all*" respectively, is a radical negative reaction to merchandise performance and consequently the customer repeat buying of the merchandise is reflected in "*I'll never do it again*".*

Another dimension that customers use to judge the performance of the retailer's merchandise is consistency over time. The merchandise performance should be consistent. Otherwise, the retailer merchandise will lose its attractiveness to customers and consequently they will stay away from it. This is evident in the following case: a customer in Egypt complained that own brand quality has been deteriorating since the first time he bought them.

Thus, he said "*I stopped buying own brands because I lost confidence in them*". Here, losing confidence in the retailer's own brand merchandise reflects a deterioration of merchandise quality, captured in their performance over time, which ultimately resulted in halting repeat buying.

Whether own or manufacturer brands, the retailer should monitor 'performance' of its entire merchandise range. This is because customers were observed returning all merchandise with a bad taste or a technical fault, blaming the retailer for such frailties without differentiating between national and own brand. On the customer service desk, customers returned Egyptian (national) brands of beans, oil & canned tomato paste, and HP (international brand) sauces blaming Sainsbury's (the retailer) for the bad taste. Also, they returned various types of own brand beans and fresh food, such as meat, fish and cheeses for the same reasons.

Finally, in the UK, an employee argued that Sainsbury's has higher quality ranges than any other retailer. She based her view on *her trial* as well as *her colleagues' trial*. This trial indicates that range 'performance' is the way through which the employees have reached the conclusion that Sainsbury's provides superior quality. Nonetheless, the evidence of merchandise performance as a quality cue is clearer in Egypt than in the UK. That is probably because, in Egypt, customers are used to an inept retail system that sells low quality goods. Besides, Sainsbury's Egypt did not bring exceptional quality to the market, they relied on delivering the quality relative to the market in which they operated. This was seen in the use of the UK economy range

(lowest quality) as the finest range in Egypt stores and the words of the marketing manager *"we deliver high quality in Egypt but relevant to the Egyptian market standards"*.

In the UK, there is no much evidence of merchandise performance and consequently quality since supermarkets offer quality as a basic guarantee.

The words of the deputy store manager supported this view when asked about Sainsbury's superiority in quality over price oriented competitors. He replied "Quality is as important as price in all the retailers I worked in". A

Sainsbury's customer service training bulletin justified the need for delivering exceptional service by claiming that quality has stagnated in the UK market.

The bulletin spelt out "*In the UK market, if you don't have quality(merchandise quality), you simply cannot even be a player"*.

Based on the above difference between Egypt and the UK with regard to quality signalling, it can be concluded that customers in the developed retail markets take merchandise quality for granted as a rudimentary merchandise concept. In contrast, customers in underdeveloped retail markets take quality as an essential concept, and the merchandise via its performance has to starkly signal this in order to keep customers attracted to the merchandise. Merchandise performance is therefore a symbol of quality for customers in the underdeveloped markets. In developed markets, it would appear that quality is implicit and taken for granted.

6.1.4 Conclusion (Brand objects)

The process of open coding has resulted in the discovery of the concepts of customised variety, customised availability and merchandise quality arising from the interaction between customers and the prime object in a store (merchandise) seeking customisation, customers clearly focus on products they want. In seeking variety, availability and quality customers want to have a wide, accessible and acceptable choice of products. Therefore, the category of '*Freedom of Choice*' is best to describe the meanings that the merchandise (brand objects' symbols) carries to customers. Additionally, the concepts forming the category of '*Freedom of Choice*' is evident across the two cultures studied which, in turn, reflects that it is not particularly a culturally sensitive category. Finally, axial coding of the concepts reveals that the category of freedom of choice has a *magnetic* ability (sub-category) seen in *attracting* customers to shop with the brand and *benchmarking* the brand against competition.

Table 6.2 Customer meanings of brand objects (merchandise)

The (<i>Magnetic</i>) Freedom of Choice			(<i>Sub-category</i>) Category
Customised Variety (<i>attractiveness</i>)	Customised Availability (<i>attractiveness & benchmarking</i>)	Merchandise Quality (<i>benchmarking</i>)	Concepts (open codes) (<i>Axial codes</i>)
-Affordability -Responsiveness	-Inductive Assessment	-Merchandise Performance	Properties [dimensions]

	-Deductive Assessment	[technical issues; consistency]	
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6.2 Brand words and pictures

Words and pictures are natural tools of communication among humans. The words and pictures used in a supermarket were found to be fulfilling their natural role of communicating by forming a verbal and visual dialogue between the grocery retailer brand and customers. The concepts of brand personality, brand relevance, and economic astuteness encapsulated the meanings which were transmitted to customers. In the sections below, therefore, a discussion of how these meanings (concepts) are formed out of the communication between customers and the words and pictures in a supermarket culture will take place to show how these meanings ultimately form the category of *'brand promise'*.

6.2.1 The concept of *Brand Personality*

Personality is captured in the way a person speaks and dresses. This conveys the person's heritage, style, approach, credibility, and status. Similarly, customers via the words (speaking) and pictures (dressing) on the packaging of the retailer merchandise offering, capture the grocery retailer's brand personality. The brand name and the product information on a pack are the words that carry the properties of heritage & positioning (status), overtone (approach), and credibility. The property of style is captured by the way the pack looks (i.e. the pack's picture in customer's eyes).

- **The property of *brand heritage & market positioning (status)***

In Egypt, a woman returned a Sainsbury's Economy brand product saying that she suspected that it may contain 'pork' (Egypt is a Muslim country where pork consumption is prohibited). Although I assured her that there was no pork in the contents, she said: "it is a European place if I'm sceptical it is better for me to be satisfied and return them.....thanks". Here, the woman associated Sainsbury's brand name (a word on the pack) with its *heritage* as a foreign company. This can be seen in the phrase "*it is a European place*" used by the customer to indicate that the brand cannot be trusted to offer Islamic food since it has a European heritage and is consequently not familiar with Muslims' customs. Despite my reassurances to her, as a Muslim staff member, her perception of the brand *heritage* was stronger, leading her to finally abandon the product.

Customers not only take perceptions of *heritage* from the brand name but also the associations of the name in the local market (or *positioning*). Since Sainsbury's was known for offering the best prices in the market, any expensive items under the Sainsbury's name were not welcomed. A customer got mixed up between Sainsbury's Wafar (value) range and the normal range due to the presence of the Sainsbury's name on both packs, but with a difference in price. The customer returned the products from Sainsbury's-name range and wanted to exchange them for their counterparts within the value range claiming that he had paid more for the same product. This indicates that this person saw no difference between the two ranges, except the price, despite a noticeable difference in the design of the two packs.

Thus, the association of the Sainsbury's brand with low prices rubbed off onto every product carrying the name, with customers expecting nothing but the lowest price. Another example that reinforced this point was a customer who brought two packs of Macaroni (one Wafar (value) range and one Sainsbury's-name range) to the customer service desk and asked, "*What is the difference between these two?*" I answered saying that Sainsbury's-name range was better in quality than the value one. The customer replied, "*Sainsbury's name is on both of them, I'll take the cheaper*".

As seen in the cases above, customers use the brand name (a word) on the pack as a cue to the *brand heritage and market position*. Association of these properties with the brand name is only seen in Egypt, not in the UK. The absence of the *heritage* property in the UK could be due to the retailer being in its home country where its name heritage is embedded in the local culture. As for the property of *market position*, in the UK, the own brands experienced the same customer reactions as in Egypt when the second tier of own labels was introduced (Burt, 2000, Kapeferer, 1997). Hence, the property of *market positioning* used to exist in the UK but the current difference in views is probably due to the high level of own label development and experience in the UK compared to Egypt.

As a result of the above, it can be concluded that the property of *heritage* is a culturally sensitive property, while the *market positioning* property is sensitive to the retail market in which the brand operates.

- **The property of *overture (approach)***

The retailer introduces customers to its merchandise through the words (information) written on the package identifying what the product is and what it is used for. This issue comes quite clear when the retailer travels into a new culture particularly with different language. This is clearly observed in Egypt when Sainsbury's as a foreign retailer brought some unknown and unfamiliar products to Egypt, but is not seen in the UK where Sainsbury's is a local retailer. The imported merchandise range stagnated when Sainsbury's were known to be leaving Egypt. Although the imported goods were reduced to clear, they remained on the shelves during the last days while the other shelves were empty. I observed the imported goods shelves daily. I found that almost no product moved from the shelf despite the Egyptians love of imported goods. The store manager originally argued that Sainsbury's wanted to capitalise on this cultural issue and make a high margin on imported items by selling them at a premium. However, he admitted that imported items underperformed tremendously, justifying the failure by describing the items as "*mature for the Egyptian market*". However, from my shop floor participant observations, customer demand for imported goods was low primary because they did not know what the products were or how to use them.

The reason behind the customers' lack of interest in imported products was their inability to read the descriptions on the packages and thus they resorted to the physical features of the pack to guess the products nature. The following cases illustrate this point: A woman, in traditional dress, returned a home fragrance container and said "*I used this fragrance but it is too strong*

and hurts when it touches my skin.” It was clear from her complaint that she used the home fragrance as a personal one. The package clearly states in English “*home fragrance*” and had on the back a tiny but clear Arabic translation. It can be argued that she cannot read either English or Arabic. In fact, illiteracy is common in Egypt especially among women (about 33.8% women and 19.81% men) (C.A.P.M.A.S ,1997). Also, this case illustrates that she used the package features to try and relate the product to a product known to her, since traditional fragrances in Egypt come in cylindrical containers as do concentrated home fragrances in the UK.

In another case, a man, who was a government employee and thus literate, returned a bottle of (HP) brown sauce (*foreign and unfamiliar product*) because he used it incorrectly as a cooking sauce. He said “*I tried to cook with this sauce but it has a very strong flavour.....what is this?*” When I explained to him the product by reading the English label...he said “*this is not what I want*”. In this case, the customer was literate in Arabic but clearly did not understand how to use the HP Sauce because he did not understand English. The pack described the use on the English label but the Arabic label just stated what the product was. Thus, the customer knew it was a sauce but he could not figure out how to use it. Hence, inability to read foreign languages is another barrier to the success of imported goods, because customers may not know how to use them.

A common complaint for customers returning imported merchandise was that they bought the wrong product because the detailed product information on

the pack was written in a foreign language. Several complaints were directed at hairstyle products where customers used to get mixed up and buy hair cream as a shampoo and visa versa because the language on the packs was either German or French.

As the cases above suggest, the retailer, when working abroad, should ensure that the packaging of their imported/unfamiliar merchandise, which is usually high margin products, has words (or pictures) that clearly identify the products and their use to the local customers. Failure to do so may deter customers from this high-margin merchandise, which in turn leads to reduced profits.

- **The property of *credibility***

The property of credibility is encapsulated in two dimensions; these are the ethics and the candour of brand messages. There are keywords on the merchandise packaging that carries the message of the retailer ethics. Customers utilise expiry dates (keywords) on the packs to form their views of credibility. In Egypt, customers vehemently criticised the brand for stocking expired items. A customer came to raise my attention at the customer service desk: "there are expired products on the shelf (with disgust on his face)" and uttered "this is dangerous for your integrity". The use of "expired products on the shelf" indicates that expiry dates on merchandise packs clearly communicated to customers. The subject of this communication was the credibility of the retailer brand, is reflected in the phrase "your integrity". The whole quote shows that the customer directly linked the presence of expired

products on the shelf with the credibility of the retailer brand. Also, the use of the word “*dangerous*” shows an extreme reaction towards the issue of credibility in this customer’s perception of the brand. The fact that the customer came to me as a customer service officer to raise my attention to this issue indicated that the customer wanted to warn the brand against continuing to keep expired goods on the shelf. Thus, credibility can be seen as a perception that won’t be seriously hurt unless breached persistently.

The effect of the persistent presence of expired goods on the shelves was damaging to the brand as a customer commented: “*It is ruining (with serious tone) the name of Sainsbury’s selling expired cheeses and food*”. This damaging effect on credibility stems from the information (words) on all products in the merchandising offering, as one customer complained “*The Egyptian goods you carry in the store inside are expired please watch it in order not to ruin my view of Sainsbury’s*”. The quote shows that the customer is referring to brands in general without differentiating between the own and manufacturer brands.

Concerns regarding the issue of credibility were also echoed in the UK when customers rebuked the integrity of the retailer by commenting “*It is not supposed to be on the shelves*”. In this frequent comment, ‘it’ refers to every expired product brought to the customer service desk by customers. Their disappointment was inferred from the phrase “*not supposed to be*” and the overall tone of the comment. With a tone of blame, a customer returning expired ice cream, said, “*I bought it with an expiry date end of June but you*

leave things here till the last day. In fact the same brand at ASDA is expiring in 2002... it is pale and seemed to be refrozen after being thawed at the store". This case shows that the customer used expiry dates as a cue for accusing the retailer of misconduct, and this consequently indicates negative perceived credibility. The customer blamed the retailer for the failure to provide proper storage and to monitor expiry dates of merchandise. The comparison with ASDA reflects that competing brands provide a benchmark for customers to assess the retailer brand credibility.

The other dimension of retailer brand credibility is the candour of the brand messages. Customers also make their credibility assessments of the brand based upon the sincerity of its promotional messages. Hence, customers will accuse a retailer of deception and thus poor credibility when the words on a promotional message are puzzling and difficult to comprehend. About twenty cases observed in the UK store showed customers getting perplexed by offers made by the retailer due to a lack of clarity on the promotional labels. To illustrate, three cases of confusion happened on an offer of bagels and wine, customers complained about either picking up the wrong number of bagels or the wrong type of wine causing a bitter feeling of being bluffed. Even staff members when they bought the offer for their own use were unable to correctly interpret the words of the offer. *"Even a member of staff cannot get the promotions right"* a smiling comment from a supervisor when a member of staff asked for a refund because she misunderstood the offer.

Misinterpretation of the word content of an offer may not be the only confusing

factor in a message, but also the word presentation. A customer reacted angrily to an offer advertised on the shelf, He said, "That is misleading, that is bloody misleading not only misleading, say to the management that. I saw 50% off, I thought it's a good buy when I put my glasses on to check the small note underneath, I discovered it is when I use a coupon in Sainsbury's magazine. That is bad". This shows that he felt misled by the presentation of the promotion message and also the customer's desire to send his message to the management reveals the direct association between the way the words were presented and the perceived integrity of the brand as a whole.

Moreover, the words "*that is bad*" and "*bloody*" capture the angry reactions of the customer in response to the perceived deception by the brand. This consequently indicates negative brand credibility.

- **The property of style**

On the fish counter in the UK, the introduction of a silver seal pack reflected what the retailer merchandise packaging communicates. The fresh food packing best represents the retailer's own packaging, rather than the packaged groceries, since there are no manufacturer counterparts that may influence the packaging style (e.g. retailers use red colour in their own brands of Cola to link with the Cola identity from the leader Coca-Cola). Packaging communicates the retailer brand style, in two dimensions simultaneously: fashionability and professionalism.

Several customers reacted to getting their fish in the silver sealed pack with praise. One customer said, "This packaging is like restaurants it looks really nice". The look of the pack is clearly the focal point of praise from the

customer. Thus, the pack's fashionable look (in the customers' eyes) is one way through which a package communicates with the customer in a retail store. The other way that the pack's looks or picture communicated to, the customer is captured by the comparison with restaurant packaging. This comparison indicates that the pack look has moved the supermarket from just offering a basic food wrapping to a stylish professional one.

Another customer commented on the new packaging saying " *New pack, fancy isn't it? ...So fancy with hot seal as well.*" This positive comment about the fashionable look was captured in the word "*fancy*" and "*hot seal*" captured the comment on the professional efficiency of the pack. A second customer commented, " *Fancy chic packaging that is nice looking...*" The use of the words "*fancy, and chic*" again indicates that customers use words associated with style and fashion to describe the look of the retailer fresh food packaging. However, customers also described the look of the retailer fresh food packaging with phrases like "*Nice packing, straight to the fridge*", "*Excellent pack, straight to the freezer*". "*This packaging is quite hygienic*", "*This pack is big enough to keep a flat fish as it is*" These comments show that customers also use the look of the packaging to deduce perceptions of the retailer's professionalism, reflected in the convenience of the pack, hygiene, and the fish expertise respectively.

The brand style observations were found in the UK store but not in the Egyptian store. This could be due to greater Egyptian customer interest in core product information, as seen in the brand overture property, than the way

its packaging looks. This, in turn, is probably due to the underdeveloped nature of the Egyptian grocery retail market where merchandise style is far less important than its essence.

In brief, customer interaction with the packaging of the retail merchandise in the store raises the properties of the retailer brand heritage and positioning, brand overture, brand credibility and brand style. These properties represent characteristics of a personality and thus the concept of brand personality is assigned to them. The customer's reactions to these properties mainly represented their attitude towards dealing with the brand. Hence, the axial code to reflect this reaction is the brand *self-esteem*. This is because the customer can either favour or dislike the encounters with the retail brand in response to its personality traits. Finally, based upon the comparisons between the two research sites in Egypt and UK, the properties of the brand personality, apart from heritage, were found to be sensitive to the local retail system in each country.

6.2.2 The concept of *Brand Relevance*

The display of merchandise in the supermarket has the properties of a picture since it demonstrates and groups merchandise and attracts the attention of customers to merchandise at the store. Thus, the way the merchandise is displayed helps customer to relate their shopping needs to what is offered in the store. In other words, the display communicates that retail brand offering relevant to customers. Consequently, the concept of brand relevance emerges.

- **The property of *merchandise demonstration***

The merchandise display on the fresh food counters clearly reveals the property of demonstration. In Egypt, a butcher commented "*the presentation of the meat is a cue for quality, customers first eat with their eyes". The butcher shows here that the way the meat displayed demonstrates quality and taste to customers. An Egyptian customer asked me on the meat counter: "please bring me from what I see well not from the back of the tray, I want the good stuff". This quote confirms the butcher's quality demonstration claim. Also it adds another point, which is the customer tendency to select merchandise that is directly demonstrated to him/her. This point was emphasised by another customer comment "get me what I see and want of meat. Please do not get me meat from the back of the tray". Therefore, customers directly relate demonstration of merchandise to the desired quality of merchandise. This point was further stressed when a customer commented on the fish counter " *the fish do not look tempting, why? Don't you want us to buy?" The question indicates that the consequence of poor product demonstration is unappealing merchandise offering in the eyes of the customers.**

All these cases of the demonstration property are found in Egypt but not in the UK. This is because the buying habits for fresh food are different in Egypt than the UK, because of the developed retail system. Customers in Egypt tend to make self-checks on fresh products to ensure quality before buying. This behaviour is popular among Egyptians to guard against deception that is deep-rooted among independent fresh food retailers (e.g. butchers,

fishmongers, etc.).

- ***The property of merchandise grouping***

The display of dry grocery merchandise follows the logic of grouping for customer convenience. In the UK, a customer came to the desk and said, “ *I picked it up wrong, its organic milk and I don’t want organic but it was with the rest of milk* ”. This quote shows how the display represents to the customer a way of grouping the merchandise under common themes. The customer here picked up an organic milk pack by mistake (“*picked it up wrong*”) since it was grouped with other types of milk (“*it was with the rest of milk*”). Given that the organic range used to be separated from the ‘normal’ milk range in UK supermarkets, the customer identified the item as irrelevant to her “*I don’t want organic*” and consequently she had to bear the inconvenience of returning it. In another case, a customer searching for an organic food product said, “ *I can not find organic tea, do you still have it ? I am going from one place to another, it should be all organics in one place. It used to be so before. Now I have to travel the whole store for just an item , when it was in one place I can get all organics tea, coffee.. Whatever*” This case can infer that this customer used the logic of theme grouping in display to facilitate finding the goods she was looking for. In other words, relating the products displayed to products needed as seen in “ *I can not find organic tea, do you still have it? When it (organics) was in one place I can get all organics tea, coffee.. Whatever*”. The consequence of not having goods displayed by theme, was a complaint of inconvenience, as seen in “*Now I have to travel the whole store for just an item*”.

The grouping property exists in the cases collected from the UK but not in Egypt. This may be because the logic of grouping is associated with merchandise display in supermarkets. Since supermarkets are in their infancy in Egypt, the property of grouping, although used by Sainsbury's in Egypt, was an insignificant property to Egyptians and not considered as fundamental in a grocery retail store.

- **The property of *attracting attention***

As well as demonstrating and grouping merchandise, display attracts the attention of customers. Special displays for on-offer merchandise are essential to grab customers' attention to the nature of the offer. In the UK, when an employee changed the position of a stand of on-offer bread from a relatively hidden site to more customer-facing one, it grabbed the attention of more customers than in its previous site. Thus, the display positioning makes the promotional message clear and thus products became more relevant to customers.

Making the store vision of the business relevant to customers is achieved via the use of display. A UK customer said, "*In ASDA, there is a wall of promotions in front of you*". Since ASDA is known for its intensive promotions, the use of the word "*wall*" shows how the customer interpreted ASDA's vision of intensity and width of promotions through the way it is displayed. Similarly, Sainsbury's in Egypt, adopted the vision of intensive promotions and dedicated the area just before reaching the tills to special offer displays. As a result, this area was the main attraction point in the store. Customers packed

around each special offer display box to the extent that customers started to use the exit door to enter because it was closer to the special offers area. Actually, the display boxes attracted too much attention, with customers forcing their way to the promotional items. As the customer services manager best described the scene “ *customers here are chaotic, they don't follow any system, they just behave in havoc and rush. Customers fight and bite each other to get the discounted items*”.

Furthermore, display can draw customer attention to the fulfilment of the retailers' promises, which are made relevant to customers in the store through promotional tools. Hence, the retailer promises. In the UK, a customer came with the intention to buy a promoted type of Sainsbury's olive oil. She said, “ I have heard about an olive oil on the BBC Good Food program that is supposed to be at Sainsbury's but I can not find it at all, you promote it and don't have it available! “. The grocery manager replied “it might be on the speciality shelf” and there it was. The customer responded “ It is being promoted by you, make it visible and clearly marked ”. Here, the customer thought the product was not available. However, the product was available but due to an unclear display, the speciality product did not attract the customer attention. Thus, the display failed to connect this speciality product to its relevant customer correctly.

As noted above, the effect of display on making the retailer offering relevant to customers in supermarkets is more evident and multifaceted in the UK than in Egypt. This is probably a natural consequence of the more developed UK

supermarket system.

To recap, the concept of brand relevance emerges from customer interaction with the visual look/picture of the merchandise display through the properties of merchandise demonstration, grouping and attention. Each property involves a customer reaction towards it represented in the following characteristics: appeal (demonstration), convenience (grouping) and lure (attention). Thus, the axial code of seduction can best describe brand relevance as the appealing, convenient and luring effects on customers.

Finally, based upon the comparisons between the two research sites in Egypt and UK, the properties of brand relevance appear to be directly related to the degree of development in the retail system; the more developed the system, the more properties prevail and visa versa.

6.2.3 The concept of *Economic Astuteness*

To customers, 'price', 'promotion', 'bargain', and 'special offers' are vital words, carrying central economic and psychological meanings. Economically the words mirror the customers' tendency to be parsimonious while psychologically they evoke customers' feelings of shrewdness. Thus, the concept of economic astuteness emerges as the best description of the effect of these words on customers.

- **The property of *Parsimony***

The parsimonious tendency of customers is reflected in the way they decipher the word "*price*" in a retailer offering. In Egypt, price is considered the generic bedrock for any effective offering. In response to a question as to what he thinks about the UK retailer (Sainsbury's) operating in Egypt, a customer

commented: *"no matter the retailer is local or foreigner, its 'price' is the salient indicator of a good retail system".* The retailer's ability to offer low or reduced prices is what customers admire the most. In an interview with a housewife and her husband, the husband said, *"Sainsbury's is popular in Egypt I believe because people felt they could reduce prices."* Again the desire for reduced/lower prices was seen as the generic strategy for success. A customer, referring to the success of Sainsbury's Egypt through adopting a low price system, argued *"I guess any local retailer who adopts the same system will be successful as well".* Another customer commenting on Sainsbury's departure from Egypt said, *"I hope the buyer will maintain the good system of low prices".*

Since 'low price' is a cornerstone of the retailer brand offering, the greater the change in prices the lower the customer tendency to buy. In other words, the customers' price elasticity is high. To illustrate, a customer came to the customer service desk in Egypt criticising a large change in prices at Sainsbury's. He said, *"the change in price could be acceptable but the change has to be in small ranges. You can pull me with L.E. 1 item then increase it to L.E1.25 is OK, I'll accept it".* The customer here advocates small changes while rejecting big changes in price. Another customer argued *"I believe that price is very important, but I can accept small variation of price if I get better service at the place in which I buy".* Here, the customer reiterated that a small, not a large, change in the crucial price can be acceptable, but added that a justification is needed for any increase in price through a non-price retailer offer (e.g. service).

Without such a justification, price changes, especially an increase, provokes negative perceptions for the brand as a butcher, a key informant drawing on his customer experience, argued : “high changes in price are an indicator of low confidence in Sainsbury’s (the brand name) from the customer viewpoint”. My observations and inquests supported the butcher’s view. There were many question marks on customers’ faces when they were used to paying a certain price for an item but then found it different, particularly higher, later on. Sometimes customers spelt out their discontent: “ Prices are changing suddenly and on the rise! ” with an angry and shocked tone.

To investigate the effects of changes in price on customers, the researcher asked customers about their views on Sainsbury’s pricing policy. One customer commented, “Sainsbury’s started by fooling customers, we understood it though, they dumped prices of so many items but started to raise the prices up to the average again or even above average. Thus I felt being deceived ”. Hence, the brand’s loss of customer confidence is due to persistent price increases, which may ultimately result in customer defection, as one customer argued “ The change in the pricing policy signals instability that shakes confidence.....Sainsbury’s started by decreasing prices to attract customers but prices started to climb up again surpassing retailers around. This trend, if continued, I’ll certainly look for a new place to shop, a place I can trust that it will have stable prices.” Therefore, in Egypt, the customer’s vigilant attitude towards price changes, as well as the admiration of low price as the focal point in a retailer offering, reveals a parsimonious attitude driven by the

word 'price'.

Although customers in the UK seldom use the word 'price', the interpretation of the word 'bargain' reveals their parsimonious attitude. A customer explained the word 'Bargain', she said, "*I look for bargains and I never buy something that is of poor quality because it is cheap. At the bargain you get good quality brands at good prices*". From her explanation, it can be argued that, in the UK, low price is associated with poor quality goods and consequently the bargain is used to indicate a balance between quality and price as seen in "*good quality brands at good prices*". A bargain is about reducing the cost of quality goods rather than getting low quality goods for low prices. In other words, the core meaning of a 'bargain' offers customers a sense of parsimony via value for money.

Value for money is cardinal for the retailer offering, without it the retailer brand loses its parsimonious potential in customers' eyes. A UK customer explained why he did not do his shopping at Sainsbury's he said, "*people in general look for value for money, I guess no one these days buys nothing for nothing. Sainsbury's is quite high in image... Especially in this area you get people who are very focused on value for money. So this image could be a bit harmful*". This customer shows that the retailer brand offering is primarily assessed by its economic appeal. Thus, skipping this economic element in brand image leads to negative perceptions as clearly seen in "*Sainsbury's is quite high in image...people who are very focused on value of money....this image could be a bit harmful*". Even the supposedly most loyal brand

customers, the employees are no different from the rest in the tendency to save. Once I asked the produce team members if they usually bought all their food from Sainsbury's. The answer was "No" because "Sainsbury's is expensive". However, one member said "Yes" he buys food from Sainsbury's for his mother but only because "she gets my discount which makes the cost the same as that she gets at ASDA nearby".

To customers in the UK, parsimony has the first priority in the retailer brand offering. Commenting on Sainsbury's supreme taste claims, the store's tasting expert, drawing on her experience as a home economist, argued "*the majority of people are driven by budgets before taste while maintaining acceptable quality*". Her argument clearly emphasises parsimony as the main priority in customers' food shopping as long as the food has an acceptable rather than supreme taste. To support her argument, a customer on the fish counter asked, "Can I get Scallops? They look awful, but they are cheaper than ASDA." Although the customer obviously had a negative view of perceived taste, he opted to buy just to save money, as reflected in his justification "but they are cheaper than ASDA". Thus, it can be deduced that from customer viewpoint parsimony is preferred to taste in the retailer offering.

Furthermore, customers considered parsimony superior to celebrity appeal in its ability to attract customers to a retailer brand. A customer who did not shop at Sainsbury's explained why the brand offering was not attractive to her despite using a highly popular celebrity chef (Jamie Oliver) in its ads. She said, "I like the ad very much but this won't pull me to the store, I just want to

see bargains and good buys. At Sainsbury's, I have heard they make you taste things before you buy. They even advertised that with Jamie as well but this won't pull me as well". The customer response reflects that the use of high profile advertising is interesting but not tempting as cited in "I like the ad very much but this won't pull me to the store". The main temptation of the brand offer stems from the potential to save as reflected in "I just want to see bargains and good buys".

Therefore, satisfying customers' parsimony via the offer of value for money is vital for any grocery retailer. Despite the differences in the words used to communicate parsimony to customers, all retailers realise its crucial role in their offering. The UK store deputy manager expressed the value of promotions from a Sainsbury's viewpoint. He said, "Our promotions are clever as value rather than price we do not say the word save, we say quality at reasonable price because we can not guarantee lower price. I will not go with price and get into a price war". [Then, do you consider Sainsbury's a niche retailer?] He replied, "Customers shop for convenience but we have to recognise that we are competing with all food retailers in the business not only niche ones and thus we have to respond to them as well". The deputy manager's comments confirm the view that the meaning of the word 'bargain' (seen in his words as "we say quality at reasonable price") is as effective to form a competitive advantage as the word 'price'. However, the use of the word 'price' is perceived as offering an unsustainable competitive advantage since it is very hard to maintain; this is reflected in "...we can not guarantee lower price. I will not go with price and get into a price war". Besides, since he

admitted that responding to price competition is a must for survival in grocery retailing, appealing to the customer's parsimonious behaviour is stressed as a vital element in the brands' competitive position.

Customers in both the UK and Egypt have shown that their tendency to save drives their choice of grocery retailer brand. In Egypt, when two customers were asked to determine what differentiates Sainsbury's from its competition, they said:

- Customer (1) "number one is price and also range"
- Customer (2) "Its price and the meat which led me to try fish as well".

In these responses, as an indicator of parsimony, 'price' is argued to be the undisputed number one factor differentiating the retail brand offering from competition. In other words, price, from a customer perspective, is the most significant element in the retailer offer. Customers in Egypt left their existing grocery retailers to shop at Sainsbury's because it was seen as offering the best prices in town, as customers said:

- Customer (1) "Metro (a competitor) is better than Sainsbury's as a supermarket but Sainsbury's has a better price".
- Customer (2) "I left Alfa market (a niche supermarket in Egypt) for Sainsbury's because the range is as wide as Alfa but the price is lower"
- Customer (3) "I used to shop at ABC (a niche supermarket bought by Sainsbury's later) but now I'm shopping because here they have a better price while everything else is the same."

As in Egypt, the UK customers see the offer of a bargain (the indicator of parsimony) as a competitive advantage for one brand over another. A

customer commented “ *Shopping at Sainsbury’s is good but other supermarkets have better bargains*”. The customer has used ‘bargains’ as the basis on which the brand offering is evaluated against competition: the better the bargains, the better the brand. Hence, there is a direct relationship between the quality of the bargains and the quality of the brand. Quality of bargains is not the only dimension on which a retailer brand is judged. There is also the number of bargains offered as one customer commented that “*Safeway makes better and more offers. Can you imagine Kellogg’s Corn flakes 49P, here its 1.60 pounds that is a lot of money difference”.* The quality of the bargain is determined by how much it saves in terms of money while the number of bargains is obviously determined by how many offers are available in the store. Hence, the more and the better bargains available at the store, the more the brand appeals to customers’ parsimony. Thus, customers are always interested in the bargains available in stores. I asked a warehouse employee [*Do you promote Sainsbury’s in your area?*]. He answered “*Not really, only people sometimes ask me if we have promotions*”. Customers sometimes come to the store just for particular promotions as it is very common to hear customers saying “ *Do you have the ‘buy one get one free’ Salmon?*”, “ *Do you have the 1.99 pack of Salmon?*”, etc.

The manifestations of the meaning of the word ‘bargain’ (quality at reasonable price) in the words ‘*offers, promotions or reductions*’ tend to be a more attractive way to communicate the competitive advantage than just the word ‘price’. A customer argued “ *Tesco has reasonable prices but Safeway’s reductions and offers pull me*”. Thus, clearly communicated messages using

words like 'reductions' or 'offers' attracts customers to one brand over another, as a part-time employee explained why his family liked ASDA over Sainsbury's : *"They have more aggressive ads about their offers, I don't know why they don't do that here?"*.

As seen in Egypt and the UK, 'price' and 'bargain' respectively are the words that reflect the customers' parsimony and consequently form an integral part of the retailer brands' competitive position. Nonetheless, in both countries, 'price or bargain' can only be effective when customers' associate parsimony with their basic and/or strategic goods. In a TV interview, a former Prime Minister of Egypt, commented on Sainsbury's success saying *"price is the magic that makes people switch stores especially to those offering low prices for basic goods"*. The prices of basic goods are the thermometer used by customers to measure the parsimonious offerings by retailers. A customer revealed this when asked why he went to Sainsbury's. He said, *"I usually search for the best deal... I mainly go because Sainsbury's prices are less than any other store in the essentials I usually buy"*. Another customer when asked about his view of Sainsbury's in Egypt by Eltahawy (2000) shows a favourable view due to the brand offering of the best prices on the basic goods. The customer said *"I like it a lot. It is neat and people are polite. Compared to Egyptian supermarkets there is big difference in prices, in things like rice, soap, meats, and canned goods. Many people have left their local supermarkets to shop here"*. In the UK, a customer revealed how parsimony is associated with basic foods rather than fancy ones, he said *"when I want to get good pre-made food I choose Sainsbury's while to get the basics, such as*

vegetables, meat, fish, etc. I go to Tesco for the best price”.

Not only basic goods but also strategic goods are benchmarks for parsimony. In the UK, in a conversation with an assistant manager about the role of promotions and bargains in grocery retailing, the question was raised [Do you buy something of low quality because it is on promotion?] The employee, reflecting on his attitude as a customer, said, “No, No, I’m not that kind of guy but I go for the famous names I was brought up on and the basics, they are similar everywhere like Ketchup for example”. The employee response shows that his tendency to save is aimed at the basics as well as his favourite brands, which is strategic for him because of the respect he holds for their tradition as clearly reflected in “famous names I was brought up on”.

Moreover, I asked a customer about his view of the quality-price offer (the bargain) of Sainsbury’s v. ASDA. He replied saying “it is very difficult to tell but ASDA’s organic range is significantly better and cheaper than here”. This quote indicates that this customer finds it difficult to assess the bargain at store-wide level. However, the customer assesses bargains at the level of the relevant (customised) range, as organic ranges in this case represent a strategic choice for this customer.

In Egypt, a family (with a baby) said, “*The best thing Sainsbury’s do is selling well-known products for low prices, such as Pampers and KAMER EL-DEEN (Apricot drink) in Ramadan*”. In this case, the customers expressed delight at the low prices of Pampers because of the strategic importance of the brand for them with the baby, while the Apricot drink has a strategic importance

because of its traditional association with the religious month.

- **The property of feeling of astuteness**

As well as symbolising parsimony, words like 'low price', 'bargain', 'promotions' and 'special offers' evoke a feeling of astuteness that adds an aroma to the customers' parsimonious attitude. To customers in Egypt, "Special offer" is a phrase that evokes feelings of *enthusiasm* as if making a deal. Customers usually ask "Is this the original price (of an item) or it is on offer?" Customers are motivated to make the deal if the item is on offer "If it is on offer, I'll take it". Thus, the speciality of the offer evoked urgency and enthusiasm to capture the buy as if customers are making a business deal. Therefore, it can be deduced that in response to making deals out of offers customers develop a sense of business astuteness.

This feeling of astuteness is reflected in the eagerness to spot offers in the store. Customers were observed regularly asking employees about offers in store. The most popular customer questions heard throughout the departments of the store were "Please tell me what is on offer" and "where can I find the offers in the store". The desire to spot offers is not only in one brand but also across all retailer brands in the marketplace as two customers mentioned that they tour around various stores to find the best deals. This tour enhances the feeling of astuteness as it assures the customers that they have acquired the best buys across the market. This is illustrated in one customer comment, "What is good about Sainsbury's is its special offers", I come here to benefit from them. I buy mainly special offers but I do buy other

things but not much because they are cheaper elsewhere". The sense of business astuteness is also evident in the UK. The enthusiasm for finding offers and making deals echoes that found in Egypt. An employee commenting on his wife's shopping behaviour illustrates the tendency (among many others) to tour around stores to get the best deal. He said *"My wife is not loyal to any supermarket, she just pops in where a promotion is, and her type is very common as well."* Generalising on this claim, the provisions manager (a key informant) showed me the reductions and offers while touring her department saying *"customers love offers that is why we highlight them".* The use of the word 'love' shows the affection and enthusiasm that customers associate with the offers. As customers make deals in the form of capturing an offer, a sense of astuteness is seen in the feeling of excitement detected in customers' *'shy smiles'* when they speak about it. For example, a customer revealed the excitement of getting a bargain with a quiet smile on her face, *"I got three bags of shopping on offers for five to six pounds, it is great wonderful bargains. This is what attracts me to a store".* An old lady came to the customer service desk asking if someone could help her to get four bottles of diet coke *on offer* off the shelf because she could not lift them. She justified this by claiming that *"she did not want to squander the 'bargain'".* Moreover, the sense of urgency generates the feeling of astuteness as a customer said *"In ASDA, customers go for promotions, go and grab one"* The use of the phrase 'go and grab' in association with 'promotions' reflects the speed and control needed to astutely capture the promotions. Furthermore, customers feel astute when they can clearly see the financial benefit from promotions. A customer explained this in the following words *"I respond to the leaflet price*

ads delivered to the doors, I like it personally, and they are good at showing us how we are going to save by comparing prices to competition". Finally, it is worth mentioning that customer feelings of astuteness are not always positive and thus the retailer may suffer set backs when the customer cannot realise a deal he/she intended to make. A typical example is when a customer came to the desk with a disappointed look and said, " I bought four litres of Robinson juice because they have the same price as ASDA. I discovered at home that it is just three litres ... actually I was mistaken ASDA was better and I did not get the bargain I thought I was getting. So, can I get it back."

The sense of astuteness also emerges out of 'fun or desperation'. On one hand, fun is evident in cases of customers feeling astute by outsmarting the system in their favour. In a comment on Sainsbury's departure from Egypt, a customer said, "*Sainsbury's low prices were their main advantage but I think they lost because it was too good for us (customers). They lost because they sold a lot but gained less."* The customer here believes that Sainsbury's strategy of low price has backfired because of the cleverness of the customers, who outwitted the retailer. In the UK, I asked an assistant manager, [*In my country people told me that rich and poor are looking for the best deal, is this true here?*] "*Yes, Yes, it is really true in this country as well. In fact, people with money have made money this way; being cautious.*" The quotation suggests that wealthy people in the UK, although they do not have to, tend to be cautious with money to maintain their wealth.

Desperation is seen in cases of customers feeling astute because they are

forced to handle difficult financial circumstances. A customer quoted by Eltahawy (2000) says, "*We are getting by on governmental salaries (low ones), so it makes a difference if we can save". The customer was commenting on the benefits of Sainsbury's low price policy for the Egyptian customer. Shopping at Sainsbury's helped the customer to astutely manage the constrained budgets from a limited income. Another customer praised Sainsbury's low price policy for its positive effect on his ability to astutely manage his monthly budget saying, "*Sainsbury's advantage at the beginning of every month where it allows us to save with its low prices". Although cases of desperation in the UK are rare, one customer (a builder) when asked about his view of Sainsbury's v. ASDA showed great admiration for ASDA since it allowed him not only to save on grocery shopping but also on his kids school shopping. He said "*ASDA entice me very much because not only it is definitely value for money but also gives vouchers to take about 8 pounds off the school uniform of the kids, it is lovely we can save 8 pounds".***

In brief, the concept of economic astuteness emerges out of the customer interpretation of the words 'price, bargain, special offers, and promotions' in the retail brand offering. The open coding showed that the customers' interpretation mirrors their tendency to be parsimonious and the feeling of astuteness that accompanies this. The discussion of how and what effects these properties have on the customer interaction with the brand have revealed that they have an attractive power that plays a central role in the brand's competitive advantage. Thus, the axial code of strategic attraction best describes the paramount role of economic astuteness for the retailer brand. Finally, the open and axial codes were found in both countries except

on two issues; these are price elasticity in the property of parsimony and the desperation dimension in the property of feeling of astuteness. This difference can be attributed to the economic power of the customers in the two nations. Consequently, price elasticity is higher and customers are more desperate to save in Egypt more than in the UK.

6.2. 4 Conclusion (Brand words and pictures)

The words and pictures in a supermarket culture symbolise to its customers the retailer brand's personality, brand relevance and economic astuteness. Since these are vital and attractive characteristics in the retailer offering, words and pictures represent a form of audio/visual speech through which the retailer's brand communicates its attractive characteristics to its customers. Consequently, the meanings that the words and pictures symbolise introduce the brand to its customer and thus they form the category of 'Brand promise'. Since the axial codes best describe the customers' reactions to this brand promise, as self-esteem, seduction and strategic attraction, they encapsulate customers' reaction to brand promise through the sub-category of 'Charisma'. Thus, the category's open and axial coding could be labelled as "brand charismatic promise". The category map hereunder summaries the emergence of 'Brand Charismatic Promise' out of its concepts and axial codes.

Table 6.3 Customer meanings of brand Words and Pictures (brand communication)

The (Charismatic) Brand Promise			(Sub-category) Category
Brand Personality (self-esteem)	Brand Relevance (seduction)	Economic astuteness (strategic attraction)	Concepts (Axial codes)
- Heritage and Market positioning/Status Overture/Approach - Credibility [ethics; candour] - Style [fashionability; professionalism]	- Merchandise Demonstration -Merchandise grouping -Attracting attention	Parsimony [strategic & basic goods; quality & number of offers] Feeling of Astuteness [fun; desperation]	Properties [dimensions]

6.3 Brand signs

The previous two sections explored the meanings symbolized (to customers) by the objects and the words and pictures within a supermarket culture. In this section, the meanings symbolized by the signs within a supermarket culture will be explored. The brand signs will cover the symbols of the store format: store location and facilities encapsulated in the concepts of store geography and customer care. The following discussion will demonstrate how these two

concepts are formulated via the customer interaction with the store location and facilities to ultimately form the category of '*Brand Hospitality*'.

6.3.1 The concept of Store Geography

When customers interact with the location of a supermarket brand, proximity, travel, and accessibility of the store emerge as vital properties. Since these properties represent the geographic characteristics of the store location desired by customers, the concept of store geography can best depict the brand meaning symbolized to customers by the store location.

- **The property of *Proximity***

In Egypt, Sainsbury's had many small convenience stores across the city of Cairo covering the entire city. However, there was only one big store. This strategy of having the brand as close as possible to the customers across the city was praised by customers. A customer stated, "*one of Sainsbury's advantages is being near the house*" The proximity of the brand to customer residences was seen as an advantage. Despite the benefit of variety in the big store format compared to the small convenience stores, customers preferred not to travel to the big store, preferring the convenience of closeness to their home as long as the brand was the same. To illustrate, a customer in response to the question ["*Why don't you go to Sainsbury's big store to have more variety than the one close by you?*"] Answered, "*I go only for a store near me, I never travel to a store. Why should I do that as long as Sainsbury's nearby*". Customers prefer to get their day-to-day essentials from the closest store to their home as a customer argued, "*The travel distance that I make, especially daily, is important to be short for everyday food*". Another customer argued, "*If any store can offer me all I need (essentials) in one place, I'll go*

there if it is near my house. I only travel to buy niche stuff from some other areas". Therefore, store closeness to the home is crucial to attract regular visits to the store. A distant location leads to a lower frequency of store visits, as one customer argued, "I heard about Sainsbury's but I seldom go there because it is quite far from home".

The customer preference for store proximity to the residence is echoed in the UK. One customer commented on Sainsbury's, "What I like here is the quality of food, it is on par with M&S which was my local store in the area where I used to live. But I'm moving again". ["So, are you going to shop with us even after you move?"] He said, "I hope I can find a Sainsbury's nearby in the new area".

Here, the customer stipulated the availability of a Sainsbury's branch near his new home to continue dealing with brand. This again reflects the essential role that proximity to residence plays in a customer's decision to deal with a retailer brand. Having no Sainsbury's in her area, a customer justified never going to Sainsbury's by saying "It is just too far from my house, its mainly logistics that prevented me from going, I have Safeway near me or Tesco sometimes". In this case, the lady opted for retailers near her home since they are *logistically* more convenient to her than Sainsbury's. Convenience is found to be the main reason customers in the UK opt for living area proximity, as the following cases clearly show. I asked a customer, ["Are you doing all your shopping here?"] Customer replied, "No, I have a Safeway near my house... it's just convenience". Another customer when asked by a customer

service officer why she shopped at Safeway and not at Sainsbury's, the elderly woman said, *"It is just lazy, Safeway is just 1 minute but here is 10 minutes it is just convenience"*.

Hence, Proximity to *residence* is a dimension of the property. Another dimension is proximity to *work* area, as one customer suggests in response to the question, [*" Do you shop elsewhere?"*] She replied, *" I get bored if stayed in one place but I'm stuck here because I work close by "*. This suggests that work proximity affected her decision to select a store. However, the dimension of work proximity is not as popular as the proximity to residence since it is less convenient for customers. This is seen in the higher number of cases in favour of the residence dimension in the UK, and as one customer puts it *"...I'm really an ASDA shopper, I rarely come over here but I was on my way home. [Why don't you shift to us since it is convenient for you to come over here?] ASDA is closer to where I live so it is more convenient"*.

- **The property of *Travel***

Customers have shown a tendency to travel to a food store other than the closest to their living area for particular reasons. In both the UK and Egypt, the wider and special variety of merchandise was found to be the prime reason to travel. In the UK, a customer justified shopping at Sainsbury's rather than the nearby Safeway because, *"Safeway is closer to me but it is a smaller shop than this one and thus I opt to come here"*. The customer's preference to travel to the large store indicates that the larger store format provided the customer with a wider variety. This quote suggests that wide range is a driving

factor for a customer to go beyond the closest location. In Egypt, one customer commented when asked about suggestions to improve Sainsbury's Egypt, "*there should be no variations in prices across the branches of Sainsbury's but the variation could be in the variety to pull customers to the remote stores*". The customer singled out wide variety as the driving factor to travel to remote stores. Another customer argued "*I don't come here for any products except fish or produce. Other groceries I get it from grocers around my house*". In this case, the customer travelled to Sainsbury's to get specific merchandise. Hence, special ranges/goods encourage customers to travel.

Finally, in the UK, a customer expressed a unique reason to travel to a store. An old man said in response to a question of ["Did you find everything you need today?"] (He just bought bread).

He said, " *Oh, yes* ".

[" *Do you shop elsewhere?*"]

He said, " *I shop at Safeway, here is an outing for us, my wife goes to Safeway because it is closer*".

["*Is it just for convenience*"]

He said, " *Mainly yes*".

The customer here reiterates the convenience of shopping near his living area. Nevertheless, the customer above travels to a far away store not to buy but to participate in a social gathering. Thus, a social interest in the store, rather than a technical interest can also encourage the customer to travel.

- **The property of *Accessibility***

When customers evaluate dealing with a retailer brand, they assess store

location on two accessibility dimensions; these are the *external* and *internal*. External accessibility is evaluated by the external environment around the store as an Egyptian customer commented: *"Sainsbury's store locations are very bad especially the biggest branch (Alharam store). Therefore, I seldom go there. The area is always plagued by traffic jams. Thus, to go there you have a tough task at hand going through too much hassle".* In this case, the customer formed a negative perception of the brand as seen in *"Sainsbury's store locations are very bad"* because of the poor accessibility due to traffic jams, which is an external factor, in the store area as seen in *"area is always plagued by traffic jams".* The consequence of this poor accessibility was customer inconvenience, (*"to go there you have a tough task at hand going through too much hassle"*) and consequently there was a low frequency of visits (*"I seldom go there".*)

Customers also evaluate the internal accessibility of a store through assessing the brand facilities that facilitate access to the stores. An Egyptian customer decided not to deal with Sainsbury's anymore complaining *"the parking is not organised, and parking to shop at Sainsbury's is chargeable, it should be free for Sainsbury's customers in order to ease access and thus pull to the store".* Here the lack of organisation and poor management of the store parking space, which is an internal facility to the store, influenced the customer's view of the brand. This customer, in particular, saw parking charges as inconvenient and thus created poor access to the store.

Customers consider easy access as a prerequisite for a store to attract customers. Thus, internal accessibility is vital for the brand to attract

customers to its stores.

The property of accessibility was found only in Egypt and not in the UK. This might be due to the rudimentary retailing facilities in Egypt, as well as information that weakens the retailer's ability to properly plan the external and internal accessibility to their stores compared to in the UK.

6.3.2 The concept of *Customer Care*

In search for comfort, customers interact with the facilities in a supermarket. There are two types of facilities in the store. First, the non-core facilities, which signal the brand's property of social responsibility towards its customers. Second, the core facilities, which signal the brand's property of convenience for its customers. The properties of social responsibility as well as convenience can therefore symbolise the care the retailer offers to its customers. Thus, the concept of '*Customer Care*' emerges.

- **The property of *Social Responsibility* (Non-core facilities)**

Customers are keen to comment on the supporting facilities in the store, which have no core retailing function, such as toilets, car park, pay phones, etc. This reflects their willingness to ensure maximum care in the retailer's supporting services. For example, in the UK, a customer reported that a person had vomited in the toilet "*Please report that, it is a mess in there*". Also, a customer, in Egypt, reported that there was no running water in the toilet. In these cases the customers in both countries urged the brand to maintain hygiene in the customer toilets. This in turn reflects the customer expectation that the retailer will be socially responsible, by taking its

responsibility beyond the core retail services into the non-core ones. This is clearly reflected in the words from two UK customers. First, a woman reporting a broken toilet seat, she said, “ I felt I had to say to you, it can hurt someone”. Second, a man complained about the water in the men’s room: “ The hot water in there is not warm, it is boiling, please tell the manager to fix it, it could harm people [with serious concern on his face]”. The seriousness of the tone and the words like ‘hurt’ and ‘harm’ show how strongly customers feel that the retailer is responsible for their social well-being.

Customers also demand that the retailer should be socially responsible not only in the specific cases that directly involve them, but also in cases that indirectly affects them. For example, a customer came in reporting an injured pigeon in the car park: “ please do something, phone the animal rescue”. The customer here urges the Sainsbury’s staff to show social responsibility towards the issue of animal care. Another customer condemned the brand for lack of social responsibility when they were allowed to sample liquor in the car park. This was interpreted as an action that conflicts with the issue of drink driving: “ Is this Sainsbury’s (the brand) policy to promote drinking for drivers? You allow Martini to be sampled out of the store in the parking. Most of your customers are coming by car. That shouldn’t be allowed, it is a law violation”.

The property of social responsibility was found predominately in the UK and rarely in Egypt. This could be due to the more developed retail system and expectations in the UK which make the non-core facilities significant in relation to the total retail offering. In contrast, Egypt's underdeveloped retail system makes non-core facilities insignificant in relation to the total retail offering. Thus, UK customers have a higher tendency to comment on non-core services than Egyptian customers.

- **The property of *Convenience* (Core facilities)**

"It was a civilisation sign in Egypt when Sainsbury's offered us one stop shopping". As this customer quote indicates, the brand's one stop store formats proved an extremely popular core facility, since it improved on the typical Egyptian pattern of scattered independent stores by providing a convenient one stop shop format. Such convenience is clearly reflected in a comment by a customer, made after Sainsbury's decision to quit Egypt: *"Sainsbury's saved us the effort of going to the market to struggle to get well-priced stuff. Now, we will get back to struggle in the market".* Another customer hailed the one stop shop convenience of Sainsbury's retail offering: *"Sainsbury's is the best in Egypt in terms of prices, quality and area to buy from".* Hence, it can be concluded that customers view convenience as the desired property that they seek from a store format.

Convenience is also required at the level of specific core facilities such as the checkouts and the internal environment. Customers seek convenience through speed of service on checkouts. In the UK and Egypt, the body

language of customers on the checkout is best described as '*clear me as quickly as possible*'. There are chit-chats here and there among customers in the queue to kill waiting time but this is observed more often when there is no time pressure, when a customer wishes to be cleared quickly. For example, on the customer services desk facility, it was observed that customers always make faces, reflecting dissatisfaction, when waiting for refunds, exchanges, and/or reviewing receipts. Thus, the feeling of inconvenience is encapsulated in time wasted in the service facilities.

In contrast, when offering facilities to ease the hassles of shopping, customers utter their satisfaction with the brand. An Egyptian customer argued that he was attracted to shop at Sainsbury's since "*Sainsbury's accept credit cards and this make it easy for me to pay*". As the traditional Egyptian retailers seldom accept credit cards, this customer saw the facility to accept credit cards, as making the brand more convenient and consequently more attractive to shop at. Besides, creating an internal environment designed to facilitate shopping is hailed as a convenient way to reduce the hassle of shopping. For example, an Egyptian customer compared Sainsbury's supermarket facilities to the rudimentary facilities in the traditional independent grocers saying "*The space and environment at Sainsbury's is better than the usual grocery*". Therefore, inconvenience in the internal environment makes the brand unattractive to customers. For instance, one customer complained of getting a poor impression when visiting Sainsbury's for the first time, due to a bad smell because of broken air-conditioning. Another customer complained: "*I rarely go to Sainsbury's. The design of the*

stores is boring and lighting is so bad, I reckon it reflects the English coldness". The customer in this quote blames the brand's (Sainsbury's) internal environment design for not being appealing, and consequently is not attractive enough to encourage to shop there.

In brief, the concept of customer care, as seen in both countries, is a result of the meanings of convenience and social responsibility symbolised by the signs of the core and non-core facilities of the supermarket store respectively. Besides, since convenience and social responsibility may entice customers to deal with the brand, the concept of customer care is an attractive element in a retailer brand.

6.3.3 Conclusion (Brand signs)

As customers interact with the store format (location and facilities), in both countries the open coding revealed that they tend to interpret the concepts of store geography and customer care respectively. The axial coding revealed that 'convenience' is how customers interpret the benefit of the geography of the store, while 'attractiveness' is the way they interpret the benefits of care. Thus, it can be concluded that the store format convenient geographic location and attractive customer care can resemble a high standard of hospitality. Consequently, the category of '*Brand Hospitality*' can best describe all the meanings of signs within a supermarket culture (see table 6.5).

Table 6.4 Customer meanings of brand signs (store format)

Brand Hospitality		Category
Store geography (<i>convenience</i>)	Customer care (<i>attractiveness</i>)	Concepts (<i>Axial codes</i>)
- Proximity - Travel - Accessibility	- Social responsibility - Convenience	Properties

In section (A), the categories of freedom of choice, brand promise, and brand hospitality capture the supermarket culture symbolic meanings to customers. The coming section (B) will explore the supermarket culture symbolic meanings to employees.

B) Employees

6.4 Brand objects

In a supermarket, the employees while at work come in contact with the brand's physical resources, such as the work equipment, the merchandise sold and the store support facilities (e.g. the depot, and the manpower available) that can be seen as brand objects. As these objects represent the brand's technical facilities, the concepts of technical support and technical savvy encapsulate the meanings emerging from employee interaction with these objects. The following section will illustrate in detail how these concepts emerge and how they can ultimately formulate the category of '*Brand Professionalism*'.

6.4.1 The concept of *Technical Support*

In a supermarket culture, the work equipment is indispensable for employees to do their jobs. The condition of and allocation of this equipment are vital properties that symbolise, to the employees, the brand's capability to manage the technical facilities to back up their work. Consequently, the concept of technical support emerges. The following section will illustrate how these properties formulate the meaning of technical support for the retail employees.

- **The property of *equipment condition***

In Egypt, a customer service officer (key informant), complained about the state of the IT system at the tills saying: *"the IT system is jamming regularly because of the pressure of operations...They want to build a tower without a base".* The officer accused the company of providing an under-performing IT system that was unable to cope with the work requirements. As a result, the officer concluded that the management was incompetent in technically supporting the staff to build a strong brand, which is clearly revealed in his words *"they (the management) want to build a tower (Sainsbury's) without a base*. The provision of up-to-date equipment to support the job, and also to ensure the availability of the basic conditions necessary to do the job, is seen as a prime responsibility of top management. This can again be illustrated in the words of the customer services manager in Egypt while commenting on a report by the company's store inspectors regarding poor store hygiene: *"The top management should not ask for the ideal without ensuring availability of required facilities".* She wondered *"how can we (management in store) maintain hygiene in the store with no water for long periods of time?"* This

case shows that the manager rejected responsibility for the poor hygiene evaluation since she considered the judgement unfair. Top management did not make sure, prior to making the judgement, that the prerequisite facility (water) was available. From the customer service manager's viewpoint, the company's top management's technical support should entail taking full responsibility for the support facilities for each task that they assign to employees. Hence, the manager insinuated that the company management was directly responsible for the brand's ability to achieve high quality work from its staff.

Employees assess the company through the brand's commitment to maintain the condition of equipment provided. The Egyptian fish team, when they criticised the store management for not maintaining the department's 'Ice Maker', is a good example. They argued " *This Ice Maker is not working for a long time, we kept reporting it but no response. It was very helpful..it made the work easy, quick and efficient compared to what we do now...crushing the ice daily by hand...this makes the ice uneven and looks bad and it takes us a hell of time to get ready but we have to do it(with a tone of regret)*" The employees words, comparing their job efficiency both with and without the Ice Maker indicates that lack of maintenance has made their job more difficult, and less efficient. They blame the brand representatives (seen as the store management) for a lack of technical support, and for not maintaining a pivotal piece of equipment. Also, the tone of regret reflects how the employees feel (disappointed and de-motivated). Similarly, in the UK, three employees put complains to store management in writing concerning the poor maintenance

of their work equipment. A cashier: "*please improve chairs at the tills, we sit for long hours*"; a shop floor assistant: "*Please fix the pricing hand sets to facilitate our work*"; and a fishmonger: blamed poor maintenance for the ineligibility of departmental facilities "*Please fix the water in the fish sink, it is boiling and too hot to use.*" Since inconvenience, impediment and ineffectiveness are negative consequences of poor equipment maintenance in the employees' eyes, the brand's poor technical support contributes to job dissatisfaction.

- **The property of equipment allocation**

As well as the condition of the equipment, employees seek technical support from the management, which controls the distribution of equipment. To illustrate, a case raised by a key informant, the head of the Fish team at Sainsbury's Egypt. Commenting on problems observed in handling equipment from one shift to another he said "*this happens daily, missing knives, unclean boards....we need objective evaluation for each shift or a system to work properly.*" The request for an *objective evaluation* or the *development of a proper work system* indicates that the employees rely on top management to provide detailed systems to allocate work equipment among employees. The employees perceive equipment allocation as a necessity for the brand to ensure *staff co-operation*. Retailers who offer such allocation systems are praised. Metro, a rival chain, was hailed by their ex-employees currently working for Sainsbury's, as operating with a strict system that paid attention to every detail (indicating effective allocation of equipment).

Also, the organization of inter-departmental equipment facilitated employee

co-operation and thus allowed cross-departmental jobs to run smoothly. This is seen in the case of an employee in the home delivery department at Sainsbury's Egypt, who deals with many departments to compile an order. He complained to me in the canteen saying: " *here (at Sainsbury's) we lack control on the internal systems and inter-departmental relations. There is a lack of integration among the units of the store. For me as a delivery man, I need to have facilities in each unit to be able to serve my customers (indicating that this is not the case).*" This request shows the vital role of equipment allocation across store departments, to ensure co-operation among store employees and to facilitate work, especially for those employees whose job nature requires them to deal with various departments.

In summary, for employees, the condition and allocation of the store equipment illustrates the retailer's commitment to support their jobs technically. The employees' attitudes towards lack of technical support revealed job dissatisfaction, responsibility rejection, and an uncooperative work environment. These negative attitudes reflect the characteristics of a poor job environment. Thus, conceptually, the brand's technical support can provide an *appealing* work environment for employees. Moreover, in the cases above, it can be observed that the employees judge the effectiveness of technical support on the bases of their own jobs rather than on a store level basis. Therefore, the specific equipment (object) interacting with an individual the employee at work is responsible for the employee's general perception of the brand.

The equipment allocation cases discussed above were mostly from Egypt, while the maintenance cases were evident in both Egypt and the UK. This could be due to the new status of the brand in the Egyptian market where allocation is necessary for the adaptation and adjustment of equipment. In the UK, in contrast, the brand is well established in the market procedures and systems are in place, and development and maintenance is essential to sustain equipment conditions. Hence, up-dating and maintenance of the equipment is required when the retailer is mature in the market while equipment allocation is required when the retailer is new to the market.

6.4.2 The concept of *Technical Savvy*

When employees interact with the retailer merchandise and operational facilities (e.g. depots and manpower), the brand's competence to manage its technical facilities comes under scrutiny. Therefore, the employees decipher the retailer brand managerial savvy through the following properties: merchandise management, supply chain management and staff allocation. Since the brand managerial savvy is interpreted through the managerial properties of its technical facilities, the concept of technical savvy emerges. The following sections will discuss how the properties lead to such a concept.

- **The property of *merchandise management***

When employees deal with the store merchandise, the retailer savvy in managing its merchandise comes under scrutiny. The produce manager, a key informant in the UK, commenting on the stock management in his department: "*I believe the system here in fresh is good but we used to sell*

everything we had bad and good instead of wasting it, just get what we have out. This system is good because it decreases waste so much and thus makes it more profitable. What we do now 'just bin it' is easier but waste is high. If you look on the store scale its a big amount of money lost. The produce team manager argues against the brand view of "Just bin it" (or selling only perfect merchandise), accusing the top management of poor merchandise allocation on the basis of practicality. Consequently, this employee perceived the brand as inefficient in handling its merchandise, as mirrored in his words "If you look on the store scale its big amount of money lost."

Another conversation on the shop floor revealed how an employee felt frustrated when the brand (top management) savvy is imposed on him/her. When I came across a British produce team member arranging merchandise, we had a chat:

Team member "I pick up all the bad looking fruit, it is just a quality check. Since we promised quality, I bin everything that is not quality looking".

["Why don't you reduce them and sell them as second class food, it may find its customer".]

Team member: "Yes it does actually, I will ask but I know they will tell me to bin it".

The employee clearly recognises the link between the brand vision of quality and the consequent need to have a quality look for the merchandise on display. However, when confronted with a question that may destabilise his view of the effectiveness of the brand vision, he revealed his true belief "Yes it".

does actually". Here the employee questioned the rigidity of the brand's technical savvy by showing frustration with the expected management response "I will ask but I know they will tell me to bin it".

Contact with the directly incorporated facilities, such as the computerised merchandise pricing system, shapes the employees' assessment of the brand savvy to manage its merchandise. In Sainsbury's Egypt, a pricing officer took me in a tour of the store to show me the huge number of incorrect merchandise bar codes. She said: " Look.... look...look (pointing towards many wrong bar codes) there are thousands of mistakes. Every day I manually check the store bar codes against the price lists we get from the H.Q., I find hundreds of mistakes. However, unfortunately, hundreds of items are being sold already under the wrong prices before we can adjust them and this simply means huge losses for the store. We have been complaining about this since the store started its operations (about 7-8 months earlier) but they have not taken any action to tackle the root of the problem in the IT system. This caused us to get into a losing streak and now they want to pull out (of the country) because they are losing. No wonder they do?! (In a sarcastic tone)." The employee here rebukes the top management for technical misconduct as they work with faulty bar codes and, even after being warned of the problem, have not reacted, plunging the business into a loss. Consequently, the employee sarcastically questioned the retailer's technical savvy and was feeling *bitterly disappointed* for the brand departure — which could in her opinion, have been avoided — as seen in her words: "This caused us to get into a losing streak and now they want to pull out (of the

country) because they are loosing. No wonder they do?"

The employees' perception of incompetent brand management makes them break free from management control and try to act independently. The words of a cashier in Egypt revealed *frustration* with the brand management since they ask for a paradox: excellent customer service with dire facilities. She said "*They ask us to offer convenient and quick service for customers on the till but no wonder customers are always dissatisfied because we keep them waiting to find out about the various pricing problems. The manager blames us for customer dissatisfaction but this is not our problem, it is bar code problems, we don't make bar codes and we cannot let items be sold at wrong prices.*"

The cashier's phrase of *"no wonder customers are always dissatisfied"* questions the technical savvy of the store management. Then, she dismissed the employees responsibility for customer dissatisfaction since malpractice management (not the employee) is to blame for this situation, as reflected in her words "*customer dissatisfaction but this is not our problem, it is bar code problems, we don't make bar codes*". Blaming the management for incompetence, the employee decided to act independently to protect the business as reflected in "*we cannot let items be sold at wrong prices*". By acting independently, the employee had distanced herself from the incompetent management, as can be clearly depicted in the use of the words 'they' to refer to the management practise and 'we' to refer to the practice of her fellow employees.

- **The property of supply chain management**

The relationship between the stores and depots reflects to employees the retailer's brand savvy in managing its supply chain. The issue of stock control

at depots was probably the clearest black spot on the white dress for Sainsbury's Egypt since almost every person, supplier or employee working with the brand, perceived it as the brand's major problem. There was a consensus among all the store employees that the depots were robbed daily reflecting a perceived weakness in the brand's ability to control its depots. Since I had no access to the depot, to investigate these allegations, I opted to contact a relative and a friend of mine who works with Sainsbury's as a supplier. My relative briefed me on what he saw when he visited the main warehouse after a series of stock keeping mistakes and excessive ordering. He said "*I visited the warehouse and found that they use a computer system to check whether my brand is out of stock or not. They (employees there) said to me that we have no packs of your product. I had a tour in the warehouse, I found my products stocked in abundance. When I asked them what is this? They said there must be a mistake. They even phoned the rest of the stores and all stores are fully stocked despite placing orders to get more from the warehouse*". A similar story came from another contact who supplies three brands to Sainsbury's: "*Sainsbury's warehouses are in havoc, I usually get orders to supply them my brands two or three days after another order I have already delivered. It is impossible they could have sold the whole stock in this short period, there must be massive problems with the supply chain system.*" The observations of these suppliers can only confirm the employees questioning of the brand management's ability to manage the relationship between the depots and stores. In other words, these cases reflect to employees the brand's weak know-how regarding logistics management. This weakness becomes more obvious in the deputy manager's

response, which mirrored the views of most of the employees who worked for Sainsbury's Egypt, when asked about what he thinks is good and bad in Sainsbury's management system. He answered "97% of the managerial decisions are correct and 3% are wrong. (What is wrong?) The communication between the branches and suppliers."

The UK employees, as in Egypt, similarly questioned the brands' technical savvy when dealing with logistics. The provision manager (a key informant) when asked about the problems she is facing at Sainsbury's said, " *Its mainly DEPOT mistakes, wrong labelling, too large amounts that can not be sold ... etc.*". Her complaints show a lack of merchandise planning and point to the retailer logistics management as her main problem in running the department.

The UK staff at the back door, who is in the forefront of dealing with depots, reflected the negative effects of a problematic depot-store relationship on the employee perception of the retailer brand. The man in charge of arranging deliveries from the depot complained "the Depot brings in messy trolleys while they are supposed to arrange it with some coherence so I can build upon but I have to re-sort them all over again to start doing my job. [Why don't you speak to Depot staff?] *I did, nothing happened, they care less*". Verifying his words, two shop-floor managers expressed their anger with the depot. One manager said "It is disgusting the goods come to us in the store broken bottles, smashed packs due to over stocking and misplacement on cages". Another said "I'm amazed how the stuff is damaged and not organised from the depot we must do something with the depot". The cases above reveal an

unhealthy store-depot relationship as the depot defaults on its responsibilities towards the store, take no care of the merchandise and paying no attention to store staff comments. As a result, the store staff developed a clear hostility towards the depot. To discover whether the hostility is just limited to anger with the depot or extends to cover the whole brand, I asked the sorting man a question. [*Did you feel any changes in the business when the new CEO took over?*] He said, “*No, nothing that I can think of myself with a smile* (indicating ‘you can see for yourself the situation I’m in)”. His answer reflects that the problematic perception of the depot rubs off on the top management. Thus, although employees assess the brand’s technical savvy from their limited departmental scope, the employee’s general perception of the brand is directly affected.

- **The property of *staff allocation***

The staff allocation among the store departments reflects to employees the retailer brand’s technical savvy in managing its manpower. Although Sainsbury’s store in Egypt had started with plenty of staff working throughout the departments, the reduction of manpower in each department by almost half, for cost cutting purposes, led employees to question the brand’s technical savvy. The Deli key informant, criticised the top management for reducing the staff from 12 to 7 employees causing inefficiency within his department. He argued “*Isn’t this a paradox? The top management thinks that we can do the job with the same quality and effectiveness with half the work force. How come?!*” Reinforcing his logic, the UK shop floor managers repeatedly voiced their anger in the store managerial meetings over an imbalance between the staff allocated and the targets set. They argued: “*If*

you want us to achieve the targets set for our departments, give us enough staff.

A UK customer service assistant manager was unequivocally cynical in his criticism of the brand savvy saying “ I have been complaining to get new staff because we are stretching ours to the wire.... They are not calculating their needs well.... We need to be well covered to serve the customer well....” “As long as you are doing the job, they are not bothered.” This criticism is centred on the management tendency to hire just enough staff. A good example of poor staff allocation can be found in the following situation: At the back door, as I was being introduced to the department by an employee from the administration, a voice came from a truck being unloaded saying “ *all this task done by one man.....Ouhhh*”. This complaint at the back door gave me the feeling that there would be a readiness to speak about issues. Thus, I returned to the back door to start my departmental tour across the store. I met the person who made the comment earlier and tried to get more from him. He showed me what he did. He is in charge of sorting ‘the delivery’ (goods arriving at the store daily) into trolleys so that each has coherent set of goods “*for the shelf guys to have an easy job*” as they put them on display. He was in a room with at least a hundred trolleys to be sorted all during one shift. I asked him [Do you do all that by yourself?] “Yes, I can do the job but you know! [his face says it is not right but I do it because I have to] I don't know what they are going to do if I'm sick?”

When one day the sorting man was off sick, the consequence of his absence

was immense for fellow employees as well as customers. That day, I found the grocery manager looking perplexed because the store aisles were very messy. The mess was due to shop floor employees trying to do the sorting, which is a job they are not even acquainted with or trained to do, as well as their own jobs. Hence, employees kept complaining to the grocery manager about the tremendous effort and extra time they needed to do this extra job, and customers were complaining that their trolleys were being hampered while roaming the aisles.

Finally, the technical savvy of the brand should not only embrace the theoretical allocation of staff but also implementation. The price control manager complained that the managers promised him extra help but no help was received and thus he was complaining of being overworked. Also, the till training staff complained to managers that many shop floor staff should have shown up for training sessions but only eight arrived. These cases reveal that store management needs to control the implementation of staff allocation decisions so as to avoid the consequent disappointment evoked by the cynical staff complaints.

In short, merchandise management, supply chain management, and staff allocation are technical properties that reveal to employees the 'savvy' of the retailer brand in managing its physical resources. The employees' reactions to improper management of these properties revealed feelings of frustration, isolation, and disappointment. These feelings could be the characteristics of a de-motivating job environment. Hence, in abstraction, the brand technical

savvy property evokes a *motivating* work environment for the retailer employees.

6.4.3 Conclusion (Brand objects)

To employees, the objects in a supermarket culture vary from simple task related equipment to sophisticated operational facilities and processes (e.g. depots and manpower). The interactions with these various objects symbolise to the employees the brand's support and savvy in managing its technical facilities. Hence, the process of open coding resulted in the formulation of *the* two concepts of *technical support and technical savvy*. Since the concepts of technical support and savvy reflect skills shown by the retailer in managing its technical facilities, the category of the *brand professionalism* can best embrace these two concepts. Besides, the axial coding process revealed the employee attitudes towards the effect of the brand technical support and savvy on their job environments as *appealing* and *motivating* respectively. Thus, the effect of brand professionalism on job environments can be encapsulated in the sub-category of *inspiration*. Therefore, the category's open and axial coding could be labelled as the '*brand inspirational professionalism*'.

Table 6.5 Employee meanings of brand objects (physical resources)

The (<i>Inspirational</i>) Brand Professionalism		Sub-category Category
Technical support (<i>appealing</i>)	Technical savvy (<i>motivating</i>)	Concepts (<i>Axial code</i>)
- Equipment Condition - Equipment Allocation	- Merchandise management	Properties

	<ul style="list-style-type: none"> - Supply chain management - Staff allocation 	
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6.5 Brand words & pictures (*Brand communication*)

As words and pictures are communication tools by nature, employees gather information about the brand through these meanings. The concepts of *promising prospect and brand relevance* capture the meanings transmitted by the brand words & pictures to its employees. The following section therefore will discuss how these meanings are developed and how they ultimately form the category of brand promise.

6.5.1 The concept of *Promising Prospect*

When employees contemplate the words & pictures of a retailer brand, the reputation and publicity of the brand emerge as the cardinal properties through which employees can form an opinion about the brand. Hence, the retailer brand reputation and publicity reflect the employee prospective of working for the brand. Consequently, the concept of brand prospect emerges.

- **The property of *reputation***

The retailer brand name is the central word of the retail brand offering. It carries vital information about the brand's reputation to employees. In a side chat with the Store HR manager in Egypt: he asked about Sainsbury's in the UK and expressed disappointment that he had never heard of Sainsbury's as a world-wide famous name. When he knew that Sainsbury's in the UK is a leading retailer, he commented " *so why don't they bring their professional*

systems here?" Here, the employee directly associated the popularity and status of the brand name in the UK with offering reputable and distinguished expertise. As Sainsbury's Egypt struggled to make its systems work, the employee expressed disappointment regarding the brand's unrealised reputation as seen in "so why they don't bring their professional systems here". Reputation to employees not only materialises in the retailer brand's status but also its heritage. Being the first foreign retailer operating in Egypt, where a 'foreign' identity carries the meaning of 'better than the local', Sainsbury's had a reputation of superiority among the employees in the Egyptian retail market. In a discussion with one of the butchers he revealed to me what he expected from working for a foreign retail company: "working here at Sainsbury's—a foreign company—I expected to work professionally and be able to travel the world and taste the expensive liquor. The company started well but went down with many Egyptians on board and my dreams flew away." This quote shows that the 'foreign' heritage of the brand promised a lot to employees. He anticipated gaining professional expertise and high income that in turn would enable him to improve his standard of life to live a comfortable or even extravagant life, particularly indicated by "touring the world and tasting the expensive liquor". However, as the brand became localised, the foreign heritage died out and consequently its reputation died with it. The consequence of a diminishing brand reputation is employee discontent.

The foreign brand name not only forms a reputation for wealth but also forms a reputation for high social status. With Sainsbury's targeting the masses in

Egypt, the brand reputation was tarnished since the employees' prospects of working with elite customers was given a severe blow as seen in the following cases of disappointment. A butcher: "I expected to work with the elite but ended up with the rock bottom, anyway it is OK (in a down tone)"; and a fishmonger: "we were eager to work with the elite and serve them because they respect you and give good tips but ended up with this type (indicating the bad ones in a defeated tone)". As a fishmonger, ruing his old job suggests, by not living up to its reputation, the foreign brand name dissatisfied employees who may ultimately opt for defection: "I was at Metro (a local rival targeting to the elite) where the good people come, not everyone, I wish I can go back in the clean environment... I'm honestly highly disappointed."

Whereas the brand reputation in Egypt was based on what the brand could do for its employees, the reputation in the UK was based on what has actually been done. A management trainer, who had been working for Sainsbury's for ten years, singled out the heritage in treating employees as the basis of the company reputation as an employer not the customer orientation heritage. He said in response to the question [what enticed you to come to Sainsbury's]: "I guess its reputation". ["What do you mean, reputation as a brand or reputation as an employer?"]

Employee "As an employer who treats us well like M&S".

Since this employee had been enticed to work for Sainsbury's, and stayed for ten years, reputation can attract employees and retain them.

- **The property of *Publicity***

The media views of the brand, or its publicity, whether in the internal or the

external media also reveals the brand prospects to its employees. As expected, the internal media focuses on promoting the company to employees. Thus, the words selected are always promising high prospects. This can be seen in *The Journal* (the monthly internal communication magazine of Sainsbury's). The magazine is a reflection of the communication between the Sainsbury's management and their employees. The overall tone and words used in the magazine headlines and core stories are encouraging, upbeat, and backing the company activities. Examples from the May 2001 issue: "Own label ranges puts in super performance", "new long-service goes alive", "Colleagues commit personally to supply-chain overhaul", "Stamford street to modernise", "Jeff & Co. launches in style", "Charitable news makes the headlines", "Fund-raising impresses the press", "Local heroes apply within". Examples from the June 2001 issue: "Sainsbury's produces right result in game of two halves", "Sales campaign to support organics relocation", "finance colleagues fit for life", "Simply the best", "Delivering great service at Hedge End", "Tastes proves Sainsbury's quality", "Blue Parrot off to a flying Start", "Beating Asda broken egg promise", "Bags of cash for charity".

The internal communication in Sainsbury's Egypt was not developed due to the short period of time in which the brand operated in Egypt. Thus, the external media, with its intense coverage of the brand, was the employees' main source of information about the prospect of the brand in the country. The heavy media speculation around the prospect of the brand in Egypt was mirrored in the employees' gloomy views about their future working for the

brand in Egypt. They kept reiterating and believing the rumours of uncertainty about the brand's future, since their attempts to get an official response were in vain. In a similar situation, Sainsbury's UK has been under media pressure for its struggling performance in the UK market. This also fuelled speculation among employees about the prospect of the brand in the market and consequently their future working for the brand. This can be clearly seen in a chat with an older woman working for the produce department in the UK: *" I honestly believe Sainsbury's is preparing to sell off the business. We are not doing well, we are just catching up. We used to be leaders now we are struggling to catch up and I see the ways closed. Everything happening is signaling a down fall. ["what are the things signaling a down fall?"] The media everyday is highlighting Sainsbury's problems and the share price is not doing well (Her section head interrupted her saying, "But we are doing fine in terms of share price".) No I do not believe so I honestly do not. It is clear all competitors have surpassed us, this is not a good sign". [Don't you know the facts from the company? Why listen to the media? Isn't it usually distracting?"] Nobody says anything regarding these issues here in the store so I have got to know from the media".*

In short, reputation and publicity encapsulate the words, which the employees process to assess the prospects of working for the brand. Thus, reputation and publicity are properties that naturally catch the employee's attention. Consequently, the concept of 'promising prospect' is an attractive one to employees, and is evident among Egyptian as well as UK employees.

6.5.2 The concept of *Brand Relevance*

The employees' communication with the brand's technical vision comes first and foremost in a set of words, which is the staff-training curriculum. For employees to adopt the same vision, the curriculum has to interest the employees and reflect the market in which they work. Consequently, the properties of curriculum application and presentation make the brand vision relevant to employees. Thus, the concept of '*brand relevance*' emerged.

- **The property of *curriculum application***

To adopt the brand vision, the employees must match the theory given in the training curriculum with the practice found within the actual market.

Commenting on the training they got, a fishmonger in Egypt told me “ We learned good things in the program but they are not grounded in reality; it is not applicable at all on those customers (Egyptians). It seems this is what they do there (in England).” Although the employee was impressed with the quality of the theoretical training offered by the brand, he was disappointed with the relevance of the theory to the market that he served. Thus, he concluded that the training curriculum was inapplicable. A butcher gave an example of the gap between the theoretical instructions of training and the actual reactions of customers in the market. Commenting on her training by Sainsbury's: “ I have been trained well but this training did not work with our customers, they are very aggressive and different from the nice words we heard in the training. For example, the customer is very suspicious about getting meat from the back of the service tray while we were told to do so in the training “.

Therefore, employees find it difficult to apply the brand vision because of the training curriculum's detachment from the actual service delivery process on the shop floor. This view is reinforced by the Egyptian store HR manager. Commenting on Sainsbury's training curriculum, he summed up the reason why his employees were unable to adopt the management (brand) vision. He argued: *" the training is hypothetical rather than real. Thus, training does not reflect reality for employees while serving customers"*.

- **The property of curriculum presentation**

To embrace the brand vision, the training curriculum should be presented in a way to arouse the interest of employees. There are two ways through which the employees gain an interest in the training curriculum; these are the personal benefits and an enjoyable content. Employees develop an interest in the training curriculum if it can improve their personal skills. A key informant in Egypt, the head of fishmongers, criticised Sainsbury's saying: *" the training lacks value to me, I need to add value to myself not just get the training as that I get here at Sainsbury's"*. Adding personal value shows what the employee wants from adopting the vision. In this way, employees will be motivated to adopt the brand vision.

As well as provoking a personal interest, the content of training has to be presented in an enjoyable way. This is vital for the employees to embrace the brand vision. In the UK, the provision manager (a key informant) returned from a training program and commented to the desk staff about it. She said, *" It was a good laugh with some role-playing and a free lunch but dictation was*

dull though a good laugh, nice to break the ice". As this key informant manager put it, "*breaking the ice*" between the trainer and the trainees came as a result of "*the good laugh*" that in turn resulted from the "*free lunch and the role-playing*", which are the enjoyable parts of the training. The dictation part however is described as the "*dull*" part. Mere words of instruction are not an interesting form of training. However, by involving the instructions in light-hearted enveloping actions makes the employees more interested in adopting the brand vision. Analysing the contents of the Employee Handbook Instruction Guide reveals the company's neglect to the negative employee reaction to dictating brand vision. The tone throughout the Guide has a *firm sound using order verbs* (e.g. make, recognise, respond, anticipate...etc.), which infers a dictating tone. When employees are instructed in the handbook to chat with loyal customers, "Smile and be friendly". The order nature of the words makes the gesture *a technical rather than a social one, turning the employee into a machine with no human touch*. Thus, employees seldom applied this every time they met a customer, especially when under pressure. In fact, employees recommended each other to neglect these instructions, as they urged each other to skip the greeting section of the guide.

In brief, applying and presenting the training curriculum renders the brand's technical vision relevant to its employees, and tempts them to embrace the brand's technical vision. Application of the training curriculum, however, is evident primarily in Egypt but not the UK. This could be as a result of the UK brands lack of market understanding in the host country. Thus, when going global, the retailer-training curriculum should reflect a deeper understanding

of host market.

6.5.3 Conclusion (Brand words and pictures)

The process of open coding has revealed that the properties of reputation and publicity and training curriculum application and training curriculum presentation form the concepts of Brand prospect and Brand relevance respectively. As the brand relevance and promising prospect identify the brand vision and potential to employees respectively, the category that encapsulates these two concepts can be named as the *brand promise*. Besides, the axial coding process revealed *attention and embrace* as the employees reactions to the concepts of brand prospect and relevance. Thus, the sub-category of '*charisma*' can represent the brand's ability to raise the attention of the employees to embrace its vision. Thus, the open and axial codes form the category of '*brand charismatic promise*'.

Table 6.6 Employee meanings of brand words and pictures (Brand communication)

The (<i>charismatic</i>) Brand Promise		Sub-category Category
Brand Prospect (<i>attention</i>)	Brand Relevance (<i>embrace</i>)	Concepts (<i>Axial codes</i>)
- Reputation - Publicity	- Training Curriculum Application - Training Curriculum Presentation	Properties

6.6 Brand signs (*job package*)

Apart from the objects and the words & pictures in a retailer brand, the signs cover all other remaining symbols of the brand perhaps best encapsulated by the broad '*job package*'. Seeking balanced components of a job package, employees tend to consider the remuneration and convenience of the package. Therefore, the concepts of remuneration and convenience summarise the variety of meanings that a job package should signal. The sections below will discuss how these meanings are formulated and how they can ultimately form the category of '*brand strategic attraction*'.

6.6.1 The concept of *Remuneration*

The employees' salaries and company status (e.g. PLC or small business) are signs evoking the reward element of the job package through the properties of compensation and stability respectively. Hence, the concept of brand remuneration emerges.

- **The property of *compensation***

For employees, the higher the compensation, the better the job package offered by the brand. This was reflected in the words of the customer service manager, a key informant, saying: "*Sainsbury's (the brand) main advantage brought to Egyptian employees is the high salary they get compared to the rest of the retail business*". As her words also suggested, the high compensation was seen as a source of competitive advantage for the retailer. An employee explained that the offer of the best pay among competitors had attracted him to work for the brand: "*I came to Sainbury's (the brand) because it pays the best salary in town. I'm an Agricultural Engineer but work as a fishmonger because money here is better than any other place or even a*

governmental job out there". Preferring to work for the brand over working for the government and changing his profession from agricultural engineer to a fishmonger reflect the vital role of compensation in determining the career of an employee. This was clearly reflected in the aftermath of the announcement of the sale of Sainsbury's Egypt. The employees had stern faces and aggressive attitudes reflecting their disappointment, particularly regarding the uncertainty about whether the new employer would renew their contracts or terminate them. Thus, a cut in salary is a disaster for an employee and lowering salaries is highly undesirable. Employees argued after the sale of Sainsbury's Egypt that *they could work with anybody but they hope the salary would not change (meaning being lowered of course)*. Holding paramount value for employees, compensation is used as a tool for urging employees to perform at work as the assistant manager, in the weekly managerial meeting, warned the section heads to comply with what the manager wanted to ensure that they made a living at the company.

The store manager in the UK echoed these views, using the imperative value of compensation to employees to urge them to comply with the company system: "apply what the company says, that is what you are paid for". The UK employees are no different from their manager in adopting the same behaviour as that of their Egyptian counterparts. A part-time employee argued that money (compensation) is the first thing to come to a store for but you need your friends to go along." Another employee (part timer) expressed a lack of interest in working on a till but he singled out getting money as the only benefit of being in a supermarket in the summer: "It a job to get money my

mum said, but I want to be a teacher, I'm studying psychology man". These two cases reveal that compensation is a key issue for a store as it is classified as the prime reason to woo a part-time employee to work for the supermarket.

For the full-time employees, not only the amount of compensation but also its value compared to competition is important. The higher the money, the better the perception of the brand job package. I asked a full-time employee, [*Why did you select Sainsbury's?* "] He said, "*It is the best paying retailer and I need the premium so I chose the best place". An assistant manager, a key informant, moved from Edinburgh to Glasgow to take the Sainsbury's job. So, I asked him [*You must like Sainsbury's to do this move?*] "*Oh, no it is just a better paid job than the previous one I had, a bit of a change of scenery, my girl friend loved it". The key informant change of cities to get a higher salary indicated how compensation is vital for employee career development. To investigate more the issue of compensation for full time employees, I asked the store administration manager: [*Does the company pay overtime?*] the administration manager answered "*yes, for every employee who spends extra time". [*Does any employee work extra time, just to help, for no money?]* The administration manager answered "*NO, or extremely rare for 15 minutes at max."* Her answer shows that compensation is seen as a precise reward for work since employees are tempted only to work as much as they are paid.***

- **The property of stability**

For employees, the company size as a multiple retailer or a PLC signals job.

stability. An Egyptian butcher said: "I came here and did not go to work with a traditional butcher because this is a company that should care about us (e.g. giving us medical care, pensions, etc.) and thus offer more 'stability' for the employee than the free standing butcher". This quote revealed the unequivocal desire for job stability that stems from retailer brand status as a company or PLC compared to a small business. This stability is gained by offering work benefits that provide care for the employee. Having made a contract with a multiple retailer brand, the employee believes he/she will be able to live an organised and thus stable life. This is reflected in the attitudes of some of the Egyptian fishmongers, whose contracts were still not finalised, "I seek just confirmation of the contract time limits to know how long I'm going to be here to plan my life". Commenting on his colleague, another fishmonger generalised the comment for all the rest of employees saying "we seek job security to give our best". This final comment revealed that the best job performances are a consequence of an employee feeling secure and stable in his job.

In short, the concept of remuneration emerges out of employee job compensation and stability. The property of compensation is evident in both countries under study exhibiting two dimensions: high and low levels of compensation. The property of job stability exhibits no dimensions but was evident only in Egypt. This was primarily because historically, although currently changing with privatisation, Egyptian employment regulations obligate governmental or large companies to offer careers for life. However, in the UK, many unstable (casual/part-time) work schemes have been in place

for a long time, particularly within the retail sector.

6.6.2 The concept of *Convenience*

For employees, working for a retailer that characteristically allows domesticity and store closeness can only signal convenience. Thus, the concept of convenience is developed.

- **The property of *domesticity***

The employees in Egypt perceived having more time at home as convenient and hence tempting. A fishmonger revealed that in his words: "*We had been promised to work eight hours and two days off which is very tempting particularly to have 2 days off. Now unfortunately we work nine hours and one day off without any over time or even convincing justification".* Also, the convenience of the days off could be a comparative advantage for the brand as a butcher, key informant, commented "*the advantage of Sainsbury's compared to other retailers in Egypt is its salary and the two days off*".

- **The property of *proximity***

Employees perceived working in a store close to home as convenient. The UK provision manager (a key informant) pointed out that she selected Sainsbury's store because of its '*proximity*' to where she lives not because of the brand name. The convenience of the location attracted many employees especially the part-timers. As a part-time produce team member responded when asked why he chose to work for Sainsbury's: "*I chose Sainsbury's because it is close to my house, I've been here as a student and continued because it just close*". Other employees enjoyed also the convenience of being close to home as a full-time produce team member explained that he relished *having*

his lunch at home daily since his house was just a short walking distance from the store.

In short, proximity and a chance of domesticity formed the basis for the concept of brand convenience from the employee viewpoint. However, each property was found in a different country. The proximity issue is found in the UK but not in Egypt. This could be because in the UK there are many brands with similar salaries in the market, and part-time jobs dominates, but in Egypt it was the only international retailer and paid the best salary, and there were no part-time jobs available. The domesticity was found in Egypt only. That could possibly be because of the idea of having two-day off in the service industry was new to Egypt and thus its attraction was clearly visible compare to the UK where the two-day off system is not new.

6.6.3 Conclusion (Brand signs)

The process of open coding was reflected in the formulation of the concepts of remuneration and convenience out of the properties of compensation and stability, and domesticity and proximity respectively. As codes of remuneration and convenience were found central to the employee's perceptions of the retailer brand job package, the category of *strategic attraction* was found best to describe the employee view of such meanings. The employee reaction to remuneration was a vital motivating factor and convenience was highly tempting element within the job package. Hence, the sub-category of *seduction* can encapsulate these axial codes. Thus, the category formulated out of the open and axial coding would be the '*seductive strategic attraction*'.

Table 6.7 Employee meanings of brand signs (job package)

<i>(Seductive)</i>		<i>(Sub-category)</i>
Strategic Attraction		Category
Remuneration <i>(motivating)</i>	Convenience <i>(temptation)</i>	Concepts <i>(Axial codes)</i>
- Compensation [high; low] - Stability	- Domesticity - Proximity	Properties [dimensions]

6.7 The Symbols: Conclusion

Throughout the symbols' category, the process of open coding and axial coding was used to develop the retailer brand categorise pertaining to each symbol in the supermarket culture. The categories found were related to both customers and employees of the brand. For customers, **freedom of choice** was the brand meaning the merchandise as objects carried, **brand charismatic promise** revealed the brand meaning from the communication as words and pictures carried, and **brand hospitality** was revealed as the brand meaning the store format as signs carried. As for employees, **brand inspirational professionalism** revealed the brand meaning that the physical resources as objects carried, **brand charismatic promise** revealed the brand meaning that the communication as words and pictures carried and **seductive strategic attraction** revealed the brand meaning that the job package as signs carried. Each category was developed from data collected in the two different countries but for the same brand. It was found that all categories were evident in both countries. However, although the majority of the properties forming the categories were evident in both countries, a

minority were particular to a certain country. The reason behind this was found to be predominately related to the difference in the retail system in each country. As a result, it can be concluded that symbols are sensitive to the retail professional culture in the country in which the brand operates, rather than the wider social culture.

Reviewing the retailer brand categories generated for both customers and employees, one identical category emerges, which is the ***brand charismatic promise*** carried by the brand words and pictures. Besides, all the categories embraced a word that resembled a *meaning of enticement* towards the brand, such as '*freedom, charisma, and hospitality*' for customers and '*inspirational, seductive and charisma*' for employees. Additionally, all the categories embraced a word or phrase that resembled an essential component of the brand strategic competitiveness, such as brand '*promise, hospitality as well as choice*' for customers and brand '*professionalism, promise and strategic attraction*' for employees.

Having a unified sense of enticement and strategic importance, the symbols can be characterized as being attractive, visible/observable, as well as crucial for brand survival in the customer's and employee's eyes. To use a metaphor to model the retailer brand symbols for both employees and customers, the leaves on a tree are a good metaphor since leaves have similar characteristics to that of symbols in a retailer brand. Leaves are the attractive and visible/observable part of the tree, and they are vital for the tree's survival as they contain the photosynthesis material that is central to the trees' life.

Hence, the code of *leaves* represents the first selective code. In the coming chapter of findings, the brand rituals and how they fit into the tree metaphor will be explored.

Chapter Seven: Findings (Rituals & Heroes)

In chapter six, the symbols, the first part in store cultural manifestations, was discussed. In this chapter, the rituals, the second part in store culture manifestations, will be considered. Rituals are “*the collective activities that are technically superficial, but socially essential, within a culture*”. Since rituals are collective social activities, an analysis of the social interface among the three entities within the store (employees, customers, and the retailer—the company) is essential to capture these social activities. Thus, the employee-retailer interface, the customer-retailer interface, and the employee-customer interface are the pre-determined categories to be explored by the participant observation method to unveil the rituals of a store culture. The exploration of these three pre-determined categories resulted in the discovery of the central ritual activity of each interface; these are the *employee realisation of self-image* for the employee-retailer interface; the *customer realisation of self-image* for the customer-retailer interface; and the *added value* for the customer-employee interface.

Although heroes are a separate part of store culture manifestations, ritual activities represent the ideal medium to identify possible heroes within a culture. This is because ritual activities embody the behaviour of the active stakeholders (employees and customers), that, in turn, can provide the definitions of Heroes: “*Alive or dead, real or hypothetical personalities who possess characteristics highly prized in the culture*” and thus act or represent a model for behaviour. The rituals revealed three categories *store managers*,

customers and employees as heroes with key characteristics to play vital roles within a supermarket culture.

In the coming sections, the categories of rituals and heroes will be explored in terms of their concepts, properties and dimensions, to explain the development of each category in detail.

7.1 The Employee –Company interface

In a supermarket, the interface between employees and the retailer (the company) results in collective activities that produce meanings through which the employees realise their self-images. The concepts of sense of achievement, sense of involvement and sense of belonging are the meanings that capture the category of '*employee realisation of self-image*'. What are the activities forming these meanings? And how do they ultimately form the category of realisation of employee self image? The coming sections are dedicated to discuss these questions.

7.1.1 The concept of *Sense of Achievement*

The properties of fulfilment of personal career ambitions and expressive reward constitute the employee-retailer collective sense of achievement. From this, the concept of the sense of achievement is developed. How these properties are formed and how they form such a concept, are discussed below.

- **The property of *fulfilment of personal career ambitions***

The job the employee performs for the retailer plays a vital role in the fulfilment of the individual's career ambition. In the UK, a part-time employee

said to me, " I'm enjoying being on the customer service desk it makes me see many people and handle different situations, so I benefit from it so much because I'm studying total quality management ... it is helpful for my career".

Here, the satisfactory attitude towards the job stems from the nature of their duties. The duties allow the employee to practice his preferred subject and hence help the employee to achieve his own personal career ambition; becoming a total quality manager. In contrast, a dissatisfied attitude emerges when the job fails to allow the employee to fulfil his own career ambitions.

This is clearly depicted in the words of a part-time customer service officer who said, "At retailers, especially stores, you cannot get to make really direct decisions or influence the company. I need to work, especially as I have a certificate in HR, in a place where I realise my ambitions". Here, the employee reveals a lack of interest in the duties of a customer service officer, since it curbs her career aspirations. Having a degree in HR, she favours job duties in which her qualifications would be utilised, to fulfil her ambition of becoming an influential HR manager.

Not only the specified job duties but also the inherent job potential help employees to fulfill their career ambitions. A typical situation from the UK is shown the following story: an employee stopped to talk to an assistant manager, a full time key informant, saying:

Employee "when do you finish today?"

Assistant manager: "5 o'clock"

Employee "it's already 5:15".

Assistant manager: "I cannot leave, no cover".

In the store, it is the norm that almost all employees leave exactly on time, seeking cover from any department when their time is up. However, the assistant manager showed no sign of discomfort and did not look for someone to stand for him. His stamina is high, and he is willing to work time. So, I asked him why was he staying? He answered "*I'm relatively new here, I want to prove myself*". I knew from talking to him earlier that he was preparing for an exam through which he could become a senior manager in the store and a good evaluation by the store manager would provide a recommendation that would help with his exam score. Thus, the potential to become a senior manager via his in-job performance motivated him to exert every effort to maximise the potential of the job. In other words, the job assists in paving the way to fulfil the employee's personal career ambitions of becoming a senior manager. Contrary to the previous case, another assistant manager (full timer) on the tills argued "*I'd like to go at the top but here at the tills I don't see myself going anywhere, it's a bit boring. You know I've got good sales skills and also like serving customers ...But in a supermarket it is very difficult to reach the top. Thus, it's temporary for better jobs in management, in retail or any other business*". Here, the employee perceives that his job (on a till in a supermarket) has limited potential to help him achieve his career ambition, and he is reluctant to pursue a career with the retailer, opting for others (competitors or other industries) to fulfil his career ambitions.

From the cases above, it is noticeable that part-timers are more interested in fulfilling career ambitions outside the company while the full-timers seek to fulfil career ambitions inside the company. Therefore, the property of fulfilment

of personal career ambition has two dimensions according to the type of employment: '*external ambitions*' for part-timers and '*internal ambitions*' for full-timers. Whether the ambitions are external or internal, they are mainly personal. In other words, ambitions are not driven by the company's technical requirements but by the employee's personal/social needs. Hence, fulfilling personal career ambitions for an employee is a ritual since it is a collective activity observed between the employee and the retailer that is technically superficial but socially essential.

The cases above showed that although some employees are not fulfilling their personal career ambitions via the jobs they do for the retailer, they still work there. This indicates that fulfilling career ambitions is desirable but not indispensable. Nonetheless, the employees view a job that does not fulfil their career ambition as a mundane exercise that lacks personal excitement and interest. This is revealed very clearly by the case of an employee who works at the store but originally had a very different career from retailing. When I asked this employee "*Do you find it exciting or interesting to work in the shop?*" The employee said, "*I'm originally a carpet fitter, it's a job, its OK (shaking his head) so so. I like to manage my own hours*". The employee's interest lies in carpet fitting not retailing and he sees free-lancing as a motive which makes him enjoy his work as reflected in "*I like to manage my own hours*". Consequently, his true view of the store job seen in "*it's a job, its OK (shaking his head) so so*", revealing that the job is just something that has to be done, but it is not really interesting or exciting.

Finally, all the cases relating to the fulfillment of personal career ambition were found in the UK and not in Egypt. That is because in Egypt the retailer under study employed full timers only. Thus, external ambitions were not applicable. As for internal ambitions, the brand under study was the best retailer in town in terms of reputation and money so all those working for the brand considered themselves to have already achieved their ultimate ambition. Besides, since the vast majority of employees were craftsmen and lowly educated persons, they knew that they were not qualified to become top managers, and consequently their ambitions were restricted to just maintaining their jobs. Their sense of achievement is therefore mainly evident in the reward they get from the top management. This is the subject of the next property

- **The property of *expressive reward***

In Egypt, commenting on the store top managers' attitude towards success in his department, the produce team leader said "we work very hard and no 'thanks' for us. Sometimes it is the word 'thanks' without any feelings in it. Its like formal unemotional thanks." As the team leader suggests, gratitude is essential for an employee to feel rewarded for what he/she has done. Nonetheless, the reward cannot be just a word of 'thanks'; it should be accompanied by an informal emotional effort that makes this 'thanks' expressive. In the eyes of the employee, managers have to perform a predominately social action to make the reward expressive and make any technically rewarding words meaningful.

As a result, 'reward' can be seen as a collective activity between the employee and top managers where the social (informal) side is essential, while the technical (formal) side can be seen as superficial.

Reward is not only an expressive ritual for Egyptian employees but also for the UK ones. The customer service assistant manager shows this in a comment: "how can a company ask its employees to serve customers if the company itself is not serving its employees? Rewards are the key for employees to deliver". Describing to me what a reward means for him as an employee, he said, "a reward is a key for employees to deliver. This reward involves certainly money but more importantly the moral reward (said it in an aggressive mood implying it never happen around here)". [What is this moral reward?] "it is more than the 'thanks', it is appreciation of our role in this store." [How can this appreciation happen in your opinion?] "Managers should be here with us supervising, directing us, and doing it with us not sitting in their offices giving orders." The employee here shows that reward is fundamental to his judgement of the company for which he works. A reward is considered a key element in motivating an employee to produce in the job. However, again the reward is seen as not only as a technical (i.e. money) reward but also as a social (i.e. moral) reward. The social side is seen to be even more important than the technical side. Also, the UK employee agrees with his Egyptian counterpart in the need to go beyond mere words "it is more than the 'thanks'" into action "it is appreciation of our role in this store", so as to make the vital social reward expressive. This employee believes that the

social reward would be expressive if the managers and employees worked collectively in the store.

Whatever the type of reward given to the employees (money or moral), the social collective activity underpinning it is vital in expressing the value of any reward. The following discussion at the butchery department in Egypt clearly reflects this: a key informant butcher said "We love to see rewards whether moral or money....Even small or insignificant... we feel morally appreciated. After the EID EI-KIBEER (religious festival where meat is consumed) when we did a meat sales record, Nick (the British store manager) bought us small QURANIC memorabilia (texts from the wholly book of Islam). It meant a lot to us at least they reward us. We felt we had done something." Another butcher over hearing the discussion said, "these Quranic memorabilia meant life for me, I appreciate it so much". Then, the key informant butcher commented "Although we would have wanted money rather than memorabilia but the gesture itself was great." The butchers used the phrases "meant to us a lot" and "meant life for me" which again indicates that the expressiveness is the core of the reward to the employee. This expressiveness is also reflected in the employees' collective reactions towards the store management. Here, the butchers hailed the store manager for his rewarding action (*the gesture*), in response to their sales achievement, regardless of the type of the reward itself: as seen in "Although we would have wanted money rather than memorabilia but the gesture itself was great". Rewards in general (whether moral or money) are realised via the collective social feeling of gratitude as seen in "we feel morally appreciated and at least they reward us"

between employees and managers, which in turn raises the sense of achievement among employees: *"We felt we have done something."*

In the UK, after the results of a mystery shopper exercise were issued, with good scores for most of the departments, the managers announced to employees that they should celebrate success. The celebration consisted of the managers touring departments congratulating each team saying, " *Good work, fantastic, good ...* ". Despite saying these words, a customer service officer was sceptical whether the managers' *meant* what they said. She was annoyed by the reaction of management to her department's high score in the last store evaluation. She said, " *We got 97.6% for the customer service, everybody was happy on the desk* ". I (Researcher) asked, " *what was the reward for that?*" She replied, " *Nothing, a tap on the back, it is really rubbish, they will say just go for 100%, why didn't you make it?*" Her disappointment arises from the managers' attitudes (actions) not words. Although they congratulate employees, they get across a different message with their " *I always want more attitude*" which reflects an interest in technical achievement, rather than echoing the employees own feelings of achievement which are social ones. Therefore, the collective employee-management reward activity should focus more on the social rather than the technical side.

According to the cases above, the 'expressive reward' can be seen as a ritual between employees and the retailer. That is because the employees interpret the meaning of their company's rewards through collective activities that are socially essential and technically superficial. The store managers are seen to

play a central role in performing the ritual, as they represent the company in the employees' eyes. Finally, the ritual was found in both the UK and Egypt suggesting that it is a popular ritual among employees across cultures. In brief, the concept of sense of achievement has two properties: the fulfilment of personal career ambitions; and expressive rewards. Fulfilling personal career ambitions with the retailer raises a sense of personal achievement for an employee. Gaining an expressive reward from the retailer allows employees to fully realise the sense of achievement embedded in the essence of any reward. Within both of these properties, how the employees perceive the sense of achievement, and who performs the role of the retailer (in the eyes of the employees) is revealed. The sense of achievement is seen as a desirable meaning that makes employees enjoy working for the retailer. Thus, a sense of achievement is not about accomplishing goals, but a whole experience to live. Consequently, the word "The" will precede sense of achievement to give it the status of an experience. Thus, the concept is *"The sense of achievement"*.

Finally, the store managers play the role of the retailer in assisting employees achievement. The store managers are the heroes for the employees since they exhibit highly praised characteristics that fulfil the desired sense of achievement among employees.

7.1.2 The concept of the *Sense of Involvement*

To be connected to or concerned about the retailer for whom they work, the supermarket employees seek to contribute actively via the utilisation of their personal skills and the recognition of the role they play. These two properties represent employee-retailer collective activities, and nurture the employees'

feelings of involvement in managing the retailer. From this, the concept of the sense of involvement has been developed. How these properties are developed to form such a concept will now be discussed.

- **The property of *utilisation of personal skills***

Retail employees enjoy their work in the store when their jobs fully utilise their personal skills. These skills vary across two dimensions; these are acquired skills and market knowledge. The acquired skills dimension can be seen in both the UK and Egypt. In the UK, a case of a mother (an administration worker in the store) talking to a colleague about her daughter (who is currently working in the store) clearly reflects this dimension. She said, “ *My daughter would like to be a fashion designer but she couldn’t make it into the school of fashion technology but made it to the hair fashion. I tell you she’s enjoying her time at the health and beauty section so much, you can’t imagine*”. Having been given the chance to put her hair fashion skills into action through work in the health and beauty section of the store, the daughter was thoroughly enjoying her work. Hence, although, in a store, it is technically superficial for shop floor employees to work in sections directly relevant to their skills, it is socially essential to do so in order to make the work experience enjoyable. The store manager confirmed this view when he explained his vision for part timers. He said, “ *I’d like to get out what he has to offer us through what he can give us. I think they love getting their skills out in favour of the business in which they are working. They must have something to offer otherwise they won’t be coming to us*”. As a new manager at the store with wide experience in store management, his personal view was that every part-time employee had an acquired personal skill that could be utilised in favour of the store.

Thus, he argued that the managers' role was to discover and capitalise on such skills to the benefit of the store.

Not only part-timers but also full timers wish to utilise their acquired skills, as the following case of an Egyptian fishmonger, a key informant, shows:

"I don't see any value for me being trained on the till. I'm a manually skilled man who can be best in my place as a fishmonger or help in similarly skilled jobs like butchery or deli, where my skills can be fully utilised. As a cashier, I'm just being used (by the company) to save time and money". Here, the fishmonger argues against being trained as a cashier as this would be poor utilisation of his craftsmanship. For the fishmonger to perform at his best, he wishes to utilise the manual skills he has acquired throughout his career as a fishmonger. Otherwise, *"I'm just being used (by the company) to save time and money"*. In other words, he considers himself to be exploited by the company since he is forced to serve its own technical interests while it is not paying any attention to his personal interests. Thus, from the employees' viewpoint, utilisation of their (acquired) skills may be technically superficial but socially essential for them to enjoy working for the brand.

Unlike the acquired skill dimension, the market knowledge dimension has been observed in Egypt only. The under-utilization of staff knowledge of the Egyptian market by the British management was a frustrating issue for employees. They felt alienated from contributing to the retailer. The deli staff complained to me about the attitude of the administration towards their ideas for improving the business saying, *"We have ideas to discuss but we find*

rigidity". A key informant, the fishmonger, explains this in detail " the English trust themselves only, even if they are clearly wrong. They deprive us from having a say despite our good knowledge of the market. We see clear-cut mistakes but we cannot talk or you may talk but no one will hear you about many serious mistakes that they later paid a heavy price for". Considering the massive waste that led to high operational costs in Sainsbury's operations in Egypt (see section 5.1.3.1), his point seems to be supported. His words show that the management did not utilise the employees' professional experiences in the local market in their favour. They suppressed and neglected the desire of employees to collectively work with the administration through sharing their market knowledge. As a result of such unilateral arrogance, the employees believed the administration compounded failure over time in the market. The butcher key informant reiterated the fishmonger's view criticising the authoritarian attitude of the administration: "The employee has no right to question or discuss his manager strategy, how can we express our opinion?!!". The English trust themselves not us although we understand the market better. For instance, they brought a British butcher to show us some cuts. We said this won't work in Egypt and we were right they had to come back to our style because his style proved a failure".

The above quote shows that the butcher believes that the management adopts an authoritarian approach when dealing with the local employees, and which suppresses the utilisation of the employees' local market knowledge. As a result, the employees' willingness to contribute actively to the retailer is lost, as they became passive executives who may even pursue immoral

activities just to obey orders. This is clearly seen in the butcher key informant's words, "In fact, we are forced to meet our sales target so we started to reprocess the meat so as to sell it as fresh even when it is edging closer to expire. That is because we want to meet our sales target on which they strictly judge us." Besides, management efficiency is undermined incurring heavy losses for the retailer. For example, a woman cashier said to me: "Managers never discuss ...they want things to happen their way, which sometimes is clearly wrong. For instance, they force us to sell things marked on the shelf for L.E. 44 for L.E. 5 because the machine said so, the system is obviously wrong!!". Another example from the butcher key informant was "they kept forcing on us products that we did not want in the butchery because it was too much for us to meet our sales target. That is because the demand was great at the hype of the store opening period but after the demand had saturated we could not manage to sell all this stock incurring huge loss".

The following experience of the customer services key informant at Sainsbury's Egypt reflects how adopting the local market knowledge offered by the employees benefits the retailer socially as well as ultimately technically. In the canteen, he complained that the English management did not listen to the comments of the local customer service staff regarding the weaknesses of their imported check out system. "They brought a cashier system from the UK that depends on too much honesty by the cashier and the control over the cashier actions was so poor...Due to poverty here in Egypt, as you know, people steal when they find no control over them. We warned against this and kept saying this is wrong but they insisted on it till tremendous losses started

to appear and imbalance of tills is almost a usual problem. Some cashiers were caught putting money in their socks and things like that (with a smile). We showed them that we know this will happen and finally they were convinced that we are right. The imbalance amongst the tills has been reduced dramatically since then."

Based on the above experience, this employee developed a sense of suppression when his market experience was ignored. When his market knowledge was considered, however, the company managed to socially understand the behaviour of its local employees, as well as developing a sense of satisfaction for the employee by nurturing a feeling of contributing to effective and efficient management.

In short, the employee-retailer collective activity of utilization of personal skills has two dimensions; these are acquired skills and market knowledge. Each dimension plays a primarily social role and a secondary technical role. Socially, the application of acquired skills and the utilisation of market knowledge raise the employees' feeling of contribution to the retailer. This consequently makes employees savour working for the retailer, which in turn enhances the efficiency and effectiveness of their technical performance.

Finally, it has been observed that the market knowledge dimension was mainly found in Egypt. However, an indication of the vital role that employee market knowledge can play even in the UK can be found in the UK deputy manager's words of regret for neglecting the market knowledge of

experienced employees: *“Sainsbury’s alienated employees from participating actively in the store, particularly experienced full timers”*. Therefore, it can be inferred that the retailer need to utilise its employees’ market knowledge at home and abroad, but the needs to do so becomes more vivid in foreign markets than in the home market.

- **The property of *role recognition***

As well as utilising their personal skills, employees in a supermarket wish to have their voices heard and their presence felt by the management. In other words, employees seek recognition of their roles in the store by the top management. The employees assess their role recognition in the stores through two main activities; their communications with the management and their participation in the company’s activities. Thus, communication and participation constitutes the two dimensions through which the employees’ role recognition varies.

As for the communication dimension, the employees judge their ability to make their opinions heard through the way their managers communicate with them. The greater the two-way communication, the more they manage to express their opinions and hence feel appreciated. In Egypt, the store HR manager hinted to me that a lack of communication between management and staff was a problem. This problem is encapsulated in the managers’ rigidity and tendency to utilize a one-way communication method with all levels of employees. This strips them from the will to express themselves. At a meeting between the store manager and the store section heads the unilateral

communication approach is clear. The store manager and his assistant were pressuring the section heads to comply with the logbook that the top management has provided to run the store despite their objections.

This one-way communication problem is also evident within all ranks of employees on the shop floor not only the section heads. For example, the shop floor employees argued that they carried out the day-to-day operations, and the management is detached from the realities of these operations. Consequently, the management should not impose tasks without consulting them. The employees believe that 'imposing' shows a lack of appreciation of their role in the store. The cheese counter employees argued that there was a lack of appreciation of their efforts in the store, because the managers usually ordered them to carry out tasks that they believed could not be done successfully because of customer attitudes, operational restrictions or supply problems. For example, a cheese counter employee asked me to inform Sainsbury's HQ that they were under pressure after many (around 40 out of 60) workers lost their jobs. He commented " they do not help us to cope with this and do not explain why they did that ". When I asked him if he thought this was due to current economic problems in Egypt he replied "at least tell us and work with us in order to improvise ...". Here, the employee accuses the top management of being authoritarian, as they take decisions without justifying them and do not take responsibility for the consequences of their decisions. Therefore, in the words "*The management blamed failure on the Palestinian uprising but actually there were also vital internal problems that led to this, but no one wanted to hear us.....We feel suppressed*", the customer services key

informant blamed one-way communication for the suppression of employees' opinions that, in turn, played a crucial part of the failure of the retailer in Egypt.

In another case reflecting the undermining of the role of an ambitious employee in articulating his opinions to the management, a deli employee in Egypt gave me a list of ideas he recommended improving his department and other departments in the store. He wanted me to translate it and pass it to the top management in London since it had always been neglected at the store with no feedback whatsoever. The fact that he approached me not his manager clearly indicates that he is now adamant that his managers will never consider looking at it and hoped that the top management at the main H.Q. in London would be more open minded and responsive.

In the UK, the problem of unilateral communication was also evident. The produce team manager felt suppressed as he said, "*They impose what they want on us. They say what they want and care less about what you think. If you do not work like that, 'please leave' is the attitude waiting for you.*" He clearly blames the top management for their 'careless' attitude towards their employees' opinions. Also, he believes that the consequence of an employee voicing an opinion is massive, as he/she runs the risk of losing his/her job. Thus, the suppressed employees feel helpless and alienated and not appreciated. They work for the retailer to earn a living but without passion and true belief in the vision. This could clearly be seen in the facial expressions of the produce team when their manager was briefing them on the new vision of the company:

Manager: *"The company is moving to a new direction, which is high quality, better service at competitive cost"*.

The team (first reaction): *"Then decrease prices if you want to be cost competitive"*.

Manager: *"We focus on high quality and better service to create value"*.

Team: *"Customers come for deals and promotions. They do not come for quality! Look how Asda and Tesco advertise price and value deals. What does Sainsbury's advertise? (Sarcastic tone)"*

Manager: *"Quality. We advertise quality"*.

Team: *speechless with sarcastic smiles (body language expression of dissatisfaction indicating 'if this is it, what can we do?')*

As for the participation dimension, while communication nurtures the employees' voice to be heard, participation is vital for their presence to be felt. In Egypt, the cheese counter team was vehemently opposing the hiring of an external company for managing cheese and Deli displays across all Sainsbury's stores. The cheese team leader pointed out *"I do not believe in all stores having the same look because we are different people and we should find ourselves in what we do. We do not want people to show us one part of the job while leaving the rest to us"*. He suggested that such consultancy should be hired to advise on the whole system. The team leader here believes that employees are an integral part of the retailer store image and consequently they should participate actively in forming that image. Active participation, as he suggests, occurs when the employees can express

themselves freely in the job details while accepting a dictated direction (maybe through using external consulting) in the overall strategic orientation of the retailer.

In the UK, commenting on the content of a training course (a retailer activity), employees said: (in a very disappointed tone) "there is nothing new, we knew that before in a previous course, what is good though is that they (the management) seem committed this time to make it work. They are here at the store doing it with us". The hands-on approach is what is most appreciated by the employee. The management's direct involvement with the employees raised a sense of a collective effort from top to bottom that made employees feel a real sense of a team, in which their roles are recognised as active participants. Employees always hail recognition by management of the role they play in the company's activities, as the provision manager, a key informant, shows "I'm quite excited about customer obsession (a training program)". [Why] she replied with a smile "for the free lunch really but also what is nice is staff involvement in it, it is better than other times when we (employees) felt neglected."

For the retailer, neglecting the participation of employees can damage the continuity and liveliness of its internal programs. This is seen in the words of a key informant, commenting on an old training program, "The last customer service training program has decayed because it started with a big launch then started to die in its principal. I guess it did its effect on our work but the effect is not persistent because the program is not flashing in our heads".

Thus, consistent active engagement of employees in delivering the retailer vision is vital for them to understand and appreciate their role in it. This is seen in the employees' response to the new store manager's first presentation about Sainsbury's new vision. He was keen that all employees (full and part time) attend this presentation. This action received a positive reaction from all employees implying that they liked being involved. Some employees described it as an *"impressive start"* while others appreciated being there. The provisions manager (a key informant) hailed the move as a positive one: *" We have got a new manager who is going to show the shop floor staff what he has shown to us as managers earlier but it will be simpler. I guess they will enjoy it. He is special because he does that for the staff and no one before him did that. They will feel important and he will focus on morale with them"*. This appreciation of the employee role is vital to ultimately ensure the technical success of the retailer's internal activities, as an employee replied when I asked him [how can you make the training program work] *"....I guess with monitoring from everyone in the shop-floor we can do it and do it well"*.

To ensure active participation of employees in the retailer's internal activities, the employees ask the top management to seriously consider the social side of work, while judging the employee's technical performance. The provisions manager commented on the relationship between the store level management and the region / high level management:

"They demand unrealistic stuff under the store conditions. Sometimes you have many employees sick or absent for personal reasons. They blame the

remaining staff for not doing well while this is impossible and we do our best
[“Do you mean they are not considerate of social issues?”] “Yes exactly that, they just think for the best of the business. For example, we had a manager here in the store that was strong and tough on employees but he was fair. He cracked down on absence.....This made him loved by some but those others did not like him. He was promoted later to be the regional manager. Every time he comes to the store he is more moderate, constructive and considerate in his comments because he knows the store well ”. In other words, considering social issues makes the management more realistic than idealistic in their development of employees. Their instructions, as a result, will be more constructive and thus achievable.

The behaviour of the store managers endorses the provisions’ managers’ view that the top management tend to support employee participation to achieve technical objectives, without understanding the social issues behind achieving those objectives. The deputy store manager in the UK, commenting on a training program that required employee participation, said: “ We need to push to embrace customer obsession (training program), we need our colleagues’ ideas out because otherwise we will be criticised for not embracing it by the customer obsession team”. The focus, as the quote suggests, is to embrace the program for the sake of technical compliance with company requirements not for sake of employees socially embracing the program and subsequently participating in the store management, which is the essence of this training program.

In brief, the properties of role recognition and the utilisation of personal skills reveal that the business relationship between the employees and the company should be based upon a collective co-operation rather than an authoritarian dictation. Communication, participation, and utilisation are collective activities that generate a desired sense of involvement among employees and which constitute these properties. This sense of involvement indirectly boosts the effectiveness and efficiency of employees through boosting morale. Hence, the sense of involvement has a socially essential, and technical superficial, meaning of collective activities that drives successful involvement of employees in brand management.

7.1.3 The concept of *Sense of Belonging*

In a supermarket, employees tend to build social bonds with the retailer for which they work. The properties of unity and mutual respect encapsulate the type of bonds an employee forms with the retailer. And which give rise, among employees, to the concept of sense of belonging to the retailer. Hereunder, how these properties are developed and how they formed such a concept will be discussed.

- **The property of *unity***

The words of an Egyptian employee: *"I see this store as my home, which I started and I'm willing to fight for its survival...unfortunately the problems failed it but should the company continue to succeeded it would have been our blessed source of living"*. As their 'main source of living', employees tend to unite themselves with the retailer by embracing it as their "*home*" to which

they are “*devoted*”. They link their own self-esteem with the retailer’s fate. Another Egyptian employee explained how he felt about himself in terms of the ups and downs of the brand. He said, “*I saw great days (early launch days) here when I was proud of myself and days (closing days) when I was ashamed of myself.” Also, employees embrace the market positioning of the brand into their personality and try to behave accordingly. This is clearly seen in the case of the Egyptian skilled workers (butchers, fishmongers and deli employees) when they informally called each other “*chefs*” capitalising on the high status and professionalism of the foreign brand (Sainsbury’s Egypt) for which they work. Using the title ‘Chef’ informally indicates that they wish to have a personal feeling of prestigious social status, compared to their mainstream counterparts. The title ‘chef’ could also indicate the desire to break free from the low status of mainstream skilled workers, who are just customer servants, to a higher social status in the customers’ eyes.*

Additionally, sharing a personal interest with the retailer raises the sense of unity. An UK staff member recommended that the company develop a musical theme for Sainsbury’s (the brand) for the employees which could be played during work hours and at closing. He also believed that music in the store entertains customers and employees. To this employee, music represents his way of sharing a personal interest with the retailer that, he believes, is capable of bonding fellow employees and even customers to it. Hence, capitalising on collective interests, specifically social ones (e.g. music), could be an effective way to raise a feeling of unity between employees and the retailer.

Furthermore, in the UK, employees form unity with the brand through forging family ties with it. Many employees bring in their relatives and family members to work (full or part time) for the same retailer. For example, in Sainsbury's Glasgow store, six couples were found: husband and wife (x2), mother and daughter (x2), mother and son (x2). These family ties happen for two main reasons. First, experience of the retailer encourages the experienced employees to bring in their family. For instance, a son said, "My mum works in here and that is why she brought me in" and a husband said "I work here as well as my wife, she brought me here". Second, employees are encouraged to join by the company's performance over the years, as a husband pointed out "My wife and I work in here, it just happened. It is a good company, I have been here for 4 years". Bringing the family to work for the retailer makes it a home or a socially convenient workplace for the employee. Via this family bonding, the employee creates a long-term social bond that unites him/her socially with the retailer.

This social bond proved to be more effective to retain rather than attract employees. In an interview with a part timer on the deli counter, he responded to my question [How did you know about Sainsbury's for work?] "It is my friends who told me there are vacancies here". [How do you find it here?] "It is nice here having friends around and getting money" [Are you interested in being with your friends or the money you gain?] "You know, the money is the first thing but having friends around is a benefit, you feel nice and can go along". His words reflect that although his friends alerted him to the vacancy,

money is the most attractive element. However, having a social life alongside his friends in the store makes him work willingly and comfortably. In other words, the social life provides a retention element in working for a retailer.

The sense of unity between the employee and the retailer not only emerges from the direct employee-retailer interaction but also from the indirect interaction between the staff and themselves. In a managerial meeting in Egypt, the deputy manager (the Egyptian) referred to his personal commitment to his employees to evoke a social sense of unity between the store top management and the section heads, so as to work as one unit to solve the branch problems reported by H.Q. He said, "Because of the commitment I have to all people in the branch, I need people to pay me back".

Employee relationships amongst themselves are vital to keep the employees interested in working for the retailer. One of the activities the employees deploy to maintain good relations is 'having fun'. An Egyptian butcher said plainly, "fun is the key to tolerate the working hours together. We even pass it on to customers as it builds their loyalty as well as creating inner satisfaction among us". In the UK, fun was not articulated as being important but it was observable. In the administration office, fun and socialisation were evident, such as flicking through photos of fellow employees' families, jokes, funny posters, and side discussions of social lives. Interestingly, there is a difference in the observed type of fun between the sexes. In the administration office, mostly occupied by women, there was a 'soft' form of fun as described above. At the back door, where mainly men were employed, employees were more aggressive in having fun using slang language and sometimes having mock

fighters. This difference reveals the natural behavioural differences between the two genders.

Having fun is a collective activity amongst employees that provides a soft side to the workplace, and puts the employees in a mood that breaks the pure work focus and cements social relations among them. This activity consequently enhances the sense of unity amongst employees at their workplace.

- **The property of *mutual respect***

Employees believe that the relationship with the retailer for which they work should be on equal terms. Hence, treating employees with mutual respect is crucial for the retailer to gain their loyalty. The employees interpret this through two collective activities; keeping promises, and being fair. Thus, keeping promises and fairness are the two dimensions on which the mutual respect property varies.

The dimension of '*keeping promises*' is seen when the retailer lays down the rules upon which the relationship with its employees will be based (usually in the employee handbook). They form a mutual commitment that must be respected by both sides. The employees see these rules as the promises the retailer makes to them. If such promises are breached, the employees' loyalty to the retailer will be severely undermined. In Egypt, this can clearly be seen in the words of the deli staff key informant: "*they (Sainsbury's) promised us a lot in the employee hand book but what they do is the section of worker*

commitment to the company and completely ignored the company commitment to the worker. There were so many things especially regarding the salary that did not happen. We left other good jobs in supermarkets aiming for a salary that is not driven by tips that is volatile in nature but unfortunately the end result is that we are making less money now and to change jobs is almost impossible these days". The key informant is disappointed by the lack of mutual respect the retailer has shown to employees, focusing instead on what it should take and ignoring what it can give. The retailer promised high salaries but did not fulfil its promise, leaving employees trapped with no other opportunities. It could be argued that the employee here felt deceived by the retailer as it promised and then defaulted. The use of the word "they", when referring to the retailer, confirms a feeling of deception as it indicates his detachment from the retailer he works for. The (English) customer service manager, a key informant, endorsed the anger with the retailer's broken promises saying "there were many things in the handbook that did not happen, they (employees) have the mere right to be angry".

A fellow deli employee echoed the key informant's concerns, he starkly revealed that poor keeping of promises had undermined his intended lifetime loyalty to the retailer. He said, "We expected a lot from the handbook when we first came here. We thought this is the place where we will stay till retirement. But after some actions by the management- the most significant is the layoff of almost half of the employees for no clear reason or a convincing one.... They breached their promises." These words also reveal that, to

employees, when promises are breached, they have to be justified. The unjustified incident of firing almost half of the employees created a sense of social instability among those remaining. That is because although it was on technical grounds, this action was illegal. An employee filed a lawsuit against the company and won. This saga left all the employees feeling socially unstable in their jobs. A woman in the butchery department revealed how this social instability negatively affected her loyalty when asked, [What makes you feel loyal to the store?] She answered: "the most important is to feel psychologically comfortable. The lack of stability, due to the high turnover at the company in general and among the women in particular, makes me feel insecure". This insecurity among employees makes them desperate to hold onto their jobs using tactics that drive technical results but can be socially incorrect, as the key informant customer services officer argued commenting on the following case. A customer came complaining that the till-price was different from the shelf price of product he wanted to buy. The officer argued with the customer trying to convince him that the till-price was the correct one without checking. When I asked him ["How could you be so sure especially as there are many till mistakes?"] He replied "this is a tactic we use to make them (customers) believe so. We don't know, maybe they are right, but to barricade against making losses in the department we lie (with a hidden smile)" indicating that he was almost sure the customer was right.

Fairness, as a dimension, is a feeling that employees crave in a mutually respectable relationship with the retailer. The way employees are portrayed in

advertising is critical to demonstrate that the retailer is being fair to them. This is clearly seen in Egypt and the UK. I asked the fishmongers about their views on the TV advertisement run by Sainsbury's in Egypt. They replied, "the ads are OK but not great. [When asked why?] One of them said, "have you seen the bit where the employee is carrying the customer on his back and touring the store...isn't it humiliating for us?...a bit too much". Another fishmonger commented "this ad brought humiliation to us here on the counter with some customers teasing us and asking us to go out and carry them like the ad...we became a joke for the customers". Obviously, the fishmongers were angry at the lack of respect in the way the retailer ads portrayed the employees. They believed it was unfair to try to win the customer at the expense of their own dignity, as inferred from the reactions "this ad brought humiliation to us" and "we became a joke for the customers". Similarly, according to Marketing (1998), in the UK, employees felt humiliated by Sainsbury's advertising campaign on TV with the theme *"Value to shout about"*. The employees were portrayed as naïve with the comedian star of the ads making humorous comments about them. Consequently, some employees filed complaints regarding this action as an unfair act.

To employees, the brand's recognition of their social rights signals fair treatment. In the UK, each member of the produce team complained to the section manager "We are under staffed, we work too much".

(Produce Manager): "Yes, you and I do the work that should be done by three or four or more". (Then, the Manager looked at me and said), "We are de-motivated. Why should I work all the extra time? I myself am not paid for this

extra time, but I have no problem, I just need extra workforce for my team to work in a motivated and inspiring mood. It is just the feeling of fairness to them, this will make us not only achieve targets but also exceed them”.

Hence, the manager is asking the company to show respect for the extra effort of the employees. He feels it is unfair for the employees to overwork just because he/she can do the job. In other words, he is arguing that the absence of a technical problem must not be viewed as sufficient, because there are social considerations and responsibilities towards the employee that must be respected. If these responsibilities are respected, staff motivation and inspiration will put them in the mood to give their very best.

The right of promotion through the ranks is also a vital element upon which employees judge the retailer's treatment of them. In Egypt, the fishmonger key informant questioned the top management's breaking of the hierarchy order without justification. He referred to cases when people were moved from a lower hierarchy to above those who taught them the skill, “*Why?*” was the question he reiterated in disgust. The fishmongers' disappointment stems from a feeling of unfair treatment. His belief in the notion of the teacher-student relationship made him believe that students should never surpass their teachers, at least out of respect, as long as there was no good reason. Such a feeling of unfairness hurt the feelings of the employees' particularly when the 'rules of the game' were not clear. This leaves employees disinterested in working for the retailer. This is clearly reflected in the UK as well since a produce team member said, “What is insulting is the movement across the ranks. I was promoted with a certain boss but after he left they

decided not to give me this promotion because he is no longer here. This simply made me down and de-motivated to work here. Anyway I am off in November".

Finally, to be fair to employees, retailer sensibility to their social lives is of great importance. This is noticeable in the following story about the willingness to work on the fish counter. It was observed that the Egyptian store had a shortage of fishmongers despite the capability of the available staff to do the job. To investigate why the shortage exists, I (Researcher) asked an experienced employee:

["Have you worked in the fish department before?"]

Employee, " *Fresh food yes, fish no* ".

["Why not fish?"]

Employee, "*It is just smelly* (shaking his head), *the smell is so bad it stinks*"

Having identified the smell as the main reason why the employee does not want to work as a fishmonger, it becomes clear that the social repercussion of the smell has a role. To investigate this, I asked an employee who was trained on the fish counter but works for provisions:

[" Why don't you go back to fish?"]

Employee, "*I just hate fish, the smell is so bad, it stays for a long time trying to get it out of you, about three days doing everything you can to clean it and sometimes it doesn't go as well.... It's awful. I can just do covers at the fish counter but I'll never do it permanently... my girl friend can not bear it*".

Obviously, the social repercussion, captured in his girl friend's reaction, is the reason why he will never work as a fishmonger again. The company is supposed to take such social concerns into consideration to be fair to its employees and show some respect to their social lives. However, the incumbent fishmonger, argued that they do not care saying: "I have asked the management to provide gloves to handle the fish to stop this awful smell staying on our hands. They never wanted to react citing that we handle dyed and undyed fish and thus it might be unhealthy to use the same glove for both types. So, I asked to have two sets of gloves for each type of fish so as to overcome this health problem. But they did nothing and, as you see, we still use our bare hands (with a remorseful tone)."

In a nutshell, the properties of unity and mutual respect are employee-company collective activities that characterize the relationship between the employees and the retailer. Therefore, the employee-retailer relationship could be described as embracing a sense of belonging. Such a sense is mirrored in unity, where employees tend to associate themselves with the retailer, as well as mutual respect where the retailer tends to be fair and honest with its employees. Hence, loyalty is the direct consequence of the sense of belonging. Keeping promises was a mutual respect dimension that was only found in Egypt. This could indicate that, at the introductory stage of a retailer's presence in a foreign country, it is vital to the mutual respect between the retailer and its local hosts (employees), for the retailer to keep its promises. Additionally, since pure social actions, encapsulated in self-

association, fairness and honesty, constitute its properties, the sense of belonging is a socially essential and technically superficial meaning.

7.1.4 Conclusion (Employee-Retailer interface)

The process of open coding in the employee-retailer relationship data has revealed three socially essential and technically superficial concepts that characterize the employee-retailer relationship these are: the sense of achievement; the sense of involvement and the sense of belonging. Since all the characteristics contain social senses or feelings, this indicates that they all relate to the sensitive intangible side of the human being, the self. The sense of achievement, involvement and belonging are all meanings through which the employees realize their personal success.

Additionally, the axial coding revealed that the direct consequences of the senses of achievement, involvement and belonging are enjoyment, contribution and loyalty respectively. These consequences represent the goals an employee is looking to achieve in a career within a company (i.e. the employee career self-image). Therefore, the *employee realization of self-image* would be the ritual category, which can best describe the characteristics and consequences (open and axial coding respectively) of the employee-retailer relationship.

Table 7.1 the Meanings of collective activities at the employee-company interface

Employee Realisation of Self Image			Category
Sense of Achievement (career enjoyment)	Sense of involvement (contribution)	Sense of Belonging (loyalty)	Concepts (Axial codes)
- Fulfilment of personal career ambitions [external; internal] - Expressive reward	- Utilisation of personal skills [acquired skills; market knowledge] - Role recognition [communication; participation]	- Unity - Mutual Respect [keeping promises; fairness]	Properties [dimensions]

Casting an eye on the raw data forming the properties of this ritual category, it can be observed that the store managers' actions have played a key role in portraying the company (the retailer) and its top management actions in the employees' eyes. Hence, the store managers can be seen as an axial code that provides the answer for the question: *'Who links the company top management with its employees'* and consequently possesses potential characteristics of a *'hero'* within the supermarket culture. As a result, the interface between the employees and their managers' personality will be examined in the following section as a sub-category of the *employee realization of self-image* category.

7.2 Employee-Manager interface (a sub-category)

In a supermarket, the interface between employees and their managers happens on two levels: the employees with their direct line managers; and the employees with the top store managers (store manager and deputies).

However, regardless of the level, the interface reveals to employees the managers' personal characteristics. When asked about the characteristics of the leader he wishes to have, an Egyptian butcher said "*I need a leader who motivates us, directs us, defends our rights, and is fair*". In the UK, in his first meeting at the store with the section heads, the new store manager asked them to spell out what they wanted from him. The response was a list of characteristics such as honesty, commitment, fairness, support, time, listening, direction, encouragement and wage increase. It can be observed, from the responses in the UK and Egypt, that the technical characteristics raised by employees, such as direction and wage increases are limited, while the rest of the demands are mainly social characteristics, such as motivation, fairness, commitment, etc.

Therefore, the predominantly social managerial traits of equity, inspiration, approachability, and, finally, technical competence could be the concepts that capture the managers' personal characteristics as desired by employees. The following sections will discuss how these characteristics are developed and how they qualify a manager to be a hero within the supermarket culture.

7.2.1 The concept of *Equity*

Fair and just treatment of employees is a highly respected characteristic of a manager's personality. Thus, the properties of fairness and justice combined form the manager equity in the employees' eyes.

- **The property of *fairness***

In a case in Sainsbury's Egypt, the employees' perceptions of the different personalities of the store manager and his deputy clearly reveals the desire for fairness. While working with the fish team on the counter, the two store managers (the British and the Egyptian) were touring the store. A customer dropped a pack of Macaroni from the shelf. The British manager came across, bent down, picked it up and put it back on the shelf. Another customer dropped a rice pack while the Egyptian deputy manager was touring. He looked at the counter and called an employee from the fish counter to pick it up. The employees looked at me and said, after picking up the pack, "Why this ego...aren't we people like him..you saw Nick (the British manager).Did he call us from the counter to pick up a pack?". Here, the questioning of the Egyptian manager's ego clearly indicates a lack of respect among employees towards the Egyptian manager's attitude. Compared to the British manager's attitude, the employees felt unfairly treated as they were degraded and felt humiliated by the Egyptian deputy. This feeling of unfairness was further spelt out by a butcher: "we get respect from the foreign manager and not from the Egyptian one. The Egyptian deals with us as lowly people but the British manager treats us very well leaving us with high moral". The butcher here, on the one hand, reveals the positive effect of fair treatment on employee spirits. On the other hand, an extreme event which happened in the store revealed

how unfair treatment, particularly in a serious situation, can lose the respect between employees and managers.

In another case, an Egyptian fishmonger wondered why the top store managers (store manager and the deputies) were forcing employees to adhere to the Sainsbury's uniform while they, did not adhere to a Sainsbury's uniform themselves or anything that proves their commitment to the retailer (e.g. a name tag). Double standards, particularly regarding shared commitment issues with employees, evokes a sense of unfairness among employees. Such feelings deprived managers from setting an example of a commitment to the retailer, and consequently had a negative effect on the employee commitment to the retailer.

Mirroring their Egyptian counterparts, UK employees relish fair treatment from the store managers. After changing the store manager, the administration manager hailed the fair style of the new manager. She said, talking to the rest of her staff, "The new manager looks straight (making an on-par sign) not down at you". When asked about the previous manager, a backdoor employee supported him because he is fair: "he was quite OK, he was harsh when you didn't do your work but praised you when you did". Unfairness, nevertheless, impedes employee support, as the following comment in the UK shows an aloof attitude towards the managers' double standards. "They (top store management) ask you to follow a script they give it to you, if you don't do it, you are 'shafted' but if they (managers) don't do it.... Its OK. For example, if you, the employee lose your keys, you are on Red warning, but

when a manager lost her keys and I found them for her, she looked like--that is OK, that is the way it should be. That is because no one is above the manager to question her actions.....That pisses me and my fellow employees off

- **The property of justice**

It is imperative for managers to be just (showing moral justice) in all their actions otherwise they will lose the confidence of their employees. In Egypt for example, the government food and health organisation carries out regular checks on food institutions and grocers to ensure the safety of the food sold. The representatives of the government body came to the store once inspecting the warehouses at the store. Some of goods were found to have expired. This is a criminal offence and the store manager has to be taken into custody at the nearest police station to investigate the situation. To avoid their impeachment, the store managers fostered a deal with the canteen manager, (who is out-sourced), to lie and claim responsibility for the expired goods. Everyone in the store was aware that this man was working at the canteen and had nothing to do with the stock. So, all the employees gathered at the back door vigorously criticising the action "how can they do that to an innocent man? But he is a coward to accept such a deal. They want to cover themselves by sending poor people to custody.....they can do that to any weak employee". The consequence of these managers' action evoked waves of discomfort, loss of confidence and fears among employees that they might be used as scapegoats for managers at any time. Their response was to say "HAZBIA ALLAH WA NEMA EL-WAKEEL", which is a religious phrase that is used to ask God for protection against issues out of an individual's hand.

In another case, the store HR manager in Egypt argued: "there are some employees (mainly middle managers) who are leaders and loved by employees in store because they fight for the benefits of their staff. They ask for the rewards to be taken (from the company) regularly and promptly". As the quote suggests, those middle managers earn their leadership status via efforts to ensure that justice is done for their staff. Also, being just is vital to stay close to your employees as the restaurant manager, a key informant, in the UK store gave an example: "At the restaurant (his department) people worked extra time to compensate for two sick people and three on holiday (his body language indicated dissatisfaction)". He stressed that the company paid them for the extra time but, he added, he rewarded them for their effort by "giving them chocolates" so as to show them his appreciation as their section head (he was very proud of his action). Although the middle manager's reward is just chocolates, he showed his team that their direct manager is close to them through ensuring that their right to be rewarded (justice) has been fulfilled.

7.2.2 The concept of *Inspiration*

In Egypt, once an employee asked me: "Can you tell me why managers take high salaries.... They do no effort almost. We do all the work and they reap the bulk". With a question like that, one must wonder if employees lack leadership inspiration. Motivation, easy-going & flexibility, excitement, and commitment are the properties through which a manager can be inspirational to his employees.

- **The property of *motivation***

Managers are always found to be, whether they are aware of it or not, the source of motivation to employees. The unsettling issue of Sainsbury's departure from Egypt made such a claim clear. In the canteen while talking informally, employees formed optimistic and pessimistic opinions about the issue but usually the pessimistic prevailed sparking a lot of uncertainty that in turn opened up a variety of unproved hypotheses. In an attempt to end such speculation, employees scrutinize the behavior (via body language e.g. smiling, gloomy, etc.) of the managers to provide them with an answer.

- **The property of easy going & flexibility**

The inspirational manager should be also flexible enough to adapt to the employees' social life. An Egyptian butcher argued *"we wish to have a light-hearted manager who transfers what he wants to us in our way....We need to be called names, we need to have tough fun, that is the way the butchers' manager can inspire us, be like us"*. Also, the manager should be placid to be able to lead by example in serving customers, as the butcher key informant in Egypt argued, *"The British manager's pride does not hinder him from doing his best to help the customers but the Egyptian manager's pride hinder him from doing that. That is bad and shame for him (the Egyptian manager) because I believe this behavior distances him from customers as well as staff"*.

- **The property of excitement**

In the UK, employees revealed more traits of the manager, which inspired, staff. An employee on the deli counter praised the new manager for his exciting rather than monotonous managerial attitude. He said, *"The new*

manager gives you a goal (where are we going and towards what you are going) this makes you know why you are doing the job. My manager in the deli, when I started, taught me the job technically, showing me how to do things and that was it". Explaining the retailer's vision and how the employee fits into this is highly intriguing to employees as they can recognise their contribution to the company as a whole. This makes the manager's inspirational skills essential for employees to realise their sense of involvement. The following is an example from the produce department in the UK that explains how the manager can inspire his employees to contribute to the retailer's vision by using his experience to organise their involvement.

"Colleagues do not look at the bigger picture, they see under their feet, especially people working for the departments not the managers. They look with an envious eye to managers who leave them to do the job and he is not around. But I have plenty to do other than replenishing shelves. In fact I do have to stand back and manage the department to see the whole picture. Young ones do not see this picture but experienced people do because this is the way to learn, by experience. They need a lot more days to be able to understand since they lack life experience. When you challenge the team with targets to make and make everybody know what they have to do. This will deliver. In produce we made extra money because of good work. This extra money goes back to the staff in salaries, they feel rewarded for their commitment and thus give you commitment at work".

- **The property of commitment**

The manager's commitment to employees is another admired trait recognised by the UK employees. When the manager is committed to his staff, he/she goes beyond normal duty to inspire the staff. A part time employee at the restaurant illustrated this. He said, "I like this manager (referring to his section manager) because he does things for us without having to do it". He pointed towards computer made signs around the department saying, "Look all these nicely designed signs are made by him making the department more attractive". Additionally, such a commitment inspires employees to be loyal to their managers. Without it, employees will rally behind whoever is committed to put their social benefits ahead of the company's technical benefits. This was evident in the words of an angry shop floor employee who had just returned from sick leave. Talking to her colleagues, she said "I'm not interested in those managers (the store managers), I'm interested in the medical care assistant because she works for us the staff not Sainsbury's, she fights for us" (her colleagues nodded in agreement). By exhibiting a social commitment to employees, the manager's personality is capable of helping the employees to evoke their sense of belonging to the retailer via ensuring mutual respect between the company and its employees.

7.2.3 The concept of *Approachability*

Employees appreciate an approachable manager who is friendly and sociable.

- **The property of *friendliness***

In the UK, the friendliness of a manager made employees' spell out 'approachable' as a personal characteristic they prefer to have, since it installs a feeling of self-confidence among them. When asked how is the new manager? An employee answered "He seems very fine, he is approachable

and talks to me and the colleagues about his plans, before him the manager was not approachable but the one before the last was particularly unapproachable” [Did you like your previous boss?] “ OOH, I did not even see him when I came in, I don’t know what he looks like! But, this new manager is nice, he kind of ‘talks to you’, he is approachable, you feel he is there for you”.

An aloof manager makes employees frustrated. An employee described one of his managers as a “horrible man ” saying, “ The previous manager was a horrible man, he says something to you and raises his hand stopping you from replying. You can not reply or justify. He was horrible”.

Approachability to employees is a social skill rather than a technical one, as another employee praised the friendly character of the new manager compared to the previous one saying “The manager before talked always about business but the new one even says hello”. Without such base friendliness, the manager seems tough and distant from employees. This is clearly reflected in the customer service employees’ comments on the ex-store manager. One employee said, “he was too straight forward and technical, he misses this nice touch ...[What do you mean by this nice touch] ... being close to employees and sociable, he was quite distant. The manager before him had the manager thing, being bossy, but he was defending and pro staff.” When I asked another colleague on the desk [Did you like the previous manager] she said, “ NO, NO (utter rejection mood) [why?]” He did not speak to you at all he just passed by. This one, the new one, seems a good listener”

As with their UK counterparts, Egyptian employees preferred managers to be approachable. When asked about his view of the English manager of the

store, a butcher said, *"I'd like to work with a French manager....he is closer than the English in his way of doing business I reckon...he is more human in treating his people".* My butcher key informant supported his colleague's comment on the English manager having worked as a butcher in several hotels run by foreign management. He said *"I worked with many foreign managers, the best I saw was the French because he sits with you and socializes after work but gives work its strict time. The rest are too restrictive and tough to deal with.* The comment again emphasizes the perceived friendly approach of the French managerial style (*"he sits with you and socializes"*). Hence, the French managerial style is valued as it is perceived as being balanced valuing both the social and the technical side of the business simultaneously.

- **The property of sociability**

Socialising with employees is a vital characteristic for a manager to be approachable. In Egypt, a fishmonger looked at me and said "look DOC (my nickname since I'm preparing a Ph.D.) you are here, despite doing a Ph.D. (high status), selling Fish (low status job) and helping to know our feelings. This never happens with Egyptian manager here, while Nick, the British manager, sometimes does come and talk to us but it is far from being enough". The appreciation of my status and role among the employees is a call for managers to socialise with their staff. So as not to have managerial pride hindering them from being approachable. Besides, the comment on the British manager's efforts indicates that managers need to be actively and consistently socialising with their employees to have first hand experience of their employees' true feelings.

When confronted with this concern, the British manager argued that the language problem was the prime reason for not doing enough to socialise. He said "I tried all kinds of translation possible but I could not speak to them direct". In other words, using translation, it is impossible to pass on all the meanings that the sender wishes to tell the recipient. That is because translation is not always literal but it adapts to the language and the culture in which this language belongs. This was observed while regularly attending the in-store managerial meetings as an Egyptian hearing the translation of the English manager's words into Arabic. The translator, the secretary of the manager, does not translate the meaning of the words literally but took into consideration the possible social/cultural effects of the words. For instance, once the store manager was angry and said tough words in English to his employees, who detected that there was something wrong from the body language. The translator did not translate the manager's words literally but selected an Arabic synonym that communicates a less angry feeling than the actual English words. That was clearly because the words the manager said were felt to be too harsh and not suitable to the Egyptian culture. If the English words had been translated literally, the employees could have felt insulted and thus might have turned extremely angry.

Finally, as revealed above by employees in both the UK and Egypt, an approachable manager facilitates communication and enhances the sense of unity between employees and the company within the workplace. Thus the manager helps his staff to realise their sense of involvement and belonging (see sections 6.2.1.2/3).

7.2.4 The concept of *Technical Competence*

To employees, managers derive their technical competence from being technically superior to direct and authorise work at the store level.

- **The property of *direction***

Direction is an essential technical characteristic that a store manager should possess. In the UK and Egypt, the company H.Q makes almost all the technical guidelines. The store administration department manager in the UK argued that this centralisation is the way to manage a retail brand consistently: *"Prices, promotions, advertising, operational guidelines, etc. come from the H.Q. because this is the way it should be since we are all Sainsbury's stores"*. Such centralisation indicates that the store managers in the UK mainly direct employees to execute these plans at the store level.

- **The property of *authority***

To control the execution of the company's plans in the store, the company devolves authority to store managers. As a British employee stated *"If overtime is approved by managers, it is issued"*, from this it can be inferred that authority is what employees believe is the power of a store manager. Almost daily the managers in the Egyptian and UK stores, to remind employees of their authority power, use the phrase *"they (employees) are paid to do what I want them to do not what they think"*. Such authority power can be strongly felt in Egypt as an employee said to his colleague after receiving an order, he opposed, from his deputy manager: *"Do what he says, do not argue, we want to keep our source of living"*. This behaviour reflects the majority of employees in Egypt who, due to poverty, have a fear of

managerial authority that makes them desperate followers to secure their source of living.

Authority and direction empowers managers to control and direct their employees. Therefore, what the employees see in these properties are ways of company control that reflects the manager's status as the company representative in the store.

7.2.5 Conclusion (Employee-Manager interface)

In both Egypt and the UK, the open coding of the employee-manager interface revealed that employees highly prize an equitable, inspirational, approachable and technically competent manager. Heroes can be live personalities who possess highly prized characteristics within the culture, and which act as a model for behaviour, As such, managers possessing these characteristics can qualify to be their employees' heroes. The possession of these highly prized characteristics in the supermarket culture enables the managers to actively guide the behaviour of their employees towards realising their self-image and consequently form a sub-category of *managers as heroes*.

Table 7.2 the Meanings of the collective activities at the sub-category of Employee-Manager interface

Managers as Heroes				Sub-category
Equity	Inspiration	Approachability	Technically	Concepts

<i>(facilitator)</i>	<i>(facilitator)</i>	<i>(facilitator)</i>	competent <i>(facilitator)</i>	<i>(Axial codes)</i>
- Fairness - Justice	- Motivation - Easy going & flexibility - Excitement - Commitment	- Friendliness - Sociability	- Direction - Authority	Properties

7.3 The Customer- Company interface

In a supermarket, the interface between customers and the retailer reveals collective activities that produce meanings through which customers realise their self-images. The concepts of customer social repercussions, retailer reliability, and customer cultural reflexivity capture the meanings that characterise the customer-retailer interface. How these concepts are developed? And how they form the category of *customer realisation of self-image* will be explored in the following sections.

7.3.1 The concept of *Customer Social Repercussions*

In their interface with a food retailer, customers are involved in collective activities to customise the store merchandise and synchronise their in-store behaviour. These activities reveal the repercussions of food shopping on customers' lives and can be encapsulated in two properties: social merchandise, and homogeneous society. Consequently, the concept of social repercussions is developed as a characteristic of the customer-retailer

interface. How the properties are developed to form such a concept will be discussed hereunder.

- **The property of *social merchandise***

The merchandise in the store plays a major role in satisfying the social needs of customers. The customers place the merchandise in their own wider social context, which has internal and external dimensions. For the internal dimension, customers look to shop for merchandise that indulges their inner social circle (themselves and/or their family members). The following nine cases from the fish counter in the UK illustrate this:

Case 1: "*I'd like a fish for a dinner, I love it baked*"

Case 2: "*Can I get a piece of Whiting but no skin and bones please, because I'm an old lady*".

Case 3: *An older customer* noted, "*Availability of products are really strange, things we used to get here are no longer appearing neither on the shelf nor discounted while you can get them in Safeway , Tesco and others*".

Case 4: During a discussion with a customer on the counter, he told me that he tasted Swordfish in Spain and he liked it, but he was adamant that he did not want to buy it. It just evoked the memory when he saw the fish. In fact, his wife tried to convince him to buy but he rejected citing that the price was high.

The cases from (1) to (4) illustrate customers making use of merchandise for personal indulgence. In cases (1) and (2), customers either buy or consider

buying fish to enjoy their dinner. Case (1) shows that the customer wants a treat for himself with a fish dinner where he enjoys the taste of baked fish (as seen in his phrase "*I love it baked*"). In case 2, the customer wishes not to spoil her dinner by making sure that the fish she gets is suitable for her age and diet restrictions, as she asked for "*no skin no bone because I'm an old lady*". In case (3) and (4), customers are nostalgic for products that evoke traditions and memories. The customer in Case (3) rues the unavailability of products she traditionally bought at Sainsbury's and is now forced to go elsewhere to find. On the contrary, the customer in case (4) hails the availability of a fish that recalls an experience in Spain. Although these two cases bought nothing, the merchandise displayed an enjoyable social role in their lives. Interestingly, customers in these two cases were put off buying the merchandise through unavailability or price indicating that if the price was right and the merchandise was available, they could have bought them. Thus, it can be argued that availability and price, (the symbols), are prerequisites for realizing the social meanings of merchandise (the rituals).

The above cases feature merchandise used for customers' personal indulgence, while the following cases, (5) to (9), feature customers making use of merchandise to indulge their family members.

Case 5 " *I love to eat big looking fish, my husband is a big man so I'd like to get a big slice, I want to impress*".

Case 6 " I'd like to make a nice meal for my boyfriend. What do you recommend?"

Case 7 " It looks lovely the Swordfish, its not my favourite fish but its my son's, so I'll take a piece please".

Case 8 A father with his children, " We do not want to buy, we have been to the Deep Sea World, so they are so excited about it".

Case 9 A mother on her child's behaviour at the counter," She saw a programme about fish so she is so excited to see it."

In case (5), the lady wishes to customise the merchandise bought to suit her husband's exceptions, so as to make an impression showing him that she cares. Case (6) has a lady asking for guidance to select the type of merchandise to make a romantic meal for her boyfriend. A mother in case (7) is eager to take the chance to treat her son with a quality fish of his favourite type. In cases (8) and (9), the merchandise brought excitement and happiness to children and parents respectively as it helps in nurturing their children's learning process. In spite of not buying, the merchandise still played a social role in those customers' family life.

As for the external dimension, customers look to indulge their outer social circle (friends). From the customer service desk in the UK, two customers complained about the social consequences of defective merchandise. One

customer said, "This pack of IRN-BRU is outdated, we did not realise till we got home, started drinking and had some bottles." The other customer added "We realised they were out of date while we were gathering for a drink". Both customers are mainly concerned with the spoiling effect the expired product had on their social gathering. Although the product expiry date is a technical problem, the customers stressed a social problem rather than any technical problem (e.g. health concerns). Another case at the UK customer services desk featured a disappointed customer who was looking for a refund for a dead plant. She argued, "I bought it to be a gift for someone on Sunday. I bought it on Thursday and kept it for two days. I followed the instructions but it started to die since Friday. So, I couldn't, by Sunday, take it to a friend and I had to buy a new one". The disappointment of this customer again stems from the store merchandise failing to live up to its social role. The customer had planned for it to be a gift but the merchandise was technically faulty leading to near embarrassment in a social situation.

- **The property of *homogeneous society***

To customers, their behaviour in store forms a social environment through which the retailer offering is delivered. Therefore, at store level, customers tend to synchronise their social environment through nurturing the development of a homogeneous society. The store in Egypt provided a clear case of this.

An Egyptian couple summed up the cause of Sainsbury's failure in Egypt in their comment "Sainsbury's knew what is needed in the market but did not know how to do it". They argued that Sainsbury's did succeed in determining

the technical needs of customers in the Egyptian food retail market but failed to deliver these needs. Such delivery was not the technical logistics of the store but the social environment within it. That can be seen in a customer comment "The negative side at Sainsbury's is the lack of control over customer behaviour in store. However, the problem is not in you (Sainsbury's) but in the customer."

As the following cases suggest, it was the chaotic and deceptive nature of food retailing in Egypt that rubbed off on the customer behaviour in store creating a hostile social environment. A customer commented on Sainsbury's stores saying: "the place (Sainsbury's store) is like traditional markets, very crowded and unorganised. It is like EL-GAM'EEIA—the traditional communist-style subsidised governmental food outlets". The chaotic behaviour of customers in the traditional retail environment was reflected in their behaviour in the modern supermarket. A customer, with supermarket experience in Europe, complained about the intimidating atmosphere at Sainsbury's stores in Egypt. He said, "the place (Sainsbury's store) is for low classes, it is dangerous to be there, you could even be harassed there". A customer service employee endorsed this view describing the behaviour of customers at Sainsbury's as "SUEWIKAH", which is the behaviour of traditional markets' customers which is known to be aggressive and chaotic. This view is quite accurate as the fear of aggression at the store made one customer pledge not to bring his wife to shop at the store saying "I cannot shop here with my wife because she could be harassed here...it is mayhem here".

To avoid the 'chaos' at the stores, some customers searched for an alternative way of shopping in order not to lose the best prices, variety, etc. (technical offerings of the company). They opted for non-social ways of shopping. One customer opted to shop at unsociable hours said: "the only disadvantage of Sainsbury's is that the stores are annoyingly crowded. It reaches pushing sometimes. I try to avoid it by going late at night and once a month but these attempts were in vain". Another customer opted for home delivery operated by phone "the main drawback for Sainsbury's was the too crowded stores and the misbehaviour of customers. Thus, I used the delivery service to avoid it"

In addition to the chaotic behaviour, Egyptian customers have no faith in the integrity of the grocery retailing system (see section 5.1.2.3), so as a reaction, customers tended to deceive the system. This deceptive attitude has become the norm for Egyptians when dealing with grocery retailers as one customer argued "the Sainsbury's system (organised stores offering affordable prices) is good but it doesn't suit our buying habits that mistreat and out smart any system". The customer services officer, a key informant, gives an example from the store. "People use a trick to fool the cashier. They buy a carton of 24 pieces and add some more from another carton to fool the cashier when using the scanner so as to take a bit more than they should".

Egyptians who are acquainted with supermarkets were remorseful about such misuse of a system that has proven effective and successful elsewhere. For example, a customer, who lived in the Gulf area, said "Sainsbury's system is

world-wide, the Gulf area for example use a similar system, but here in Egypt, the locals made it unsuccessful because they misuse it. I don't know what could be the answer to why we—Egyptians-- have style of our own". Another customer, who had experienced supermarkets in the US, was harsh in his criticism of such mistreatment. He said, "customers here in Egypt are not civilized, strict control over them is needed". A customer service employee backed up the need for customer control. Commenting on the misbehaviour of customers in store, he argued that misbehaviour was the result of a system that indulges its customers technically (good prices, variety, etc.) but did not take into consideration their social attitudes (e.g. their children's reckless attitudes in the store). This imbalance makes the internal system fail to deliver as he said, "customers will never care as long as they do not lose"

The fear of losing the effective new retail system (Sainsbury's) due to such mistreatment evoked a very popular request among Egyptian customers. This request is summed up nicely in a customer comment that reads "There must be a control over customer behaviour in store in order not to spoil the good things at the store—the nice system of 'value for money'".

This request for control over consumer behaviour indicates the need to synchronise the codes of conduct for all customers shopping in a store. This, in turn, will aid the formation of a homogeneous society enabling customers to take full benefit of the retailer's technical offering (value for money). In other words, 'value for money' is a popular technical request, but realising it requires a homogeneous store society.

How can the company establish such social synchronisation? Segmenting the market was an answer given by a customer who has a marketing background. A junior marketing consultant, when asked what he thinks about Sainsbury's Egypt, replied "Sainsbury's has no clear intentions of what it wants to be. Sainsbury's is trying to target everybody at once. When you go to the stores, it is very chaotic..... You can never shop because people push you, or even bring you down Shopping there is intimidating. This style (targeting the masses) simply is impossible in Egypt because people here are not like that. This style could be successful in their homeland but certainly not here in Egypt". This customer believed that the company did not have knowledge about Egyptian culture. In Egypt, he argued, having various social classes shopping in one store created a social conflict of styles that resulted in an intimidating social environment. An alternative answer came from a mainstream government employee. He suggested that control should be an educational exercise that helps to familiarise customers with the supermarket system. He said, "The bad thing at Sainsbury's is the behaviour of the customers, there is need for strong control over that behaviour to make the customers respect the place. I'd like this control in the form of help rather than mere control."

To sum up, the properties of social merchandise and homogeneous society represent the social repercussions that customers face when dealing with a food retailer. Customers have internal as well as external repercussions for the social role of indulgence that the retailer merchandise play in their lives. Also, customers form a homogeneous society within the store as a repercussion of their tendency to harmonize their in-store behaviour.

Customers suggested that segmentation and education are ways through which in-store behaviour can be harmonized.

Finally, it is observed that in Egypt, the customer's focal point of interface is the property of homogenous society, while in the UK the focal point was the property of social merchandise. This difference in these focal points may be due to the difference in customer reactions to the retail systems in their respective countries. Since Sainsbury's supermarket introduced a new retail system in Egypt, customers experience their social repercussions at the macro level of the system as a whole, of which the store is the focal point of interface. In the UK, in contrast, the supermarket is already a well-established format. Thus, customers experience their social repercussions at the micro level of the store, of which merchandise is the focal point of interface.

7.3.2 The concept of the *Retailer Reliability*

Price has proven to play a vital role in attracting customers to a grocery retailer brand. Therefore, price dissemination in store is critical in the customer-retailer interface. In Sainsbury's stores in the UK and Egypt, the customers' most frequent complaints were about price dissemination in store. According to the customer services key informants, *"it is the most common complaint in a supermarket, it happens hundreds and hundreds of times"*. In both the UK and Egypt, there were around 86 cases of price dissemination complaints observed during the course of the research fieldwork. These complaints involved the co-ordination between the shelf (ticket) prices, the till prices of merchandise and the miss communication of price information on the shop floor. The contentious nature of price dissemination in store induces

customer- retailer collective activities, which the properties of deceptive pricing and false economy encapsulate. Since the nature of these properties puts the retailer's reliability at stake, the concept of reliability emerges as a characteristic of the customer-retailer interface. How this concept develops out of its properties will be the focus of the coming sections.

- **The property of *deceptive pricing***

An Egyptian customer argued: *"I'm interested in the special offers at the store but to maintain that interest I always need to review the receipt very thoroughly because there are a lot of miscalculations and prices are always mixed up in a phenomenal manner that I have never seen before. Thus, I think the management instructed the cashiers to do so in order to make up for the low prices they give us".* This quote reveals that the customer is enticed by the low prices but the realization of such prices depends on price dissemination in store. Problematic price dissemination between the retailer and customer makes the feeling of deceptive pricing materialize, as the customers felt the retailer deliberately mixed up prices to confuse customers so as to compensate for the low prices offered. The quote above shows the customer did not defect because of deceptive pricing but became very cautious when dealing with the company. Being cautious made customers meticulously scrutinize the retailer price documentation, the receipt. Unclear receipts were criticized as deceptive and misleading. In Sainsbury's Egypt, since the computer system was newly installed, some items of merchandise had been given prices but not names. Thus, on the receipt prices appeared with no corresponding merchandise description. Instead of the merchandise

description, the receipt features an ambiguous phrase: 'sold under management authority'. When a customer read that on his receipts he said, "are you (company) fooling us, how can't we know the prices of what we buy?" Hence, the customer accused the company of deception because of the ambiguity of the price correlation with the merchandise. Such accusations of deceptive pricing can prove damaging for the retailer as a customer complaint revealed how the supermarket's integrity can suffer. He said, *" there are numerous mistakes in the receipts and pricing inside. This should not happen in a respectable supermarket"*.

With price integrity at stake, customers tend to extend their financial sensitivity towards the retailer beyond pricing, as a customer in Egypt made a general complaint about money handling at the tills saying: *"There are numerous mistakes in receipts and pricing. Besides, the cashiers do not give me the change. I always face this problem here without even compensation, if you do that with everybody, where does the money go?"* In this quote, the customer cited the high frequency of deceptive pricing and subsequently capitalized on it to endorse 'cheating' and on the till as seen in his words *"Besides"* and *"I always face"* respectively. Hence, the customer ultimately questions the integrity of the company and its employees. In other words, the Retail Company as a whole can suffer a snowballing effect from the high frequency of deceptive pricing.

- **The property of *false economy***

The discrepancy of prices in the UK stores had a milder effect on British customers than in Egypt. In the UK, a feeling of cynicism, pertaining to the realisation of bargains, prevailed over the deceptive pricing issue. To illustrate, a British customer, who faced a price discrepancy, articulated his pessimism over the missed bargain saying “the shelf says 99p but on till I got it for 1.50, at this price it is no longer a bargain”. Another customer in response to the question [Have you faced problems of mixed pricing before?] She replied: “oh yes, it is very often. In fact, you buy a bargain, you think it's a bargain, then you discover at the till the price is the same. I used not to review my receipt but a friend of mine told me I have to because there are many mistakes and I have got to watch out and review it carefully”. The customer here shows her disappointment and blamed the company document (the receipt) for showing confusing prices, fuelling uncertainty over her bargain realisation. Thus, she opted for extreme caution, rather than defection, to alleviate such uncertainty.

Unrealised bargains instigate unsatisfactory customer reactions. Commenting on the poor co-ordination of price labels in the store, one customer anticipated a feeling of a shock for his fellow customers. He said: “No prices are placed next to the relevant products, people will get the shock of their lives when they get something for 99P and find it for £3.00 at the till”. Other customers interrogated the customer service officers with cynical questions aimed at reviving their lost bargains. For example, a customer questioned the honesty of the promotions offered in store saying, “I bought two Pampers Maxi, it says

buy one get one ½ price. I am charged full price for the second! (Using the receipt as a document)". Another customer sought an explanation for a price mix up, she said, " I bought a marmalade that has 79P offer but I paid 99P, Why? (Using the receipt as the document)".

Such feelings of dissatisfaction among customers can only harm the retailer's integrity. Simple price-scanning errors, if frequent, can cause customer inconvenience that can be escalated to question the integrity of the company as whole. "Too many errors at the check-out happening here, I have to come back again and again and again, I do not like that, it is just a scan. Can I speak to a manager?" This customer comment indicates anger over the inconvenience of inaccurate price dissemination in the store, leading the customer to question the integrity of the company at the highest level, depicted in "Can I speak to a manager?" Thus, customers tend to use their direct financial contact with the retailer, the price experience in store, to generalise perceptions about the integrity of the retail company as a whole. This can be induced from a customer comment that cynically criticises the company for frequent financial misconduct "I have been over-charged every time I shop here. No wonder Sainsbury's make money (in a sarcastic tone)". The customer here used the problems experienced with prices, to generalise an accusation of financial misconduct that, in turn, questions the integrity of the company.

In brief, inaccurate price dissemination in store is the most frequent complaint in a retail store. The properties of deceptive pricing and false economy were

found to depict the customer experience with such contentious in-store price dissemination. Customers were striving to realise their bargains and obtain the best prices. To do so, they opted for parsimony when dealing with the company and threatened the integrity of the retailer should the frequency of inaccurate price dissemination increase. In other words, the customers were aiming to realise their economic astuteness (see section 6.1.2.3), with the retailer's integrity at stake in case of defaulting. Hence, it can be argued that customers rely on the retailer's social responsibility to realise their technical wishes of economic astuteness. Therefore, the concept of retailer reliability can best describe the customer's social properties of deceptive pricing and false economy, indicating that the concept is socially essential and technically superficial.

Finally, it is observed that each one of the properties belonged to one country and not the other. This due to local customer perceptions of their retail systems. Since Egyptians have no faith in their existing retail system, the inaccurate price dissemination was harshly perceived as deceptive. In the UK, Customers trust the system but tend to enjoy hunting for bargains. Thus, the inaccurate price dissemination had a softer reaction with customers taking a pessimistic view of the realisation of their bargains.

7.3.3 The concept of the *Customer's Culture Reflexivity*

In a supermarket, the customers' background plays a major role in shaping their interface with the retailer. The customers' political, socio -economical and traditional retail orientations are the properties influencing the customer-retailer collective activities. It could be argued that these properties comprise

the customers' cultural dimensions that affect their interface with the retailer. Consequently, 'customer culture reflexivity' is developed as the concept that embodies such properties and thus characterises the customer-retailer interface. How these orientations are discovered and how they form this concept will be discussed hereunder.

- **The property of *traditional retail orientation***

Traditional shopping behaviour as well as traditional retailer brand perception characterises the customers' in-store actions. In Egypt, the following common observations occurring about five to six times a day .On the both the shop floor as well as the fresh food counters, depict the customers behaved according to their traditional shopping behaviour within one Sainsbury's supermarket.

Observation 1: Customers bargained with the cashier to get things at lower prices

Observation 2: A customer stated "It is a tradition not to buy fresh food from a supermarket. We believe the fresh food (esp. meat and poultry) is not fresh when bought from a supermarket". This notion is widespread in Egypt as customers view the grocery retailer as a place to buy packed groceries that are typical of the traditional 'Mom and pop' shops.

Observation 3: Customers usually ask employee's about prices of items as a quick way of knowing the price, The traditional way, rather than locating the relevant price ticket.

Observation 4: According to a customer service officer, "a woman let her child piss around a corner near the store exit". Behaving like she does in the traditional open markets, which are usually situated in areas far less salubrious areas.

Observation 5: Although the tipping of staff was not allowed in store, customers were trying to force tips because of tradition in the grocery system in Egypt. One customer justified giving tips saying "I'm in favour of giving tips if it is a kind of appreciation after a work done by an employee for me".

Another forced a butcher to take his tip saying "you are embarrassing me... take it....take it"

Observation 6: A very regular behaviour, was that customers did not consult store signs to find what they wanted but always asked employees, as they do in the traditional mom & pop shops, "Is there any cold drinks here? I need some cold drinks, where can I find it?"

Observation 7: A very popular question was "Where can I pay for the products I get?" This comes as a reaction to not finding a till on the counter or close by to pay for the goods, as customers are used to in traditional pop & mom, butcher and fishmonger shops.

The above observations show how the customer's traditional shopping behaviour is transferred into the new grocery retail settings, suggesting that customers have to be taught gradually the move from one style to another. This can be reinforced as the customer services manager, a British key informant, believed that Sainsbury's failure to acknowledge the local customer style made it difficult to sustain the business saying, "Sainsbury's wanted to make the stores too British". Thus, a balance between adaptation and standardisation needs to be struck, since both are important to win the local market. The locals look for standardisation to improve their shopping via rectifying the traditional frailties of their local shopping system. An Egyptian customer upset about Sainsbury's departure illustrates this: "At Sainsbury's we saw quality goods and good service on their hands, we hope this continues when it leaves. We really enjoyed well-priced imported goods. I guess that is because Sainsbury's is not an Egyptian. Unfortunately, Egyptians mistreat us". Obviously, this customer rues the abusive local retail system and hails Sainsbury's as a saviour hoping for continuity even after Sainsbury's departure. Many Egyptian customers regretted Sainsbury's departure mainly for the role-played in improving the local grocery retail market. One customer depicted this positive influence in his comment "I'm so sad that Sainsbury's is leaving, it has raised the standard for the local competitors". Specifically, customers saw the lack of honesty and selfishness in the local market as the prime weakness rectified by Sainsbury's. One customer argued "The Egyptian grocers are not as honest as foreigners. I see that clearly in any foreign product versus an Egyptian one. I hope honesty will prevail after Sainsbury's leave". Another customer argued "the local retailers

cannot do what Sainsbury's did because they are not interested in helping customers but interested in helping themselves". It is ironic that these are not technical problems, but mainly social ones.

Freedom of choice was another social issue that customers felt Sainsbury's provided compared to the local system. Customers were looking to customise the fresh food available via self-selection, which is not allowed in traditional grocery stores. They ask, at Sainsbury's, for their *right to select* the fresh food they want, rather than adhering to the traditional way that makes them accept what is given to them. In several incidents on the cheese counter, customers demanded their cheese from the displayed piece in front of them and not from pre-cut items at the back of the counter. In fact, many customers rejected cheese because they had not seen it being cut. Also, on the meat counter, a customer insisted on seeing the piece of meat prior to mincing it. Another customer was trying to select shrimps from the pile displayed but the fishmonger said, "don't select please" the customer replied "here (in a supermarket) too there is no selection? (With question marks on his face)".

These social issues of integrity and freedom of choice are vital for a customer to be satisfied with the retailer he/she deals with. An Egyptian customer came to the service desk asking "Is Sainsbury's sold?" ["yes"]. He asked, "Who bought it" ["EL-NASHARTY"] (the Egyptian partner). He responded with anger and dismay saying, "it is all over, it is now with Egyptians".

In the UK, in contrast, customers have long experience of various supermarket brands in their local market. Thus, they have developed

perceptions of each supermarket brand, based on its positioning in the market. Such perceptions are the prime influence on the customer behaviour towards each retailer brand. A discussion among employees over lunch reveals how Sainsbury's is perceived and the subsequent impact on customer behaviour. An employee said, "*Customers were talking to me 'like down' as if I am a servant, they threaten me with going to ASDA, I think they can not go, its full of queues and boxes all around*". A team manager commented, "*I think here at Sainsbury's people demand a lot from the manager because they see Sainsbury's as a high retailer where they should be treated so high. That is why people here in an 'old store' are so demanding while in Stirling's 'new store' there were hardly any manager's called. They are mainly students, the level of customer service was OK*". As the employees suggest, customers generally perceive Sainsbury's as an up market retailer. As a result, customers expect that they should get a high level of service that matches their perceptions. Otherwise, it would be tempting to defect to the competition if the retailer is considered as defaulting on its promises.

Moreover, the team leader argued that customers' perceptions differ from one area to another based on the time the retailer has existed in that area. The more time the retailer has existed, the more the customers are acquainted with the retailer and thus expectations are developed. In other words, the customer's experience (over time) with the supermarket brand influences their positioning of it. A key informant (the produce manager) reinforced this view arguing that the brand can become a tradition if it exists in an area for very long time. He referred to Sainsbury's situation "*In Scotland it is new it is just*

ten years, so it is difficult to be a tradition but in England they have been around for a hundred years.”

Furthermore, customer behaviour in the store confirmed the employees' view of how the customers formed perceptions about their retailers. A customer expressed her disappointment with the advertising of offers in store saying, “I'd like to say a remark these boards and ads of savings just make the place look untidy, Do not be like Safeway where every place you get a notice of how much you can save. They just make the place look cheap and Sainsbury's isn't that. Please inform whoever in charge that Sainsbury's is higher than this.” The customer has a preconceived perception of Sainsbury's and her experience of the sales promotion ads destabilised this perception as it contradicts the traditional view of the retailer. Thus, the in-store experience is the way customers form and/or reinforce their view of the retailer. Another story from a cashier on a till supports this claim. A trainee manager reported a complaint from a customer on his till.. He said, “ she was so angry about the attitude despite there being no mistakes the tiller made with her. She is expecting too much, She is going to report me to the head office. She said to me that this couldn't happen in ASDA, although its cheap. I do know ASDA is worse in service but this is what she wants. Then, I decided to end the talk.” This quote illustrates that a clash between the customers' spontaneous actual experiences, and traditional perceptions can end in customer dissatisfaction. Besides, this quote shows that the higher the preconceived perceptions of a retailer, the more sensitive will be the customer experience in store.

Additionally, the preconceived view of the retailer drives the type of shopping done at it. A customer came to the desk saying: "I forgot an item while buying my stuff to make my birthday cake (occasion), I must have lost it on the tills because it is in my receipt, what can I do? [You can either refunded it or take another]. I'll take another because it is an ingredient in my birthday cake and my birthday is tomorrow" [Happy birthday, do you do your shopping here?] "No, I don't do my real shopping here. Sainsbury's is seen as an upmarket retailer, I'm mainly an ASDA shopper but I'm here just for my birthday stuff"

This brief discussion indicated how Sainsbury's traditional high positioning is suitable for occasion shopping, like the birthday in this case, rather than the regular 'real' shopping. An experienced fishmonger confirmed the occasion shopping status of the retailer arguing that the traditional view of Sainsbury's as an upmarket retailer entices people to come occasionally from afar: "Here at Darnley, you get people from as far as Ayr (long distance travelling), they come every fortnight or so and especially during occasions (occasional), like Xmas, New Year, etc. They come to Sainsbury's for luxurious stuff and avoid their local retailers who don't offer these luxurious goods."

Finally, reviewing the property of traditional retail orientation, the issue of traditional shopping behaviour was dominant in Egypt while in the UK the traditional retailer perceptions of retailers dominated. This difference could logically be due to the type of retail grocery system prevailing in each country. Since in Egypt an old-fashioned retail grocery system prevails, Sainsbury's witnessed a transfer of the customer's traditional shopping behaviour into its new supermarkets. In the UK, on the other hand, since supermarket grocery

retailing prevails, customers have over the years developed traditional perceptions of retailers (positioning) against which they judge their supermarkets' brands.

- **The property of *political orientation***

Uniquely in Egypt, the customers' political orientation was found to play a cardinal role in shaping the customer-retailer interface. As Egypt, the most populous country in the Middle East, is a leading country in the Arab-Israeli conflict, the population has a very high level of political consciousness. Being a Jew for Egyptians means being politically linked to the enemy (the state of Israel). In response to a question of what Sainsbury's Egypt should do to improve, a customer said "not to be Jewish. Being Jewish made my wife (the main decision-maker in food purchasing insist on boycotting and she never ever buys from it". Such a reaction to the retailer because of a hostile political orientation stems from the customer interpretation of the retailer's actions to deliver its vision. That is reflected in a customer analysis of Sainsbury's strategy to deliver its vision of offering 'value for money' to Egyptian customers. She said, "Sainsbury's is reducing prices in a dramatic way. This can only indicate its intention to destroy small retailers or raise suspicion about the quality of its merchandise. In both cases, it is trying to destroy our country and economy". Hence, although the offer of low prices is a technically popular vision with customers, customers interpreted such a strategy as having a socially damaging and political effect on the country and its economy. The political background of Sainsbury's (the retailer) that stems from perceptions of a Jewish/Israeli heritage is to blame for such negative social interpretations, of the positive technical vision.

Both customers and competitors reckon that the Jewish/Israeli link indicated a politically motivated conspiracy to control the vital food market. Hence, endorsing the local grocery stores use of religious means by establishing a boycott case on religious/political grounds. One customer argued "the Jewish link with Sainsbury's is used by its competitors because the store was dumping prices and hence taking business away from them". Moreover, to save local grocery stores from a devastating, politically motivated, monopoly, a customer saw the Jewish link as an enough reason to boycott the retailer saying, "My husband and I stopped going to Sainsbury's when we found they have a Jewish link. They have a massive power and I think they are trying to control our economy and destroy the Egyptian grocery businesses. Thus, we decided that we would never go there and continue buying everything from the local groceries as we used to". Another customer adopted the same ideology saying, "I never go there and asked my husband not go as well. If we do, those Jews will destroy the poor Egyptian traditional grocer."

As indicated above, the boycott negatively influenced customer willingness to deal with the retailer. The British store manager in Egypt confirmed that the political boycott was the reason for slower trading conditions with customers. He said, "religious issues are the main reasons behind the slow down of sales with customers". He justified this by saying "I have no competition, Metro and Alfa market stores (competitors) aim for A class while the discounters and Mom and pop shops are nowhere near me in quality, range or hygiene".

When asked directly if any other cultural issues affected the slowdown, he answered shaking his head (i.e. no) and said "customers think only of their

shopping basket savings". His view suggest that despite the potent attraction of the savings offered by the retailer's technical power, strong social beliefs (political/religious) can hinder the customer realization of such technical strength. This can best be mirrored in a customer comment on Sainsbury's withdrawal from Egypt. He said, "Sainsbury's offered a flawless system, availability of goods in one place and at good prices. What brought Sainsbury's down is the boycott I guess. Definitely not low sales, they were doing fine and the Palestinian problem is a temporary thing, I started not going for sometime but I went back because of the deals. I reckon boycotting Sainsbury's will not do any harm to Israel but to us because of the labour and the investment in the country". The customer here adds an important point regarding the effect of political causes on the retailer. He referred to the Palestinian problem (the start of the uprising during the study period), as a 'temporary thing' indicating that political issues may be short lived but the customer reaction is what matters. Some customers may come back after the peak of political tension abates as he did, but other customers may take action till the cause is gone. For example, a customer claimed "the change of management to Egyptians is good because scepticism of being Jewish has been erased. I hope they will be the applying the same system of low prices though". Another customer clearly showed intent to make use of the low prices but only within the correct political atmosphere, when she asked the cashier to give her a plastic bag with the EDGE brand (local partner's brand name) rather than Sainsbury's. I intercepted her and asked ["Why did you do this?"] She replied, "I know Sainsbury's has been sold. I'm here now to buy for the first time because I want to buy from Egyptians not Jews".

- **The property of socio-economic orientation**

The customer-retailer interface is shaped by the socio-economic characteristics of the society in which the stores exist. An Egyptian customer summed up the evidence of poverty in customers' actions: "the problem with Sainsbury's Egypt is the Egyptians' behaviour, they misuse, cheat and steal. I'm so sorry to say that but it is a fact". The researcher's own observations confirmed these actions as two customers were caught stealing from the Health & Beauty section and in at least five cases from the children's toy section. Stealing incidents were extensive. A maintenance employee argued "stealing is everywhere, in stores and even warehouses. It has brought Sainsbury's down". The customer service key informant confirmed incidents of misuse and cheating as he claimed that customers usually try to drink, eat, or try goods on display at the store without paying for them. Two customers substantiated his claim "I blame careless customers for the failure of Sainsbury's, they eat the food inside and do not pay the price, I even asked a women to pay the price of what she ate, she said I'll do that when I finish!" Another customer came to raise our attention at the Service desk "I saw customers drinking from bottles and leaving them on shelf inside the store yesterday...It was mayhem yesterday and disgusting too". Also, the researcher's own observations supported this claim when a customer returned cream, because after purchase, he discovered it was already open and some of it was missing. A customer returned a baby anti-colic liquid for the same reason.

The customers' misuse, cheating and stealing actions are driven by desperation. A professional view came from the head of security in the store "The thieves are too many, the majority of them are poor people but in some cases wealthy people steal as well. They have some kind of tendency to steal because of illness". The words of the head of security suggest that poverty is the main reason for stealing among customers. In another case of poverty driven desperation, the British manager at the customer service desk was astonished at the behaviour of Egyptians towards food sampling. She said "people here (in Egypt) don't taste but eat from the tasting samples. One person can finish the whole sampling pot. Thus we abandoned it". Compared to the UK, there is more poverty in Egypt and thus misuse of samples is to be expected, as people tend to be desperate to get food for free. Customers in Egypt were desperate to get the lowest possible price according to the customer services officer, a key informant. He noticed that customers cheated by deliberately peeling off the products' price stickers to claim a faulty product discount.

The above cases suggest that desperation is a fundamental behaviour of low-income customers in food retailing stores in underdeveloped countries. The following event starkly illustrates this. A customer service officer described a common scene: "People don't wait till a trolley of special offer items are placed on shelves, they jump on the trolley to grab the stuff to the extent that one day a customer pushed the employee pulling the trolley into it to get the stuff". As customers are poor and thus desperate, they tend to buy the special priced goods and stay away from (or even steal) the expensive goods. This

caused a subsequent loss of profits for the retailer according to the customer service officer (key informant). Among Egyptians this view is the most popular reason behind Sainsbury's withdrawal.

As seen in the socio-economic effects in Egypt, poverty has compelled customers to behave in desperation. In the UK, however, as a developed country with a strong economy, the socio-economic effects differ from those observed in Egypt. The developed retailing system comprises a wide variety of food retailers with various price orientations. Therefore, as cases in the UK suggest, customers enjoy choice as each income level can find a suitable food retailer. The words of one of the researcher's housemates, who is a Tesco shopper. In response to my question [Do you shop at Sainsbury's at all?]. He said, "*My brother can go to Sainsbury's, he works in London in an investment bank, he has got money and goes to Sainsbury's but I'm a student, I cannot afford Sainsbury's....I'm a poor man*" My colleague's comments show that customers with different income levels tend to choose different food retailers that suit their budgets. Even employees do not buy their own groceries from the retailer they work for if it is not in their income domain. The customer service assistant manager at Sainsbury's commented on whether he himself buys from Sainsbury's: "Not for poor people like me. For executives who are earning a lot, the money makes no difference for them".

The ability to choose among UK customers enables them to customise the grocery retailer offering. One customer commented: " You know Sainsbury's sent me coupons of reductions but my neighbour and I bin them because

Sainsbury's is far away and we found out later that Sainsbury's coupons can be redeemed at Safeway. It never really entices me to use coupons of the type 'if you spent 10pounds you get this off'. It is not enough for me have a family of two children and a husband". Despite family pressure urging her to save, the customer here shows that she (and others) pick and choose from the variety of offers available and are thus not desperate to travel to chase special offers. In other words, her ability to chose customises her shopping, seeing the right price and a convenient location despite having a limited income relative to her family size.

The customisation of both location and price were found to be the sources of customer loyalty to the retailer. This can be potently supported by the behaviour of Sainsbury's employees when they themselves become customers. In spite of working for the retailer, they opt for the best value and most convenient location. A back door employee said, "*I myself don't buy my weekly shopping from Sainsbury's. Basically because it is cheaper and closer to go to ASDA but I do get something from here. I'm poor with four kids to raise*". Another part-time employee commenting on his family preference to shop at ASDA, despite working for Sainsbury's: "*My family actually don't shop here, they go to ASDA, it is closer and has better prices. [Haven't you tempted your family to come here since you are here?] Actually they came over here a couple of times but they insist it is dearer than ASDA*". Although he works for Sainsbury's, the employee failed to pull his family to the retailer because they considered better prices and a more convenient location as paramount for regular shopping, and thus loyalty to the retailer.

As well as the social effects of economics, the social structure of a society affects the customer-retailer interface in store. In Egypt, illiteracy is high among ordinary Egyptians (especially among women who are the prime decision-makers in food) particularly in the areas classified as rural in which the biggest Sainsbury's store was located. Thus, retailer sensitivity to such issues is crucial for smooth relations with those customers. Price tags and directional signs in writing placed pressure on employees, as they try to help illustrates customers at the expense of performance in their original jobs. An event described by one of the butchers reveal this concern, "an illiterate customer came to me asking where to find things and the prices forcing me to leave the counter to help him. I guess there must be dedicated customer service staff on the shop floor to help illiterate customers." Like illiteracy, understanding customers' life styles are fundamental for the customers' best utilisation of the retailer facilities. A customer comment shows the negative consequences of the retailer's ignorance of life style issues. Commenting on the behaviour of Sainsbury's customers towards the shopping trolleys which have a toy car ahead for the amusement of children, said: "It seems to me that Sainsbury's did not know that the majority of Egyptian families have three kids or more and all accompany parents when shopping. This caused havoc because every child wants a ride making the store a playground where you cannot even walk because of traffic impasse".

Not only in Egypt, but also in the UK, is recognition of the life style of customers essential for retailers to deliver a relevant offering. An elderly British customer argued: "I used to get products from Sainsbury's that you no

longer sell or the portions are bigger than needed. In general single people do not eat big portions especially with cheeses and things like that which quickly expire.” The argument here reveals that the customer is disappointed that the retailer of merchandise offering does not suit the elderly life style that sticks to classical goods and eats smaller portions. Another young customer came to the customer service desk asking for a cookbook to inspire him to make something out of what he had bought. This customer reflects the trend towards celebrity cooking running through the contemporary British society (see section 5.2.2). This approach to cooking was substantiated by the observations of the food advisor at Sainsbury’s who was responsible for tasting. She observed the growing tendency to buy ingredients rather than final products saying, *“Tasting makes customers buy the ingredients especially when I’m cooking not just giving away samples”.*

In brief, the concept of customer culture reflexivity reveals the customers’ cultural properties that are reflected in their interface with the retailer in store. These properties are the customers’ traditional retail orientation, political inclinations and socio-economical societal characteristics. As a result of these properties, customers develop their loyalties to the retailer as it develops the local consciousness that drives a sense of belonging among customers. The Egyptians in particular were found to be emphasising their political inclinations, indicating that the retailer operating away from home should seriously take the political orientations of the locals into account. Also, the socio-economic societal characteristics in both countries under study were found to be sensitive to the overall economic status of the country. Finally, the

traditional retail orientation by definition differs from one country to another. Thus, it can be concluded that country culture shapes these properties, which, in turn, mirror the influential role of the country culture in shaping the customer-retailer interface.

7.3.4 Conclusion (Customer-Retailer interface)

The process of open coding for the in-store customer-retailer interface has revealed the properties of social merchandise, homogenous society, deceptive pricing, false economy, and the traditional retail, political, and socio-economic orientations. These properties capture the customer-retailer collective activities and can be grouped into three major concepts; the concept of customer social repercussions; the retailer reliability and the customer cultural reflexivity.

Understanding the social repercussions of shopping with a retailer enables customers to realise their sense of pleasure. Recognising the effect of customer culture on the retailer enables customers to realise their sense of belonging. Establishing retailer reliability enables customers to realise their sense of shrewdness. Since the sense of pleasure, belonging, and shrewdness are intangible social senses, they can be related to the intangible social side of the customer—the self. Additionally, the customers' culture reflexivity and social repercussions mirror the customers' external image that can be realised through socialisation with a reliable retailer. Therefore, it can be argued that the concepts of cultural reflexivity, retailer reliability and customer social repercussions form the ritual of the realisation of customer self-image.

The process of axial coding developed indulgence, integrity and loyalty as the consequences of the customer realisation of self-image through the retailer.

As these axial codes indicate, customers develop a willingness to maintain shopping with the retailer. Thus, it can be concluded that customer realisation of self-image leads to customer retention in grocery retailing.

Table 7.3 the Meanings of collective activities at the customer-retailer interface

Customer Realisation of Self-Image			Category
Customer Social Repercussions (<i>indulgence</i>)	Retailer Reliability (<i>integrity</i>)	Customer's Cultural Reflexivity (<i>loyalty</i>)	Concepts (Axial codes)
- Social merchandise [external & internal] - Homogeneous	- Deceptive pricing - False economy	- Traditional retail orientation - Political orientation - Socio-economic orientation	Properties [dimensions]

7.4 Customer- Employee Interface

The customer-employee interface in a retail store provides a potentially mutually beneficial encounter. The treatment of customers by employees and *visa versa* (employees by customers) is the source of the meanings that foster such mutual benefit. From an employee perspective, the concept of employee sensibility and from a customer perspective, the concept of customer sensibility sums up the meanings through which both parties can achieve this

mutual benefit. The mutual benefit arises from the ability of both customers and employees to identify and respond to each other's needs and wants. Such sensibility can add value to both parties. Thus, added value is the characteristic to best describe the customer-retailer interface. How these concepts are developed to form the category of added value will be discussed in the following sections.

7.4.1 The Concept of *Employee Sensibility*

The employee treatment of customers in a supermarket involves the collective activities that develop meanings through which the properties of a sensible employee are encapsulated. These activities include the employees' capability to guide intuitively and informatively customers to what they need (consulting), and to read customer behaviour in store in order to customise their responses. Thus, the properties of customised responsiveness and consulting capture the properties that enable employees to identify and respond to their customers' demands. How these properties are developed to form the concept of employee sensibility will be explained hereunder.

- **The property of *customised responsiveness***

Employees have an investigating eye through which they adapt the retailer offer to the type of customer with whom they are dealing. In other words, employees customise the retailer offer, based upon the behaviour of the customers they are serving. In Egypt, employees on the cheese counter commented on the behaviour of the customers that they have faced since the start of Sainsbury's Egypt. They said, "*The start was fantastic we were making L.E.800, 000 of sales (very high) when we used to have the "rich customer who is coming on the reputation of a foreign supermarket .We were*

so happy to serve these people who treat us well ... we were indulging them.

After a while things started to change, more of the low quantity cheap oriented customers invaded the store because of our low prices. This 'C' class customer led to the gradual departure of the rich well-paying customer because of their chaotic attitude in the store. This affected our morale as service providers because they misuse us and make us put in a lot of effort that is not rewarding at all. They are accustomed to buy 1/8 kilo, 1/4 kilo or a piece for L.E. 1.00. Besides, they do not know the product except the mainstream cheese while we stock special kinds aimed at high class customers especially imported stuff". In one incident, a customer asked for ¼ kilo of cheese. The service provider was very frustrated and making faces, when I asked him [why he was so frustrated?] he said " as you see she is asking for almost nothing and making me work like hell – pack, unpack, taste, change, taste again". To show the difference between the employee attitude towards the 'C' class customer and the 'A' class customer, a Deli employee revealed an 'A' class treatment story: "In the good old days of the store I was serving a customer and suddenly she threw the cheese in my face ... I did not show her my frustration. What I did though is that I went at the back of the counter where she can not see me and left her shouting till she apologised".

As the above quotes suggest, the employees used customer social status (as indicated by classifying customers as 'C vs. A') as an indicator of customer behaviour. The responses of the Deli staff towards the 'C' and 'A' class customer reveal that this indicator evokes a feeling about customers' expected behaviour through which the employees' attitude towards serving

customers was determined. In other words, the employees customise their response to individual customers through sensibility. This is clearly reflected in the employees' positive response of welcoming and being willing to offer the best service to those customers known for their patronage.

As with their fellow Egyptians, British employees also customise their responses based upon their own assessment of a customers' behaviour. An employee key informant on the customer service desk commented on customer complaint behaviour, "*Customers make a big fuss about problems. Then give them a gift voucher and its OK. How can you be serious about complaints when just a 10 or 20 pound gift voucher wipes it off? That makes you think that they make all the fuss just to get this extra bit. You can tell by looking at them, I hope they know that we know their intentions*". In response to the policy aimed at standardising employee responses to customers, the customer service employees argued that it is simply not pragmatic. An employee (key informant) explained why it is impractical to standardise responses: "*It is hard to smile at a customer who is rude or one who is not interested in any interaction. You simply can not be systematic facing changing customers, different people and personalities. But this is the company's policy customer comes first*". Another employee argued: "*You know what I want to get through to managers here, it is that not all the time will we deliver great service because sometimes customers are not helpful but intimidating, you need to get over with them.*" Here, the employees reveal that the inconsistencies in and diversity of customer behaviour makes it necessary to customise rather than standardise responses. In fact, some

employees find responsiveness to customer behaviour as vital to their own job satisfaction. In a discussion with a newly employed cashier (two weeks into the job) [*Do you see being on a till exciting now its your second week?*"] She replied, "*No, not so much exciting, but its interesting. However, it depends on people passing, sometimes they are nice and sometimes they bore you.*"

Employees' customise their response to the behaviour of customers through two types of response: the unexpected response and the special response. The employee's ability to surprise customers, by responding unexpectedly to their behaviour, and helping them to accomplish what they want is highly appreciated. A shop floor British employee showed how customers appreciate unexpected responsiveness. "*From my experience when you tell a customer 'I'll get back to you' regarding an enquiry about product availability, they don't believe you or they know it is just words. But when I got back to four customers, they, although they had forgot about the issue, appreciated it so much. They were very happy and didn't believe that I would really get back to them.*" As this experienced employee argues, the traditional customer expectation in a product availability enquiry is low. Nonetheless, the employee's ability to recognise the customer's entitlement to a response to their enquiry results in customer appreciation of an unexpected customised service, even if it is technically superficial to them as shown in "*they had forgot about the issue*".

The employee's ability to recognise the physical signs that may reflect intended behaviour will be highly appreciated by customers. For example, in a training program, the trainer advised employees to make an effort to approach a customer when his/her body language says so. He said, "Be focused on customers, see where the lost ones are". When I (researcher) applied this advice on the floor, thanks and delight was the customer response. Once I spotted a lady struggling to push her trolley out of the store with a baby in her arm. Helping her to push the trolley and also helping to put the merchandise in her car received many thanks. She kept repeating her thanks to me about three to four times, with a big relaxed smile on her face. In another case, a customer came to the customer service desk asking to exchange a £10 note to get a pound coin for a trolley. For convenience, I just gave him a pound and asked him to give it back to me when was done. He was amazed and said, "Oh, you trust me (with a big appreciation smile) thanks very much". These incidents reflect the powerful social impact that an employee can have on customers with the use of clever intuition.

Employees, by making an extra effort, also make their responses to customers special. Since food retailing in Egypt is underdeveloped, customers were un-used to special attention and thus they urged employees to make an extra effort to fulfil their demands. To illustrate, a customer was simply stunned when I delivered the meat to his trolley after preparing it. He said "you cannot be an ordinary butcher, you must not be a real butcher, they don't normally do such a thing." Here the customer was taken aback, yet happy with the unusual extra effort, since it was new and unexpected

behaviour from employees in Egyptian grocery retailing. Instead of accepting the status quo, some customers in Egypt, after the arrival of modern supermarkets, requested change. On the cheese counter a customer once asked: *"we are waiting for long time. You should do something"*. The customer here urged employees to be sensitive to the customers' waiting time by exerting extra effort to react spontaneously to fulfil her needs.

As the supermarket system in the UK is more developed than Egypt, British customers anticipated very meticulous customised responses. A customer complained, *"I have been shopping at Sainsbury's for years and nobody told me to redeem my points in any reward scheme. I'm just adding points to my card, I wasn't told what can I do with them (knowing that the information is written within the instructions issued with the cards)"*. Although the various reward schemes are written down on the application form and in the instructions handed out with the reward card, this customer blamed the employees for a lack of sensibility. They did not notice his ignorance of the saving scheme, throughout his long period dealing with the retailer and accordingly did not exert an extra effort to alert him orally. So, as a store patron, he was disappointed that the retailer employees did not give him the personal attention he felt he deserved.

In another case, a lady with two children came to the customer service desk to complain to a staff member about the service: *"I'd like someone to help in packing my stuff, I've got the kids and the trolley, I really can't pack and the response when I asked for help was not encouraging."* The staff member

moved to help her pack. After almost finishing packing, another employee (Cashier) emerged saying " *hi there.*" The customer looked at his staff member and said, "*I always try to come here (the store) only when Ann is here (looking to the cashier lady, Ann) because she does help me pack*". A conversation then developed between Ann and the customer, and the conversation was a smiling one with high satisfaction and relief on the customer's face. She seemed to have a very good rapport with Ann, to the extent that Ann gave the children some presents. The final comment from the customer before she left was "*I'll try to come when you are here Ann. You know, in Asda, they do the packing and even take it to the car because really what you have loose in the trolley changes to different dimensions after packing becoming very difficult to handle*". The customer here was upset because of the lack of sensitivity of the cashier staff towards her situation of having to pack and take care of two children simultaneously. By exerting no extra effort to help her in such situation she had to ask the employees for help, which she thought should have happened spontaneously as a special response. Thus, she hailed the employee who had this sensibility. Her words "*I'll try to come when you are here Ann. You know, in Asda, they do the packing and even take it to the car*" reveal a strong personal rapport with the employee and contain a statement of competition superiority. This indicates that this employee characteristic is an indispensable social trait through which retailer employees can retain customers.

As in the case above, it is also observed that the lack of a special response towards customers causes trouble between customers and employees. This

is clearly seen at the tills at peak times. At a time of pressure, queues start to form and conflict between employees' (cashiers) interests and customers' interests emerge, when the work time of a cashier runs out. Cashiers stop and leave the till regardless of what customers want. Each cashier goes home or takes tea breaks at the designated time with no tendency for even a slight extra effort to maintain customer satisfaction. Nevertheless, when employees use their initiative to exert an extra effort for a special response, they create a great social impact on the customers' experience with the retailer. For example, parents are delighted whenever their children get special treatment at the store. A mother said, "I got a lot of help because I have got her (baby) with me, I really liked it so much"

Since employee customised responsiveness, whether special or unexpected, is a socially essential behaviour that retains customers, the employees ability to customise their responses is vital to keeping customers. The tasting administrator argued that customers are of different kinds, and employees should accept customers as they are. In order for employees to react well to customers of all kinds they should be: "honest, be aware of a common interest and possess the essential skills of their departments. Particularly fresh food staff have to be highly skilled, in order to tackle vital customer service issues, such as safety scares (e.g. BSE), and maintaining hygiene. Employees should be helpful, not just smile and say 'Hello' but be responsive to mothers and kids, and old people's needs and wants". These are actually a mix of skills: intuitive skills, as seen in being aware of a common interest; technical

skills, as seen in possessing the essential skills of their departments; and personality skills as seen in being honest.

To be responsive, employees require not only personal skills but also responsive technical support from the H.Q. In a training class, an employee responded to a request to be responsive to customers by saying, "*Customers ask questions, for example give me the reason why a product is not available? I need information to give to customers, I can tell lies but I need a solid answer*". The manager replied: "*Why don't you go to the one stop shop*" (a centralised help desk for customer enquiries). She replied, "*I phoned them but it took them three days to get back*". As this conversation reveals, the retailer has to respond swiftly to its employees' technical requests in order for the employees, in turn, to be confidently responsive to customers' requests. Misinformed employees cannot respond swiftly to customers' requests and this may lead to the loss of business opportunities. The following case shows this. A customer came to the customer service desk asking for information about prepared food for parties. The information given was as follows:

Employee: "*Go to the Deli and ask them they make sandwiches*".

Customer: "*But can they do Salmon for example on a plate*".

Employee: "*Oh, I don't really know just ask them*".

Customer: "*OK, I'll ask later. Thanks*".

Through having the information to respond to this customer enquiry or exerting any effort to make the information available, this employee attitude resulted in the customer not pursuing his request, at least for the time being.

- **The property of *consulting***

The role of an employee in serving a customer can be extracted from a content analysis of Sainsbury's handbook for fresh-food counter assistants in the UK. The book guides the employee in his role in the store. The guidance is concerned with two dimensions. First, what an employee has to do, and second, how an employee can do it. These two dimensions reflect a technical and social dimension respectively. The following quote from the handbook will illustrate the previous rationale: "Although we recognise that technical skills are important to your role, we have placed an emphasis throughout this pack on how you do 'something'. It has been recognised that the ways you look after your customerare very important to the success at Sainsbury's". The quote shows that the employees have to make good use of their technical skills to serve customers. To add value to the service, it is essential that they use their social skills to show that they care for their customers. The social dimension of "how you do it" involves the following actions (taken from fishmongers' handbook). "First, identify fish types and their quality factors. Second, advise on cooking methods, cross-selling (e.g. wines that go with certain types of fish) and maintaining hygiene and safety". Casting an eye over the nature of these actions reveals that they all point towards the employee playing a consulting role for customers. They tend to use their technical knowledge of fish, in the first action, to fit into customers' social lives, as they advise on cooking fish and ensuring safe consumption in the second action. Such a consulting role was found in both the UK and Egypt spanning across two dimensions: reassurance and technical expertise, and recommendation.

Reassurance for customers in both Egypt and the UK is an integral part of the social side of the employees' consulting role. Customers tend to believe that the company's technical actions are aimed solely at attracting customers for the sake of mere commercial prosperity and that it is unsympathetic to customers. Customers view employees as their fellow humans, who are sociable and not commercially driven, so consequently they should have sympathy with them. As a result, customers believe that employees can reassure them of the true intentions of the retailer's actions. Therefore, employee reassurance, in the customers' eyes, is crucial to support the credibility of the company's activities. This claim can clearly be seen in Egypt. Since Sainsbury's is a British retailer in Egypt, it was linked to the BSE meat scare. Thus, a woman came asking a butcher on the counter "Can I, when you are not busy, talk freely to you to know if really the meat here is Balady (from local sources)". "Talking freely" and "if really" indicate a desire to speak honestly, without any technical pressure, to the employee as a credible compatriot who can reassure her of the meats origin.

Customers usually classify company messages as second to direct verbal reassurance from employees. Despite having a banner with a clear BSE-free message from Sainsbury's, I (researcher while working as a butcher) observed and personally faced a myriad of enquiries about BSE at Sainsbury's, indicating that customers did not consider the company messages as having credibility. When I, personally, reassured customers that the meat was safe, I endorsed my words by pointing to the BSE-free banner.

Customers, in almost all cases, then bought meat after the employee verification of the company message. This indicates that after consulting an employee, company information can support the employee's words but not visa versa. This can also be seen in the UK as the following case suggests. Sainsbury's advertised a safety notice recalling Flavoured Still Caledonian Mineral Water. In response to the advert many people brought back the bottles and some of them were horrified. One customer asked the customer service staff (in an extremely worried tone) despite the adverts clearly stating that it was just a precautionary voluntarily measure , "*I have drunk two already, it was fine. Is there any danger? I am so worried.*" The staff member informed her that it was just a standard quality check and not harmful. She said: "*That was on the paper. Is it true? No problem if I drink it?*" The customer here was urging the staff members not to simply reiterate what the company says but to be honest and open, and to reveal the truth about this matter.

Since customers seek honesty when consulting employees, employees must be confident, not hesitant, when reassuring their customers in order to substantiate their credibility. Once an Egyptian customer asked if there was any suspicion about BSE in Sainsbury's meat. A butcher joked: "*it could be*". Although the employee was joking, the customer decided not to buy despite the employees' relentless efforts to convince the customer that he was just joking. This incident indicates that the customer reacted to the first impression that, in turn, determined the whole credibility of the employee and thus the company as a whole.

Customers seek reassurance from employees not only in the case of a major crisis but also in the daily routine. In the UK, on the fish counter, a customer asked, "I'm doing a barbecue, can this fish (pointing at a reduced item) stay fresh till tomorrow since it is reduced to clear?". The customer here is seeking reassurance from the fishmonger that the message of reduced-to-clear does not mean that the fish will be bad, and hence that buying it will have a negative social repercussion for his barbecue next day. This incident reveals that employees' reassurances can assist customers to realise their self-image, by initiating positive social repercussions.

Similar to the UK, but on a far wider scale, Egypt evoked a response amongst customers almost every time a special offer was made on fresh goods (since Egyptians are accustomed to buy meat, fish, or vegetables very fresh).

Customers always question the aim of the reduction, and seek an honest answer from the employee. In an incident involving me on the meat counter selling minced meat on offer, This is what happened,

Customer: "Why is this meet reduced"

["It is an offer for you to save money"]

The customer looked at the me 'suspiciously' and asked another question:

"What is wrong with it?" (With expression on his face asking me to tell the truth.)

["Nothing it is just an offer to improve sales"]

Customer: "OK get me some"

This conversation indicates that despite an attractive monetary offer, the customer was reluctant to accept the company's (technical) offer and sought (social) reassurance from the employee to confirm that nothing was wrong with the meat.

The incidents in the UK and in Egypt reveal differences between the traditional buying behaviour of grocery in each country. In Egypt, the lack of faith in the local food retailing system is shown in the customers' tendency to question the employee till they get a feeling of credible reassurance. In the UK, in the contrary, the faith in the local grocery retailing system makes customers directly accept an employee's reassurance. Thus, the nature of employee reassurance can be culturally dependent and consequently the employee can trigger the customer's realisation of self-image through adapting to the customers' cultural reflexivity.

Customers seek technical expertise from employees, particularly on the high contact points such as the fresh food counters, to customize the retailer food offering to their own needs. The customer consultations vary from basic cooking method inquiries to assistance in food catering. For example, in Egypt, customers sought advice on how to cook various kinds of fish: "how do you recommend cooking this fish/meat" is a common inquiry. Customers move further from just general inquiries to ask for help with the cooking process. On the fish counter, a customer asked "can you prepare the fish for spicing". Here the customer is relying on the expertise of the staff to help with faster and easier preparation for the fish to be cooked. Other customers

implicitly expect staff to have an understanding of specific cooking needs, by asking "Can you prepare this fish/meat for B.B.Q please?" Some other customers went even further expecting staff to prepare the fish for eating rather than just cooking, asking "Do you prepare fish for eating here?". The customer then added, "I accept to pay a bit more for preparing my fish to my needs and to get a personal service". This customer shows that the employee's ability to react to his demands makes him willing to pay a premium. Not a premium, but also loyalty is gained from such an employee skill as seen in the following words of a customer. A woman said, "Although I stopped dealing with Sainsbury's in general I still come back for the meat because it is well prepared here even though it's a bit more expensive than outside".

As with their Egyptian counterparts, British customers seek advice from the customer service employees, particularly in fresh foods. However, the British tend to focus more on catering questions than cooking. This could be due to the proliferation of choice in the UK that has added an importance to the social repercussions of food, while the necessity in Egypt makes food preparation more technical. In the UK, although retailers offer technical guidelines on the pack regarding food security and cooking, customers are keen to capitalise on the fishmonger (a human contact) expertise, to change the retailer offering from a technical to social one. From my experience working as a fishmonger, I noticed that customers always asked the fishmonger for advice on recipes, despite the availability of printed recipes in a stand just next to the counter. When I used these recipes to support to my

suggestions by handing them to customers myself, they were more credible and convincing than free standing by themselves.

Customers engaged the employees in their social lives by asking them advice for domestic food catering. A woman came to the customer service desk in the UK to ask about a product's suitability for a salad dish or as a cold appetizer. On the fish counter a customer asked me: "*What's the difference between this salmon and this one, I'd like to have an easy to cook fish for my father, which one?*" Another customer asked the fishmonger to cater the fish order to his family size "*I'd like to buy for the three of us (woman and two children). How much do I have to take?*" Besides, to enjoy eating their food safely, customers rely on the expertise of employees in directing them. This is reflected in the following customer inquiries:

"Can I freeze the Swordfish?"

"Can I put the fish in the fridge and eat tomorrow?"

"Is Lemon Sole best for babies? Does it have any bones?"

"I want Salmon for my baby, which type is best?"

"When I cook the aubergine, can I leave the seeds in it?"

As well as ensuring the safety of food, customers resort to the employee's technical expertise to guide them in cooking their favorite meals. In other words, employees help customers to indulge themselves via creating a positive social repercussion. Customer curiosity about new or untraditional fish types illustrates this:

" How can I cook the Marlin? Pan frying for example".

" What do I get with Trout? Maybe Haddock or Whiteing?"

“What is the Marlin fish like? Is it good? How is it best done? Is it like Tuna?”

“What is the difference between smoked Cod and Haddock? Which is best for pies?”

“May I take a piece of Marlin? Is it nice? I have never tasted it before.”

“What is it (ice fish) like? How does it taste? And, How do we cook it?”

“What about your Marlin? What does it go with? How do you cook it?”

As customers consult with employees to customise food in their lives, they appreciate the employee recommendations and adopt them as a guide for food/grocery consumption. An old man came to the desk asking for a certain product, Since this product was not available at that time, I (as an employee) recommended a substitute which he received very well and agreed saying *“it’s OK I’ll take it”*. Another customer came to me while working in the produce department asking about Passion Fruit to make a fruit salad. I searched the department but I could not find any. Thus, I recommended Kiwi instead since they have a similar taste. My suggestion was not based on fruit knowledge but on common sense. Interestingly, she took the advice and decided to buy the Kiwi I recommended. This case reflects that the use of common sense is vital for employees to guide customer-buying behaviour effectively. As the following incident reveals, even unintentionally employee common sense can instigate positive buying behaviour among customers. Customers stopped to praise a bunch of flowers on the customer service desk, and asked for the type of flower so as to find them on the shop floor. In fact, some customers went on to buy these flowers. Those flowers were picked and displayed by a customer service officer in order to decorate the customer service desk. This unintentional employee effort brought the retailer merchandise alive to

customers and hence worked as an informal recommendation, which encouraged them to follow suit.

The recommendation of an employee is also endorsed socially but not technically by the employees job title. Employee expertise is found to excite customers when it is labelled with a catching job title. Customers were pleased to identify the person who is managing the queue flows as 'checkout captain'. Customers commented, " *That is great to have a captain here*". " *Many thanks, this is great captain*"; " *It is great having a captain to manage the queuing, thanks*". As seen in these quotes, the "captaincy" title made customers excited over and above their appreciation of the role the captain is playing to assist them. Commenting on the captain title, a British customer said, " *It's an American thing but it is quite good*". The excitement, to British customers, stems from the social meaning of the word captaincy, which finds its roots in America where ordinary jobs get, a socially exciting title that make it sounds impressive.

In Egypt, despite having the same tendency to follow employees' suggestions, customers, due to a lack of faith in the local retail system, tend to attempt to socially sway the recommendations they get from employees. To illustrate, customers try to build a favourable relationship with an employee to win him/her over to their side through getting involved in technically superficial but socially essential chats. For example, customers try to endorse their food orders by the use of a name of a fellow employee or a name of a relative known to the serving employees so as to get special attention that evokes a

trustworthy customisation of the retailer offering to them. Also, customers try to show total dependence on the employees' expertise to encourage them to recommend what they would have recommended for themselves. This case is reflected in a customer-butcher encounter on the meat counter: "you know better than me in meat. Please select for me the best piece. I trust your judgement, you select what you think is best because you are the expert".

Finally, customers attempt to emotionally influence the employee recommendations through influencing the employee consciousness, as a customer in a desperate tone said: "Please give me good meat. This meat is for children and elderly"

Briefly, the property of consulting emerges from the customers' tendency to seek the serving employees' technical and social knowledge of the retailer offering and to customise the retailer offering to their grocery consumption behaviour through reassurance and the utilisation of technical expertise and recommendations. Employee sensibility to such a tendency is highly appreciated by customers, as it is this shared activity that guides them to their ultimate social aim of food enjoyment. As a result, the customer considers the serving employee in their interface as a hero. That is because the employee fulfils the hero definition of holding highly respected characteristics (reassurance, technical expertise and recommendation).

The employee's ability to use his/her intuition to advise via consulting and customisation, through special and unexpected responses to customers' behaviour, reveals an employee sensibility towards the customers' needs and

wants. Employees use their intuition to respond to customers' social behaviours in store and use their consulting skills to make the retailer offering fit into the customers' social life. Thus, the employees' sensibility is mainly shorthand for their involvement with customers in socially collective activities that are socially essential and technically superficial. The superiority of the social orientation over the technical orientation is endorsed by the view of the Sainsbury's UK store deputy manager. In an interview, he pointed out that service excellence-training programs are available everywhere: "*Every retailer has a version of it*". This indicates that service education as a technical goal is standardised and thus the social element that comes from employee spontaneously (i.e. their sensibility) could be the decisive factor. Hence, customers see an employee's social consultancy skills as heroic in the supermarket culture.

7.4.2 The concept of *Customer Sensibility*

As well as the employee-customer interface, it is paramount to investigate the customer-employee interface as this may unveil undiscovered collective activities. This will allow an understanding of the interaction among the humans on the shop floor (customers and employees) and paves the way for in-depth coverage of the nature of the full employee-customer relationship in a supermarket. From a customer perspective, there are three major properties that influence his/her relations with an employee: these are customer-customer role recognition; customer- manager role recognition; and customer-employee mutual role recognition. The activities involving customers' initiative recognition and respect of the roles played by fellow customers, managers and employees in the store are best described as customers using their

sensibility to maximise the benefit from the retailer offering. Thus, customer sensibility is selected as the concept that characterises the customer-employee interface. How the properties are developed, leading to the formation of this concept, will be discussed hereunder.

- **The property of *Customer-Customer role recognition***

Customers' recognition of their fellow customers' role is vital in directing their behaviour within the store. In other words, the customer's fellow customers constitute a model of behaviour for him/her in the store. The following events indicate that customers follow other customers' behaviour.

In Egypt, an event narrated to me by a customer service key informant shows a customer following her fellow customers' behaviour as a role model for her behaviour. He said, "a woman had to push hard and fight to get to a pile of reduced cans around which many customers were gathered. After she managed to finally snatch two cans out of the crowded area and paid for them, she asked the customer service officer "what are these cans?" This shows that the *customer*, despite her ignorance of the product itself, bought the products *just because other customers did*. Also, customers prove to be a potent promotional tool encouraging their fellow customers into action. The customer services manager informed me that when they made a clearance of some home cooking goods, "we relied entirely on word of mouth to spread the news. The sale had been declared in the morning, in the afternoon the store became absolutely busy around this area". Her words indicated that customers encouraged their counterparts to respond very quickly to the sale.

The customers' feelings towards their fellow store customers also rubs off on their encounters with employees. Customers consider their fellow customers' behaviour, as the benchmark by which they should be treated, since the employee could be commercially driven and thus untrustworthy. In Egypt, at the fresh food counters, it is a common for customers to become involved in chats with each other over products. Once a customer asked about a recommendation for a fish. Another customer, standing at the counter, responded with a recommendation for a certain type of fish and the fishmonger recommended another type based on his technical experience. The customer rejected the fishmonger's recommendation and bought the fellow customers recommendation. As well as the fresh counters, tills also exhibit such customer behaviour. A customer on a till spread a rumour about the price of an item because the price was not clear on it. All other customers standing in the line believed the rumour as the true price of the item, forcing the cashier to sell at what the customers said not according to the scanned price. In this incident, knowing that Sainsbury's had numerous problems with till prices, customers believe that the employee was trying to deliberately fool them to serve the commercial interests of the company.

The customers in the UK did not show any actions indicating customer-customer recognition. This does not mean that customers have no appreciation of their fellow customers' role in store. However, it may indicate that the customer appreciation of the fellow customers' role is greater in countries where the retail system is underdeveloped and thus not trusted by

customers. In these cases, fellow customers' behaviour confirms the trustworthiness of the retailer for its customers.

- **The property of *Customer- Manager role recognition***

The manager's superiority over other employees enables him/her to deal with social rifts between customers and employees. A couple were extremely angry, and said: "we want to speak to the manager of the store "[why is it a problem with money or attitude]" it is attitude, I've spoken to an assistant manager but I'm not satisfied". This authoritative power can also heal severe technical rifts. This is reflected in the following event. A customer angrily throw a bag small bottles of IRN-BRU onto the customer service desk and said: "! don't want this...when I complained about these bottles expiry dates, they (staff) said to me the staff use it, but I'm not staff, I'm a customer. I'm pretty annoyed by this attitude, I'd like to see the manager". When the deputy manager came down, he had a chat with the customer, apologising for the staff attitude and promising better service, and issued gift vouchers to the customer. The customer started to smile and a satisfied tone of voice was restored.

- **The property of *customer- employee role recognition***

Contrary to the situation in underdeveloped retail systems, customers in developed systems, appear to be more appreciative of the top employees' (managers') role in the store than their fellow customers' role. The manager's ability to take action to turn problematic situations into satisfactory ones is admired by customers. Customers see managers as the ones responsible for problem solving as they have the authority to take action. A customer argued:

" I want to see a manager, it is a major problem here at Sainsbury's".The customers' appreciation of the role the employee plays in helping them in the store is vital for employees to feel respected and hence offer better service. This can be depicted when a British section head of grocery explained to me what puts employees under pressure and what alleviates it. He said: "**Customers who smile at me make me smile back because its hard to do great service when I'm in a bad mood**". As this employee argues, the service that the customer gets depends on the customer sensitivity towards the employees' feelings. Thus, the customer has a role to play in shaping the service offered by an employee and thus the retailer. Exaggerating the retailer customer centric orientation to service is thought to be humiliating by employees. In the UK, a customer service employee complained about customers who ask for a refund or complain with no right. He argued that these customers, though a minority, do exist and come out victorious **just because they are customers**. Therefore, he saw the training program titled 'customer obsession' as having an inappropriate or insulting title: "**You should not insult a person who serves you food ...obsession should not be at the expense of the employee**". As employees criticised the retailer's passive customer orientation, they gave examples of the customers' passive attitudes as result of such strategy. A British supervisor at the customer service desk complained, providing me with a case of lack of consideration: "**She expects me to give her 30.00pounds on the spot. I'll do my best. But I have regulations to follow before handing out the money. She's got to be considerate, I do not know why she did not review her receipt before leaving the store, she could have saved a hell of a lot but what can I say**". The employee here asks the

customer to be pragmatic. Employees will take care of customers within their rules and customers have to be patient to facilitate things. Although some employees speak out about what they wish customers would do, others believe it is a hopeless case as long as the company (the retailer) won't change strategy. A fishmonger revealed this view when he said: "Some customers misuse us especially the rich ones who deals with you as a servant, I don't like it but what can I do?"

In Egypt, the employees echo the concerns of their British counterparts. One employee complained, "the ordinary customer misuses us, particularly those traditional customers not the civilised ones who treat us well". The employees raised this matter with the HR department as a major problem which annoyed them . However, during the tough time of the retailer's withdrawal from the country, customers showed sympathy that left the employees emotional. A customer came to the desk and said: "We hope they will not release the employees, they should keep you. It is really bad time these days for you I guess" (talking to me as an employee). Another decided to abandon a political principle to support the local employees as seen in his words: "although Sainsbury's is allegedly Jewish, we come to Sainsbury's to help the Egyptian employees to prosper and live"

In short, customer sensibility is a socially essential and technically superficial concept. The customers' sensitivity to the role of fellow customers, managers, and employees is essential to arouse the desired feelings that in turn enable the recipients to be socially satisfied and ultimately therefore to deliver a great

technical service. Besides, generally, managers and fellow customers are heroes for customers since they exhibit highly respected characteristics (authority, trustworthiness respectively) that guide the customers to a model of behaviour. Specifically, managers were found to be heroes for customers in developed retail systems, while fellow customers are heroes for customers in underdeveloped retail systems.

7.4.3 Conclusion (Customer-Employee interface)

In the customer-employee interface within a supermarket, the process of open coding showed that each party's sensibility to the other, though different in expression from one culture to another, takes the value of the retailer offering from a mere technical interface to a socially valuable relationship. The relationship gains its social value from humanising the retailer's technical offering, through the employees capability to customise the retailer offering to its customers, and the customers' recognition of the role the employees (including managers) and fellow customers in shaping such an offering. Such a socially valuable human interdependence between customers and employees forms the axial code of '*heroes*' since this interdependence creates mutual heroic characteristics that, in turn, develop a mutually strong bond. Hence, for the retailer, the meaning of a socially valuable relationship between customers and employees adds value to the technical retailer offering enabling the retailer to retain (via bonding) its customers and employees. Hence, a category of '*bonding added value*' can best envelop both the open and axial codes of the customer-employee interface.

Table 7.4 the Meanings of collective activities at Customer-Employee interface

<i>Bonding</i>		Sub-category
Added Value		Category
Employee Sensibility (<i>employee as hero</i>)	Customer Sensibility (<i>customer as hero</i>)	Concepts (<i>Axial codes</i>)
<ul style="list-style-type: none"> - Customised responsiveness - Consulting [reassurance; technical expertise & recommendation] 	<ul style="list-style-type: none"> - Customer-Customer role recognition - Customer-Manager role recognition - Customer-Employee role recognition 	Properties [dimensions]

7.5 The Rituals: conclusion

As the collective activities that are socially essential yet technically superficial, the rituals found in a supermarket culture develop brand meanings that are socially essential for the retailer's ultimate technical prosperity. Thus, the social meaning supports the technical offer of the retailer. The open coding of the collective activities between the retailer brand and its stakeholders (who are the customers and employees) revealed the meanings involved in their process of realisation of self image, as well as the meanings involved in the process of adding value to them. Since these processes are abstract representations of brand meanings, the processes were found insensitive to country culture while the brand meanings themselves were found to be sensitive to it. Hence, rituals encapsulate the complex interrelated processes of formulating locally sensitive brand social meanings among stakeholders.

Additionally, the axial coding revealed that stakeholders possess highly prized personal characteristics, which enable them to become the heroes of supermarket culture playing a pivotal role in driving the processes of brand meaning formulation.

According to Leo Burnett, *"there is an inherent drama in every product, our number one job is to dig for it and capitalise on it"* (Ogilvey, 1998). As the findings above suggest, the rituals in a retailer brand provide such an inherent drama, as the brand inherently socialises with its local heroes in an on-going process that continuously forms brand meanings, which ultimately support the technical offering. Thus, the role of rituals in a supermarket brand can best be thought of as the trunk in a tree. That is because a trunk is the intrinsic hub of the tree's on-going process of complex actions and interactions (interrelated activities). Also, it is the tree's main support through which the active cells (heroes) can continuously drive the process of growth throughout the tree, which ultimately (yet not directly) leads to a thriving and healthy tree. Consequently, the 'trunk' represents the researcher's selective code for rituals.

Chapter Eight: Findings (Values)

The last two chapters uncovered the symbols and the rituals of the supermarket culture. In this chapter, the values of the supermarket culture will be explored. Since values are the last phenomenon in the manifestation of a culture, they are defined as the core of the culture. Since values are rarely discussed and felt rather than observed, they are an invisible cultural phenomenon. Therefore, the exploration of these values will be based upon an analysis of the observable or visible parts of the culture: the symbols and rituals. In other words, the values are the products of their symbols and rituals.

Owing to the nature of values, the structure of this chapter will differ from the previous ones. The simultaneous analysis of the symbols and rituals that has been carried out to unveil the cultural values, revealed two categories of core values that govern the behaviour of customers and employees within the supermarket culture: trust and appreciation. In the following sections, each category will be explained in terms of its components of symbolic and ritualistic categories.

8.1 The value of *Trust*

In a supermarket, customers as well as employees are involved in a meaning formulation process that stems from interacting with the retailer symbols as well as participating in its rituals. By simultaneously analysing the meanings emerging from the symbolic interaction and the ritual participation, an unarticulated meaning of trust appears to be a latent core upon which both customers' and employees' articulated meanings are based. The following

two sections will illustrate the emergence of trust as a core meaning for both customers and employees respectively.

8.1.1 Customers

As supermarket symbols suggest, the meaning of the brand promise within the culture stems from the customer interpretations of the brand personality and brand relevance as well as the economic astuteness of the brand depicted in its words and pictures. The customers' interpretation of brand personality stems from the brand properties of heritage and market positioning, overtone, credibility and style. Casting an eye over the nature of these properties, it can be argued that their interpretation is subject to the customers' background. For instance, the brand heritage and market positioning, and brand overtone is clearly dependent upon the customer's knowledge of his/her local retail market (i.e. the traditional shopping orientation). Moreover, the interpretation of a brand style (fashionable and/or professional) is clearly subject to the customers' socioeconomic orientation, while the brand credibility (ethics and/or candour) is subject to the customers' political and/ or socioeconomic orientations. Similarly, the customers' traditional shopping orientation influences his/her interpretations of the display demonstration, grouping and attention grabbing effects, which are the properties making the brand relevant to its customers. As for economic astuteness, as the name suggests, there is an economic side seen in the property of parsimony, and social side seen in the feeling of astuteness property. Thus, a customer's socio-economic orientation directly affects the interpretation of such a concept. Additionally, the concept of economic astuteness is concerned with the customer enjoyment in making shopping

deals. Hence, a retailer's practice of deceptive pricing and false economy can cast serious doubt over the customers' ability to attain this ideal.

As rituals suggest, the customers' traditional shopping, socioeconomic and political orientations are the socially collective activities that convey the meaning of customer cultural reflexivity. Besides, deceptive pricing and false economy are socially collective activities conveying the meaning of retailer reliability. Therefore, the ritualistic meaning of cultural reflexivity and reliability play a critical role in influencing the customers' interpretation of the retailer brand's promise. Since customer cultural reflexivity and retailer reliability are meanings evoking the ritual of customer realisation of self image, it can be concluded that the symbolic brand promise can only be realised by customers through the ritualistic process of their realisation of self-images.

The customers' realisations of retailer brand promise via the recognition of their culture and the emphasis on retailer reliability enables the retailer to ensure that the promise is interpreted properly and clearly. Hence, the retailer will transparently align the fulfilment of its promise with the customers' fulfilment of their own self-images, which is the bedrock for the establishment of mutual trust. For customers, the value of '*trust*' is therefore a latent core meaning formulated by the synthesis of the observable symbolic, as well as ritualistic meanings, within the supermarket culture.

8.1.2 Employees

The symbols (depicted in the brand words and pictures) unveiled brand prospect and brand relevance as the indicators of the meaning of brand promise to employees. The brand prospect stems from the properties of brand reputation and publicity, while brand relevance stems from the properties of training curriculum presentation as well as application. Casting an eye over the nature of these properties, it can be argued that they tend to depend on the retailers' ability to establish a mutual respect as well as unity with its employees. If the retailer keeps the promises explicitly articulated in its publicity and implicitly embedded in its reputation, the retailer will earn the respect of the employee. Besides, the employee will feel united with the brand should the training programs be presented and applied in an enjoyable way so that the employees can be attracted and motivated to embrace the brand vision.

As the rituals suggest, mutual respect and unity are the collective activities evoking the sense of belonging among employees. For employees, therefore, the brand identity can be embraced through the sense of belonging to the brand. Since the sense of belonging is a meaning associated with the employee realisation of self-image, it can be concluded that the symbolic brand identity can only be realised by employees through the ritualistic process of their realisation of self-images.

Realising the brand promise through the collective activities that pertain to the sense of belonging intrinsically indicates that employees are implicitly

establishing a sense of trust with the brand, that guides their behaviour to embrace its promise. As a result, 'trust' can be identified as the unconscious core value underpinning the employees' realisation of brand promises through their realisation of self-images.

Table 8.1 the Meanings formulating the value of Trust

Value of Trust derived from		
	Symbolic Meanings	Ritual Meanings
Customer	<p><i>Words and pictures</i></p> <p>Brand Promise</p> <ul style="list-style-type: none"> - Brand personality - Brand relevance - Economic astuteness 	<p><i>Customer-retailer interface</i></p> <p>Customer realisation of self-image</p> <ul style="list-style-type: none"> - Cultural reflexivity - Retailer reliability
Employees	<p><i>Words and pictures</i></p> <p>Brand Promise</p> <ul style="list-style-type: none"> - Brand prospect - Brand relevance 	<p><i>Employee-retailer interface</i></p> <p>Employee realisation of self-image</p> <ul style="list-style-type: none"> - Sense of belonging

8.2 The value of *Appreciation*

As well as trust, appreciation has emerged as another unarticulated meaning that appears to be a latent core upon which customers' and employees'

articulated meanings are based. The following two sections will illustrate the emergence of appreciation as a core meaning from the symbolic and ritualistic categories of meaning for both customers and employees.

8.2.1 Customers

As the analysis of symbols revealed, the merchandise on display in a grocery store is the prime object that interacts with customers. The availability, quality and variety of such merchandise symbolises the meaning of freedom of choice to customers. However, unless the merchandise from which the customer has the freedom to choose fulfils its social role in the customer's life, such freedom of choice won't be realised. Since the rituals embody the meaning of social repercussions of merchandise through the process of customer realisation of self-image, the symbolic meaning of freedom of choice is realised through the ritual of customer realisation of self-image. As a result, supermarket brands, offering freedom of choice of the grocery merchandise that realises their customers' self-images, unconsciously communicate their *appreciation* of their customers' physical as well as psychological needs.

Furthermore, the core meaning of appreciation unconsciously underpins the role of the ritualistic meaning of culture reflexivity in the customers' realisation of the brand symbolic meaning of hospitality. Based on their traditional shopping orientations, customers can appreciate the hospitality of the store geography (proximity, travelling and accessibility). Similarly, customers can appreciate the hospitality encapsulated in the brand social responsibility and convenience (customer care) through their socioeconomic orientation. As a

result, since cultural reflexivity embraces both orientations, the customers' appreciation of the brand hospitality depends upon their culture. In other words, appreciation can align the customers' realisation of their self-images, encapsulated in their cultural reflexivity, with the realisation of the brand meaning of hospitality

8.2.2 Employees

For employees, the meaning of inspirational brand professionalism stems from its technical support as well as savvy in managing its physical resources. The employees recognise technical support via the properties of equipment condition and allocation, while technical savvy is recognised via the properties of merchandise, supply chain and staff allocation management (i.e store operations).

Thus, as meanings of symbolic objects indicate, effective and efficient recognition of technical support requires skilful use of equipment. Thus, the utilisation of the employees' personal skills will place the equipment into the relevant capable hands that will use the equipment effectively and efficiently to maintain it in a good condition. As for the recognition of technical savvy, the employees should be cohesively embroiled in the system for effective and efficient management of the store operations. Thus, the store management techniques have to be communicated effectively to employees so that they participate actively in running the store operations.

The effective and efficient management of these symbols can be encapsulated in the rituals. As the rituals indicate, communication and

participation of employees are the dimensions across which the employee role recognition in the store varies. Besides, since the role recognition and the utilisation of personal skills evoke the ritualistic meaning of the sense of involvement, it can be argued that employee involvement in managing store operations enables them to recognise the brand's technical support and savvy. In other words, the symbolic meanings of technical support and savvy can be realised via the ritualistic process of involvement that, in turn, realises the employee self-image.

Hence, involving employees in running store operations implicitly indicates that the retailer brand's appreciation of the social side of the employee (his/her self-image) allows employees to realise their meaning of professionalism. As a result, '*appreciation*' can be the unconscious core value of the brand that aligns the realisation of employees' self-images concurrently with the fulfilment of the brand inspirational professionalism.

The core value of appreciation also underpins the employees' realisation of the brand strategic attractions instilled in its signs. Remuneration, which stems from the employees' compensation and stability and the employees' convenience, which is indicated by store location and domesticity, are the components of the brand strategic attractions.

The ability of remuneration to strategically attract employees is determined by the ability to recognise the social as well as the monetary value of a reward, which is encapsulated in the ritualistic property of expressive reward. Since

the expressive reward is a property of the ritualistic meaning of the sense of achievement, it could be inferred that brand appreciation of the employees' achievements could be symbolised by its remuneration. Thus, appreciation could align employees' realisation of self-image, encapsulated in their sense of achievement, with the brand strategic attraction.

As for brand convenience, the store's proximity and the employees love of domesticity indicates their tendency to value bonding with family/loved ones. Family bonding with the brand is evident in the ritualistic property of unity, where employees recommend the brand to their family members. Since unity is a ritualistic property that evokes a sense of belonging, the brand implicitly reveals its appreciation for the paramount role of social bonding. As a result of such appreciation, employees can fully realise the symbolic meaning of brand convenience through the ritualistic sense of belonging emerging from the ritual property of unity. This in turn indicates that '*appreciation*' can be the unconscious core value that integrates brand convenience with the employees' realisation of self-images, encapsulated in their sense of belonging.

Table 8.2 Meanings formulating the value of Appreciation

Value of Appreciation derived from		
	Symbolic Meaning	Ritual Meaning
Customer	<i>Objects</i> Freedom of Choice - customised	<i>Customer-retailer</i> <i>interface</i> Customer realisation of

	<p>availability</p> <ul style="list-style-type: none"> - Customised variety - Merchandise quality <p><i>Signs</i></p> <p>Brand Hospitality</p> <ul style="list-style-type: none"> - Store geography - Customer care 	<p>self-image</p> <ul style="list-style-type: none"> - Cultural reflexivity - Retailer reliability
Employee	<p><i>Objects</i></p> <p>Brand Professionalism</p> <ul style="list-style-type: none"> - technical support - Technical savvy <p><i>Signs</i></p> <p>Brand Strategic</p> <p>Attraction</p> <ul style="list-style-type: none"> - Remuneration - Convenience 	<p><i>Employee-company</i></p> <p><i>Interface</i></p> <p>Employee realisation of self-image</p> <ul style="list-style-type: none"> - Sense of involvement - Sense of achievement - Sense of belonging

8.3 The Values: conclusion

Since values are the last manifestation stage of a culture, where latent core meanings exist, values in themselves can be seen as a grand conclusion to culture where the meanings are on their highest level of abstraction.

Consequently, in the supermarket culture, two highly abstracted values were found as the latent core meanings governing the behaviour of both customers

and employees; these values are *trust and appreciation*. These values form a base that aligns the static (the symbols' abstract meanings) with the dynamic (the ritualistic abstract meanings) within the supermarket culture. This ability to form a base for static and dynamic meanings enables the values to be the foundation for various types of meanings arising within a culture. Returning to the tree analogy, this foundation resembles the ability of the roots in a tree to form the base that aligns the static role of leaves with the dynamic role of the trunk. Besides, as the latent abstract core of all meanings in the culture, they are the invisible (under the soil surface) core of the tree. Since the symbols and the rituals were selectively coded as the supermarket brand cultural tree leaves and tree trunk respectively, the values will be selectively coded as the tree roots.

Furthermore, since values are the highest level of abstraction in the culture, they are found to transmit the effect of both technical and social culture onto the symbols and rituals, yet they remain unaffected themselves. This can be deduced from the ability of the core meanings of trust and appreciation to embrace the impact, on both stakeholders (customers and employees), of the differences in retail systems (technical culture) on symbols, and the differences in country culture (social culture) on rituals. In other words, values are the deep humanitarian values that are universally shared across cultures. This purely mimics the unifying role of the roots in a tree when they transmit the ingredients of the soil (the technical and social culture in which they exist), that may in turn affect the shape of the trunk or the colour of the leaves without changing. Hence, the values are the roots of the supermarket brand

culture that anchor it in its wider cultural settings (the soil) and which transmit the influence of this setting onto the symbols and rituals while remaining unaffected themselves.

Table (8.3) summarise the formation of the values of trust and appreciation out of the symbolic and ritualistic meanings found within the supermarket culture. The formulation shows that values metaphorically are the result of multiplying symbolic meanings by ritualistic meanings. That is because multiplication appropriately captures the continuous interdependence of ritualistic and symbolic meanings in formulating the meanings of the values, which are larger than the sum of their parts.

Moreover, from these tables, it is seen that all the meanings that emerged from the symbols and rituals are represented expect for the rituals of added value and the role of managers as heroes. Since the ritual of added value, as the name indicates, adds to rather than creates value through the heroic nature of its concepts (customer and employee sensibility), it facilitates the symbol-ritual meaning interface, to formulate value. As for the category of managers as heroes, this describes the heroic role played by managers to facilitate the realisation of self-images for employees. As the heroic roles of customers, employees and managers facilitate rather than create values, they can be seen as catalysts for the formulation of values.

Table 8.3 A formula for value formulation

<p>Values</p> <p>[Value = symbol meaning * ritual meaning]</p>	<p>Formula</p>
<p>Trust =</p>	<p><u>Customers (catalyst customer/employee)</u></p> <ul style="list-style-type: none"> • Brand promise (<i>personality, relevance and economic astuteness</i>) * customer realisation of self image (<i>cultural reflexivity & retailer reliability</i>) <p><u>Employees (catalyst manager)</u></p> <ul style="list-style-type: none"> • Brand promise (<i>prospect & relevance</i>) * employee realisation of self-image (<i>sense of belonging</i>)
<p>Appreciation =</p>	<p><u>Customer(catalyst customer/employee)</u></p> <ul style="list-style-type: none"> • Brand hospitality(<i>store geography & customer care</i>) * customer realisation of self image (<i>cultural reflexivity</i>) • Merchandise (<i>freedom of choice</i>) * customer realisation of self- image

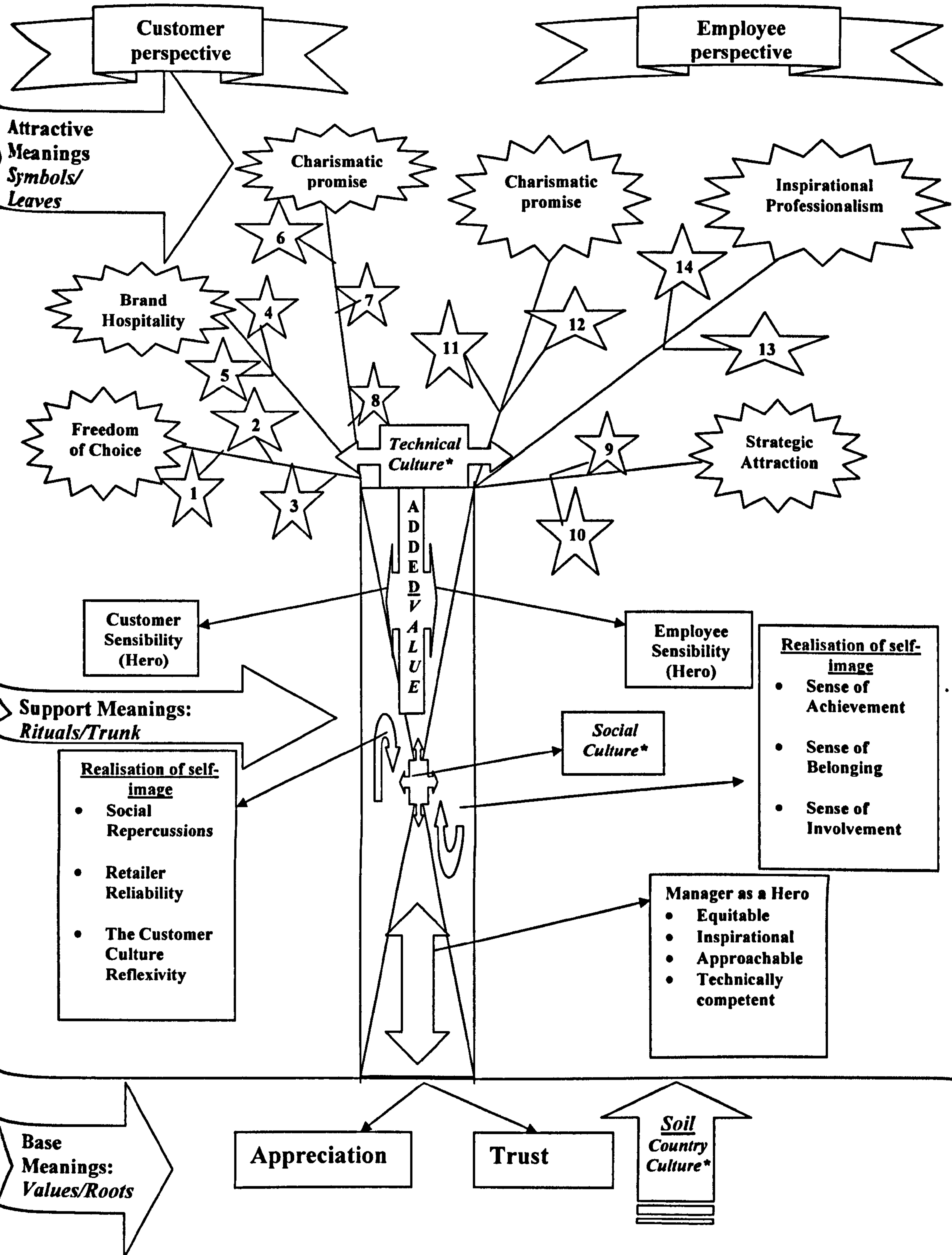
	<p><i>(social repercussions)</i></p> <p><u>Employees (<i>catalyst manager</i>)</u></p> <ul style="list-style-type: none"> • Brand strategic attraction(<i>remuneration & convenience</i>) * employee realisation of self-image (<i>sense of achievement</i>) • Brand professionalism (<i>technical savvy & support</i>) * employee realisation of self-image (<i>sense of involvement & belonging</i>)
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8.4 Findings' conclusion

In the last three chapters, the research findings have answered the research questions, which aimed at discovering the manifestations of the supermarket culture (symbols, rituals, heroes and values) to provide a holistic framework to model the grocery retailer brand. Such a journey of discovery combined the thick description characterising the ethnographic reporting of findings and the open and axial coding pertaining to the grounded theory analysis technique. Open coding identified the relevant customer and employee meanings pertaining to each manifestation level, while axial coding captured the characteristics of the emerging meanings showing symbols as the attractive meanings, rituals as the supportive meanings, and values as the basic meanings.

As a result of both open and axial coding, the manifestations of the supermarket culture (the symbols, rituals and values) were found to resemble the components of a tree: representing the leaves, the trunk and the roots respectively. Thus, the tree metaphor (figure 8.1) is a depiction of the manifestations of a grocery retailer culture captured in the enveloping tree components. Based on this diagram, a discussion of the interplay between the multiple retail branding approaches proposed earlier in the literature review and the proposed supermarket culture tree metaphor will be carried out in the following chapter.

Figure 8.1 The tree metaphor



(*) The country's culture is manifested by the country's *Technical* and *Social* culture.

Table 8.4 Guide for Tree leaves' concepts

Customers (1-8)	Employees (9-14)
<p>1=Customised Availability, 2=Customised Variety 3= Merchandise Quality, 4=Brand Convenience, 5=Store Geography, 6=Brand Personality, 7=Brand Relevance, 8=Economic Astuteness.</p>	<p>9=Remunration, 10= Convenience, 11=Brand Prospect, 12=Brand Relevance, 13=Technical Savvy, 14=Technical Support</p>

Chapter Nine: Discussion and Conclusion

In the previous three chapters (Six, Seven, and Eight), the research findings have captured the manifestations of culture in a branded supermarket, through an organizational culture framework. Using a metaphorical technique to build conceptual models (see section 4.5.6), the research findings have contributed to the development of a tree metaphor. In this chapter, the tree metaphor will be discussed in light of the diverse retail brand management approaches (presented in chapter three) to explore the capability of the tree metaphor to fulfil the research objectives and consequently achieve the ultimate aim of the thesis.

The tree metaphor structure--leaves, trunk, and roots--will provide the framework on which the discussion in this chapter will be based. In each section, the findings will be presented and discussed in light of the relevant retail branding approaches, and the wider branding literature. Based on this discussion, the potential of the tree metaphor to provide the holistic model that fulfills the ultimate research aim will be assessed forming the conclusion of this thesis. Hence, this chapter will encapsulate the solution for the *intellectual puzzle* of the research. Finally, research limitations and ideas for future research will be presented.

9.1 The Leaves

In the tree metaphor, the leaves stand for the attractive symbols in a supermarket culture. Symbols are defined as words, pictures, signs or objects that carry a particular meaning within the culture. The exploration of symbols within the supermarket culture revealed the categories of meaning that pertain to each type of symbol for both customers and employees. For customers, the meanings of brand promise, brand hospitality, and merchandise freedom of choice are associated with the brand words and pictures, signs and objects respectively. For employees, the meanings of brand promise, brand strategic attraction, and brand professionalism are associated with words and pictures, signs and objects respectively. These meanings were found to provide the impetus for an attractive grocery retailer offering for customers and employees. In addition, the effect of country culture on the meanings of symbols was found to relate to the local grocery retail system prevailing in the country.

The tree leaves (symbols) relate to the following retail branding approaches discussed earlier: store image, store image internationalisation and retailer own brands. The symbols and the meanings they carry for customers reflect the definition of store image as the perceptions of the store attributes that form its overall attractive image (Steenkamp & Wedel, 1991). To illustrate, the concepts evoking the meaning of 'brand charismatic promise' capture the vital attributes embedded in the retailers' words and/or pictures, which in turn evoke the customers' favourable attitude towards the brand. For example, the look of the store in the customers' eyes (the store picture) encompasses the

property of merchandise display, which, in turn, is influential in rendering the retailer brand promise relevant to customers. This is consistent with Smith & Burns (1996) proposition that managing the number of SKU's (stock keeping units) on shelves influences customer perceptions of a retailer's price offering in food supermarkets. Also, it is consistent with Kent's (2003) chronological review of the retailers' use of space and display to *define* the brand experience to its customers. The concept of brand personality captures the generic/ideal (e.g. credibility) or specific/minority (e.g. style) attributes projecting the retailer brand image that affects the retailer's market positioning (Davies, 1992, Davies & Brooks, 1989). The concept of economic astuteness reflects the well-documented salient role of pricing in customer assessment of retail store image (Martineau, 1958, Grewal et al. 1998, Oppewal & Timmermans, 1997, Zimmer & Golden, 1988). Also, The sense of astuteness is encapsulated in making a bargain, which is reflected in the popularity of grocery discount stores that offer customers quality brands for low prices (*the bargain*) (Discount Store News, 1998, Davies, 1992).

The category of 'brand hospitality' captures the retailer signs of store geographic location and customer care, which includes the social role in the community. These attributes are documented in the literature as paramount for customer assessment of not only the store but also the retailer image (Berman & Evans, 1998, Oppewal & Timmermans, 1997, Zimmer & Golden, 1988). Finally, the 'freedom of choice' category arising from objects, captures the central and strategic role of merchandise variety, availability, and quality in

forming a retailer image (Zimmer & Golden, 1988; Grewal et al. 1997; Porter & Claycomb, 1997; Oppewal & Timmermans, 1997).

Additionally, the category of 'freedom of choice', through its concepts of merchandise variety, availability and quality could best describe the evolution of the retailer own brand approach. In fact, the pioneer of retailer brands in food stores, Carrefour, gave the name of *freedom* to its first line of store brands (Kapferer, 1997). The tiers or generations (explained by Burt (1994, 2000) and Laaksonen (1994) respectively) through which the retailer own brand products ranges have developed indicates that the retailers aim to give customers the freedom to choose. To ensure consistent availability, from which customers can choose, they offer variable quality merchandise (from generic to added value) which is priced accordingly and thus provides wider and viable alternatives alongside the national brands.

These symbolic meanings were found to hold an attracting power that pulls customers to a grocery store. These meanings were found to embrace the seven main grocery store search dimensions adopted by customers as outlined by Putrevu & Lord (2001): price, coupons, advertised specialities, multiple stores visits, word of mouth (*economic astuteness*), brand comparisons, and published product evaluation (*customised variety*). Hence, meaning can guide management to create coherence in the retailer image projected by its symbols (attributes), which, as the literature suggests, can create a competitive advantage (Davies, 1992, McGoldrick, 1990, Davies & Brooks, 1989, Oppewal & Timmermans, 1997).

Finally, the effect of country culture on the retailer symbols was found to relate primarily to the retail technical systems prevailing in the country. This finding may be partially reflected in the store image internationalisation literature. The literature adopts country culture as the main influence on store image internationalisation without differentiating between its technical and social sides (McGoldrick & Ho, 1992, Dupuis & Prime, 1996). Nevertheless, some research, surprisingly, suggested that the symbols, which are the tangible parts formulating the brand image, are more difficult to transfer, in some cases, than the social intangible parts (Burt & Carralero-Encinas, 1999). Also, McGoldrick (1998) argued that retailer image is effectively built in foreign territories through ensuring high image quantity rather than quality (social side). The image quantity comes from the constant exposure of customers over time to the store via advertising, repeat visits etc. In other words, over time the customers become acquainted with the new retail symbols until it is embraced in the local retailing system, which is consistent with the research finding.

To summarise, the customer symbols in a supermarket were found to relate to the literature pertaining to the retail branding approaches of retail store image, retail own brand and, partially, retail store image internationalisation.

Encapsulating the physical attributes in a retail store and the meanings they may reveal to customers, the symbols embody a simple view of the concept of a brand. Being attractive physical attributes (object, word, picture or sign), the

symbols fall into the basic definition of a brand as a name or sign differentiating a certain offering from its competitors (Kotler, 1998, Tollington, 1998). Projecting an attractive meaning (freedom of choice, promise, and hospitality) adds a mix of functional and emotional values to these signs, which represent the brand's augmented added values (de Chernatony & McDonald, 1998). Managing symbols to project the augmented added value meanings of the retailer brand belongs to the managerial approach of brand equity. That is because brand equity is concerned with quantifying physical attributes (as assets & liabilities) to project a measurable image that adds/subtract value to/from the brand from a customer viewpoint (Aaker, 1991, 1996, Lasser et al 1995, Almquist, 1996, Kapferer, 1997, Mackay et al 1997).

At the global branding level, the sensitivity of symbols to technical culture (local retail systems) was not explicitly documented in the literature, which seems to be due to the tendency to see country culture, both the technical and social side, as one construct (Aaker & Joachimsthaler, 1999, Moore, 1993). However, Thakor & Kholi (1996) argument that the concept of country-of-origin depicts only the effect of the country's technical/economical cues (technical culture) on the brand personality, can endorse this finding. To illustrate, this technical effect is depicted on the brand promise of the retailer studied in this research. Sainsbury's as a British brand raised expectations in Egypt, among both customers and employees alike, about offering a highly professional and competent improvement to the local retail market. That is

because the UK is perceived as a developed market based on the reputation of its economy as one of the strongest in the world.

Like customers, employees are attracted to a retail brand. However, the symbols and the meanings they project are, obviously, aimed at making them work for rather than buy from the brand. To my knowledge, there is little academic retail literature focusing on the retailer external attributes that attract employees as there is for customers. For example, Sears' model of 'employee-customer profit chain' identifies the employee attitude towards job and company as the factors rendering the retailer organization as a compelling place to work (Rucci et al, 1998). These factors resemble the inspirational concepts of technical support to employees and the technical savvy of a retailer, which symbolize to employees the retailer 'brand professionalism'. Additionally, general work on the external attributes of branding for employees is found in the internal branding literature. Thus, employee brand management can only belong to the internal branding paradigm. Consequently, the findings of the research will be discussed relative to the internal branding literature, particularly the examples from the retail industry.

The internal branding literature aims at *involving* employees actively in projecting the brands desired image to customers through buying into its values (Blackston, 1993, Raphael, 1993, Varey & Lewis, 1999, de Chernatony, 1999). Thus, the main emphasis is on the process rather than the attributes that make employees embrace the brand. Consequently, the attributes are

mainly discussed as part of the process as whole. Curtis (1998) and Ortega (1998) recommended (based on a study of two major retailers) that owning a stake in the company instigates a sense of ownership. This matches the meaning of 'strategic attraction' derived from the retailer signs, as owning a stake makes the employee strategically attracted to the retailer through some form of remuneration or job stability that forms a strategic link with the company. Pugh and Hicksons (1993) generalised payment as well as working hours as two examples of an appealing economic side of any company contract with its employees. These two items are consistent with the concepts of remuneration and convenience found in the research and pertaining to the category of strategic attraction.

The greatest similarity between the customer and the employee meanings in supermarket culture are found in the 'charismatic promise' category evoked from employee perceptions of the brand prospect from its words and pictures. This seems consistent with the George and Berry (1996) argument that service industries' advertising (i.e. the promise in words and pictures) shapes the brand perceptions and expectations of both customers and employees alike.

In brief, the scarcity of literature addressing the attributes constituting the retailer images as perceived by its employees limited the discussion of the employee leaves. However, the wider internal branding literature addressing economic as well as communication issues showed some congruence with

some of the symbols and their meanings, rendering the employees' leaves as the external side of the retailer internal brand.

9.2 The Trunk

The trunk stands for the rituals in the supermarket culture. The rituals are collective activities that are technically superficial but socially essential in a culture. In a supermarket culture, therefore, the rituals were found encapsulated in the customer and employee process of 'realisation of self-images' and the process of mutually 'added value'. For customers, the rituals that realise their self-images were the meanings of social repercussions, cultural reflexivity and retailer reliability. As for employees, rituals that realise their self-images were the meanings of sense of achievement, sense of belonging and sense of involvement. The employee-customer added value process was concerned with the mutual sensibility between customers and employees. Customers and employees regarded such sensibility as highly prized mutual characteristics in the supermarket culture and one that facilitates the achievement of their self-images (a guiding model for behaviour). This is the definition of cultural 'heroes'. Also, for employees, the store manager was found to be a model personality possessing highly prized characteristics, which can facilitate the employees' realisation of their self-images. Hence, managers, customers and employees were all heroes facilitating the realisation of self-images within the supermarket culture. Finally, the rituals (trunk) were found to play a pivotal role that supports the meanings carried by the symbols (leaves). Thus, in contrast to the symbols, the effect of the social side of a country culture was found to dominate the rituals.

The nature of rituals as a collective process for meaning realisation is consistent with one approach within the store image literature. This approach is that which sees store image as a complicated construct of meanings and relationships that ultimately characterises the store for its customers (Arons, 1961—quoted in McGoldrick 1990). This approach focuses upon managing store image through matching its attributes with customers' self-images. The ritual meaning of social repercussions also links to studies of the effect of the repercussions of social issues, such as age, gender and self-aspirations on customers' perceptions of store image (Joyce & Lambart, 1996, Thompson & Chin, 1998, Erdem et al 1999, Ekinici & Riley, 2003). The ritual meaning of retailer reliability agrees with the Mitchell & Kiral (1999) view of risk as a salient behaviour affecting consumer attitudes towards retailers. Finally, the ritual meaning of customer culture reflexivity captures the importance of understanding the effect of customer culture on shaping perceptions of store image (McGoldrick, 1998, Berry & Gresham, 1998, McGoldrick & Ho, 1992). This research has classified the effect of the social side of country culture on the grocery retailer into three orientations: these are political, traditional retailing and socio-economical. This classification may benefit the store image internationalisation studies in developing a more focused approach for studying the effect of culture on retailer brands rather than the general approach currently in use (Moore et al. 2000; McGoldrick, 1998; Berry & Gresham, 1998; McGoldrick, 1995; McGoldrick & Ho, 1992).

The retail store image approach described above is concerned only with the customer-retailer interface. The rituals however also involved employees. The employee participation is two fold: through the employee-retailer and employee-customer interfaces. The first is addressed in the internal branding literature. The second receives significant attention in services branding literature, which cites retail examples, particularly the service side of the retail offering.

The employee-retailer interface introduces the notion of 'employee realisation of self-image' at the workplace. This notion has a unanimous support in the internal branding literature since matching the employees own values with that of the brand is the prime goal of internal branding (Pugh and Hickson 1993; Blackston, 1993; Jensen, 1999; Varey and Lewis, 1999; Schneider, 2000; Free, 2000). Hence, the ritual meanings of the sense of involvement, sense of belonging and sense of achievement can be seen to embrace the bulk of the internal branding research endeavours. For example, the sense of *involvement* may sum up the research advocating the *active integration* of the employees into the process of making the brand/organisation values (Blackston, 1993; Ind and Bell, 1999; Varey and Lewis, 1999; Schneider, 2000; Free, 2000; Bell and Menguc, 2002). The sense of *belonging* resembles the research aiming at raising employee *commitment* to the brand (Pugh and Hickson, 1993; Curtis, 1998; Ortega, 1998). Finally, the sense of *achievement* encapsulates the work aiming at *utilising the employee skills* to effectively manage the customer encounter (de Chernatony, 1999).

Since the internal branding literature is not focused explicitly on retailing, the role of the store manager as a hero for employees, facilitating their realisation of self-image is not investigated. Nonetheless, the unanimous call encouraging employees to fulfil their self-images and recommending ways to achieve this indicates a direct message to managers to facilitate such a process (Pugh and Hickson, 1993; Blackston, 1993; Jensen, 1999; Varey and Lewis, 1999; Schneider, 2000; Free, 2000).

The second interface in employee participation introduces the notion of the 'added value' emerging from the customer-employee encounter. The meaning of added value captures the employee sensibility towards customers' social needs in order to customise the retail brand offering with a sense of personal attention. This will add extra value to the customers' experience. This is consistent with the Menon and Dube (2000) proposition that *greater* customer satisfaction with retail organisations can be obtained by engineering salesperson responses to customer emotions. Besides, the customised responsiveness dimensions (extra or unexpected efforts) and the consulting dimensions (reassurance & technical expertise) of employee sensibility mirrors most of the factors that enhance customer perceptions of service quality in service organisations, as proposed by McDonald et al (2001) and Zeithaml et al (1990); these are reliability, responsiveness, assurance, and empathy. Specifically, extra and/or unexpected efforts were found directly linked to perceptions of *superior* service quality in retail organisations (Bell and Menguc, 2002). Additionally, the heroic status given to employees for adding value to customers can be seen in the literature highlighting the

prominent role of employees in delivering a service (Hoffman and Bateson, 1997; De Chernatony and McDonald, 1998; de Chernatony, 2002; de Chernatony et al. 2003). Interestingly, Sridhar (2003) used a synonym of a hero, “*a champion*”, to articulate the critical role of employees in transmitting service brands to customers rather than just endorsing it as brand ambassadors (spokespersons) do.

The concept of customer sensibility honours the heroic role of customers in ritual meaning formulation. The sensibility reflects the process of customer recognition of the roles played by store managers, employees and fellow customers’ on their own meaning formulation. This process of recognition has proven vital in the literature, as the customer should be seen as an active participant in the service delivery (McDonald et al 2001, Zeithaml et al 1990). For example, customer involvement in the process of complaint handling by managers has more potent influence on customers’ perceived justice than any material compensation (e.g. refunds, gift vouchers) (Maxham and Netemeyer, 2002). Also, the customers’ verbal and non-verbal participation with employees and fellow customers was found to have a significant impact on their evaluation of a service (Baron et al, 1996; Gabbott and Hogg, 2000).

Since the rituals depict the socially collective activities among the three participants (retailer, customers and employees) in a retail store, they resemble a three-dimensional network of behaviour that simultaneously realises the participants’ goals. The rituals therefore capture the triangular relationships constituting the essence of services marketing (Kotler, 1998;

Armstrong et al 2004) and thus branding (de Chernatony and McDonald; 1998; de Chernatony, 2002; de Chernatony et al. 2003). Behavioural scientists have observed that rituals in service organisations are cardinal for forming and sustaining the service experience as they act as the “*implicit standards for evaluating service encounters*” (Chase and Dasu, 2001). All in all, from the evidence of the rituals vital role in service branding, it can be argued they essentially portray the service branding side in a retail offering.

Having depicted the main players (heroes) in the supermarket culture and the interplay among them as the essence of service branding, the rituals represent the experience or the inherent drama of a retailer. This experiential or drama-based interface in retailing is referred to metaphorically as ‘retail theatre’ (Davies and Ward, 2002; Baron et al 2001). The performance, staged in the theatre, is the source of strong retail brand equity (Berry, 1997). This is consistent with the research proposition that the trunk (rituals) is the support for the tree leaves (symbols) where brand equity management is embedded (see section 7.1).

With performance at the heart of a retail brand (Grindem, 1999; Berry, 1997) or any alive brand in the contemporary marketing era (Dart, 2002), rituals could be the beating heart of a retailer, as the trunk is for a tree. The alive and invisible bundles of meanings encapsulated in the trunk are capable of differentiating the retailer. That is because Harris and Ogbonna (2001) and Len Riggio, quoted in Berry (1997), characterised the retailers’ future and present competitive advantage as ideas that are “*opaque and constantly*

moving” respectively. Moreover, the alive nature of rituals, as a shared experience encompassing all participants, resembles the essence of the concept of ‘Brand Community’ in which customers become advocates of the brand (McAlexander et al 2002; Muniz and O’Guinn, 2001). Furthermore, from an employee perspective, the manager’s heroic character as the company representative facilitating their realisation of self-image reflects the managers’ role in forging a brand-oriented organisational culture (Hankinson, 1999, de Chernatony, 2002). This culture ties the staff with the organisation and thus sways how the brand is delivered to customers (Ind, 1999; de Chernatony, 2002; Gabbott & Hogg, 2000). Since rituals can forge brand communities and/or fervent organisation cultures, the retailer stakeholders’ (employees) retention may be a consequence of the process of their realisation of self-image, as the research has revealed.

Rituals were found to be sensitive to the social side of country culture. Based on this research study of a grocery retailer brand at home and abroad, most of the socially collective activities witnessed in the data (whether about customers or employees) were relevant to one country but not the other. Nonetheless, the meanings emerging from these activities were the same. Thus, country culture affected the formulation of the meaning but not the meaning itself. In other words, the process of formulating the desired meaning is what must be adapted to local culture. This insight is consistent with the Aaker & Joachimsthaler (1999) view that local strategies are vital to manage the *process* of building leading global brands. Also, the insight fits well with the infamous global business phrase ‘*Think global, act local*’

(Jeannet and Hennessey, 1995) as it indicates that setting desired meanings (*thinking*) can be globally achieved but the way (*acting*) to achieve these meanings should be adapted locally.

Interestingly, country culture was found not only to affect the retailer when moving from one country to another but also in its homeland. This insight was found only among customers. Thus, the ritual meaning of 'customer cultural reflexivity' emerged to explain how the social culture of a country reflects itself on customers' behaviour at home and aboard. Three main customer orientations shaping these reflections were found: the customer traditional shopping orientations, political orientations and socio-economic orientations. All these orientations are found to be essential while planning global branding strategies in the globalisation era (Van Gelder, 2003). Albeit traditionally having no effect on brands, political orientations (e.g. sex orientation, religion, etc.) are gaining momentum as a major influence on global brands (Hammond, 2000, Katsanis, 1994). Furthermore, when brands travel across cultures, the social orientations are embedded in the social side of the exporting and host cultures. This is captured in the Thakor & Kholi (1996) notion of 'brand origin' and de Chernatony's (1998) "cultural myth" respectively.

In a ritual, the retailer socialises with its stakeholders to form social meanings through which they realise their self-image and consequently technical prosperity can be achieved. Thus, rituals are the ultimately prosperous customised relationship between the retailer and the stakeholders. By forming such personal relationships with stakeholders, the retailer rituals reflect the

sophisticated view of brands as a personal relationship (Post 2003, JWT 2000, BBDO, 2000, Aaker 1996).

In brief, the trunk (rituals) in supermarket culture was found as the pivotal yet invisible hub for the retailer branding activities. They form the medium in which meaningful relationships with the stakeholders are formed. Thus, rituals represent *how* the stakeholders experience the meaning differentiation personalised by the retailer offering. In other words, it is the distinctive meaning formulation stage for the retailer brand. Managing this stage would belong to the sophisticated service branding as well as internal branding paradigms. At a global level, managing the meaning formulation process has to adapt to the social side of the host country culture.

9.3 The Roots

In the tree metaphor, the roots stand for the values in the supermarket culture. Values are defined as the core of the culture, which is the unconscious and seldom discussed feelings that cannot be observed but rather felt, in behaviour. Due to the central yet latent nature of values, the simultaneous analysis of the visible symbols, rituals and heroes revealed two main core values (feelings) shared by both stakeholders (customers and employees) in the supermarket culture; these are trust and appreciation. These values were not influenced directly by country cultural differences and thus they could represent the basic human meanings originating in a grocery retailer culture. Thus, values could be seen as the foundation of retailer brand meanings for

the formulated socially sensitive meanings (via rituals & heroes) and the communicated technically sensitive meanings (via symbols).

In the retail literature, there is little work about values guiding retail organisations. However, a study by LeBlanc and Nguyen (2001) explored what signalled value for members of retail Co-operatives. Their findings indicated that the members were using symbolic and ritualistic meaning indicators simultaneously to arrive at the basic meaning of how the cooperatives *appreciate* their membership. They found, for example, that contact personnel have to provide a pleasant shopping experience and be responsive to consumer needs (ritual/hero added values), the Co-operative organization has to communicate effectively its store policies (symbols/brand promise) and privileged pricing (e.g. in store specials & price comparisons) compared to the competition (symbols/economic astuteness). These findings are in line with the research proposition that values (e.g. Appreciation) are the foundation of the meanings derived from physical indicators (symbols) and collective activities (rituals). From an employee perspective, Raphel (1993) surveyed employee needs and wants in retail organisations and found that their main priority was an *appreciation* of their work.

As for the value of trust, Wileman and Jary (1997) studied the practice of leading retailers and concluded that *integrity* is the long term value guiding the external marketing, the retail mix (price, range, etc.) (i.e. symbols) and internal culture (i.e. rituals). Hence, their findings reinforce the research view of trust as a foundation for symbolic and ritualistic meanings. Besides, a study by De

Wulf and Odekerken-Schroder (2003) of the effect of retailers' direct marketing activities, and tangible rewards (which may respectively indicate the symbolic meaning of store geography and customer care) and preferential treatment (the ritual meaning of added value) on customer trust was conducted in two European countries. The findings indicated that tangible reward had a direct impact on boosting trust in both countries while direct marketing activities and preferential treatment had a direct impact on boosting trust in only one country. The observed difference in the impact of direct marketing activities and preferential treatment on trust between these two countries was due to relative familiarity with E-tailing in the retail systems and the traditional shopping behaviour in both countries. In other words, trust is affected by both technical and social culture respectively. Consequently, their findings reinforce the research proposition that trust (value) is fixed across cultures, with only its degree subject to variation according to both aspects (social and technical) of a country culture.

As the meaning foundation of a store culture, values are able to align meanings emerging from rituals and symbols. This power of aligning meaning is seen in the retailing literature at the corporate branding level. Burt and Sparks (2002) argue that despite the dearth of corporate branding literature in retailing, the existing literature is centred around its role in aligning vision, culture and image of a retail organisation. From the professionals' viewpoint, based on a study of retail practitioners, Burghausen and Fan (2002) concluded that the "*corporate brand supports the alignment of the internal resources and capabilities and external factors and demands*". They added

that practitioners see the values of the organisation as the core values at the heart of the corporate brand that stem primarily from customer values. This view of the sources of value partially coincides with the research view of values as customer driven, but contradict it by leaving out employees. However, the employee role is vital as they link both the internal and external aspects of the corporate brand (Burt and Sparks, 2002).

Based on the above arguments, since rituals and heroes depict internal culture, symbols depict the external attributes of store image, and values hold them together, values could form the foundations of the retailer corporate brand. In fact, since values were found to be insensitive to country culture, they could be seen as the universal meaning foundation for retailer brands. Bibby (2001) argued that universally honoured values are the bases for a positive relationship with any brand. The latent and universally stable human meaning nature of values can reflect the concept of archetypes, which are believed to be the latent essence of brands which drives their *rituals* and logos (*i.e. symbols*) (Mark and Pearson, 2001). This argument can be endorsed as values fit into the anthropological view of brands, which sees brands as containers of human meanings embedded in a culture and taken to customers to realise their self-images (Aaker et al 2001; McCracken, 1993). This view matches perfectly the role of values in aligning the meanings of rituals (the self-image realisation process) and symbols (meaning containers). As the core meaning that integrates both external and internal meanings, a value fits into the most sophisticated and comprehensive view of brands as “*the DNA that glues external and internal business activities*”(Macrae, 1999).

Through their comprehensive and humanitarian orientation to branding, which addresses two active stakeholders in a retail brand; values possess the special brand enactments pertaining to the concept of corporate branding (de Chernatony, 2001, Bickerton, 2000). As a result, the concept of corporate identity should be the most suitable paradigm to manage values, as it drives corporate brand reputation, which is the ultimate goal of corporate branding (Balmer, 2001, Van Reil & Balmer, 1997, Markwick & Fill, 1997). Hence, it can be inferred that since values can align rituals and symbols, managing the values is about managing the whole culture as the corporate brand.

Consequently, the tree metaphor should reflect the concept of corporate identity to qualify as a managerial model of the retailer corporate brand.

Besides, interestingly, since a retailer's identity overlaps with its stores and/or products (Diefenbach, 1992), the tree metaphor should also reflect the managerial approach of brand identity. It can be concluded therefore that the tree metaphor could provide the corporate or brand identity model for retailers. This idea will be examined in the next section.

9.4 The tree metaphor as a model for retailer brand identity

In this section, the structure of the tree metaphor will be discussed with respect to the corporate and brand identity managerial approaches in order to examine if the tree metaphor can be a managerial model for corporate brand identity or brand identity for retailers.

9.4.1 Corporate identity approach

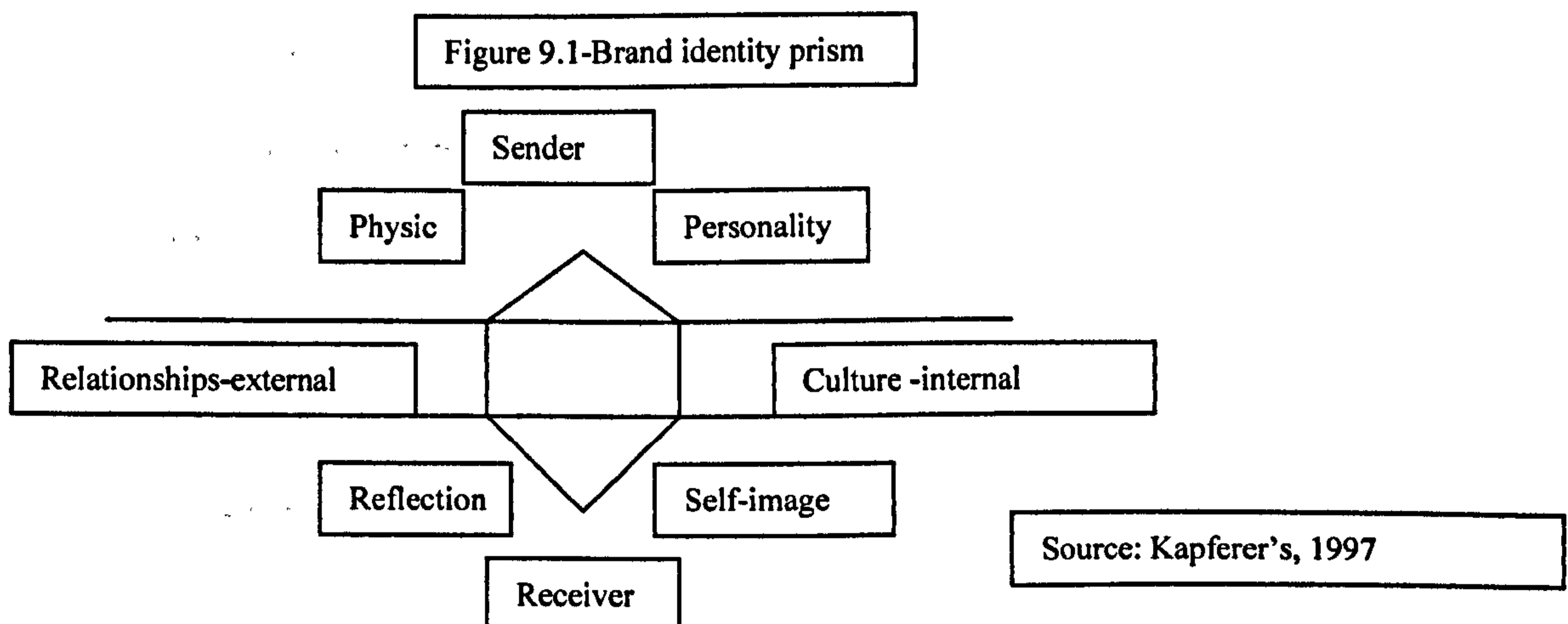
The concept of corporate or business/organisation identity is central to managing any organization in any field (Balmer, 2001). The definitions of the corporate identity concept are always long and inclusive (see Balmer, 2001, Moingeon & Ramanantsoa, 1997, Markwick & Fill, 1997). However, all the definitions tend to emphasize the multidisciplinary focus of the concept encompassing all the elements (tangible and intangible) that present an organisation to its stakeholders and differentiate it from other organisations.

The culture manifestations as developed in this study represent a multidisciplinary concept where the sum (values) of the tangible (symbols/brand equity) and intangible (rituals/services branding) elements of a retailer culture/brand are presented and differentiated respectively to the key stakeholders at the store level (see sections 9.2, 9.3, 9.4). Thus, in an analogy, it could be argued that the concept of culture mirrors the essence of corporate identity yet is focused on the store level. Consequently, it could be argued that the tree metaphor partially depicts the corporate identity elements in a retailer brand. Nonetheless, managing corporate identity as the corporate brand is not only about managing the concept's elements but also about senior management "*consciously*" defining the brand proposition that distils and publicises the corporate identity (Balmer, 2001). This conscious proposition can be seen as the brand vision, which de Chernatony (2001) defines as "*...the long term, stretching intent for the brand which must excite staff, encourage their commitment and enable them to interpret how they can*

contribute to success" p (33). Thus, the tree metaphor can offer partial (at the store level) guidance to manage the retail corporate brand vision.

9.4.2 Brand identity approach

The concept of brand identity is a pioneer view of brands as speechmakers addressing external (customers) and internal (organisation members) audiences with a single message (Kapferer, 1997). This single message is viewed as the 'strategic intent' of a branding strategy (Aaker, 1996). The management of the relationships among the components of brand identity is the way to manage this intent (Kapferer, 1997). Kapferer's (1997)-identity prism encapsulates both the components and the relationships among them.



The prism works as follows: it starts with the sender (the organisation) part where the *brand physic* (tangible attributes) carries product-related added value meanings that are sent as human traits by the *brand personality*.

Through values embedded in country, and/or organisational culture (internal brand), these traits forge and shape the brand relationship (external brand) with its recipient. The outcome of these relationships is the *brand reflection*

where the brand reflects itself on the receivers' *self-image* in two ways: these are external self (as seen by others) and internal self (as viewed by them).

Although structured in a different manner, the tree depicts all the prism's components. The leaves/symbols embrace the brand *physic, personality, and consequently reflection*, the trunk/rituals embraces *organisation culture, relationships and consequently self image* and the roots/values embrace *country culture values*. However, the difference in structure between the tree metaphor and the prism metaphor suggests that the way to manage the components of identity is different for each of these conceptual models. This could be due to the different focus of each metaphor. The prism is a general metaphor but the tree is a retail-specific metaphor. Hence, it could be argued that the tree is a brand identity metaphor built from the retailer perspective. Nevertheless, for the brand identity concept to be embraced in full by the tree metaphor, the 'strategic intent' (Aaker, 1996), the single message (Kapferer, 1997) or the vision (De Chernatony, 2001) has to be created by the senior management. Thus, the tree metaphor can be the roadmap that senior retail managers use as a guide when building the retailer brand identity around their vision.

9.4.3 Summary

In this section, the tree metaphor was examined as a potential managerial model for managing brand identity or corporate identity for retailers.

Comparisons with the existing corporate and brand identity managerial approaches suggested that the tree metaphor could be a brand identity--rather than a corporate brand identity--managerial model for retailers. That is

because the corporate identity concept has a wider focus on stakeholders than those considered here (customers and employees) when building the tree metaphor whereas the brand identity concept focuses on two groups: receivers (customers and employees in this study) and senders (employees—through implementing brand policies— in this study). In addition, for any brand identity model to work, the retailer top management *must have a vision* to direct the model. Consequently, the tree metaphor provides a model for a grid of meanings, and their interrelationships, which the senior management vision should direct to construct the retailer brand identity.

9.5 Research Conclusion

Throughout this chapter a detailed discussion of each component of the proposed tree model has been carried out. The discussion has linked the existing branding and retailing literature to the components of the tree. The outcome indicated that the *Leaves* represent the tangible attributes of retailer store image and own brands, and therefore can be managed within the brand equity paradigm, with country technical culture a central consideration for global branding. The *Trunk* represents the intangible store character that captures the retailer network of performance and which distinguishes the retailer offering. Hence, the trunk can be managed using the services and internal branding paradigm with country social culture central to global branding. Finally, the *Roots* represent partially the foundations for the retailer corporate brand and hence corporate identity paradigm was found to be the suitable managerial branding approach. Hence, the tree metaphor could provide the basis to achieve the research objectives.

The three objectives of the research can be summed up as follows: to explore how a retailer can build and maintain humanitarian relationships with customers and employees, to form a brand identity and disseminate that identity to them taking into consideration the effect of country culture. To achieve these objectives, the tree metaphor can offer a detailed and thorough two-stage process for building and managing retailer identity. In stage one; the retailer senior managers must have a vision for the tree. According to de Chernatony (2002), the formulation of brand vision has three components: first, a long-term view of the brand; second, a brand purpose, which is the social intent of the brand; third, brand values that are a mix of core values (universal ones) and special values that differentiate the brand. Applied to the tree metaphor, the long-term vision for the brand should be based on the core values at the roots. This vision should formulate a social purpose via the trunk, which will enact the special meanings carried by the leaves that, in turn, differentiate the brand from competition. Thus, the tree metaphor helps retail senior managers to build the retailer brand identity starting from the *bottom-up*-- reversing the stakeholders' view (identity decoding)-- to control the identity encoding process (the retailer's view) (see Figure 9.2 for a visual guide and Table 9.1 for a step-by-step guide).

Figure 9.2 A Visual guide to identity building for retail managers

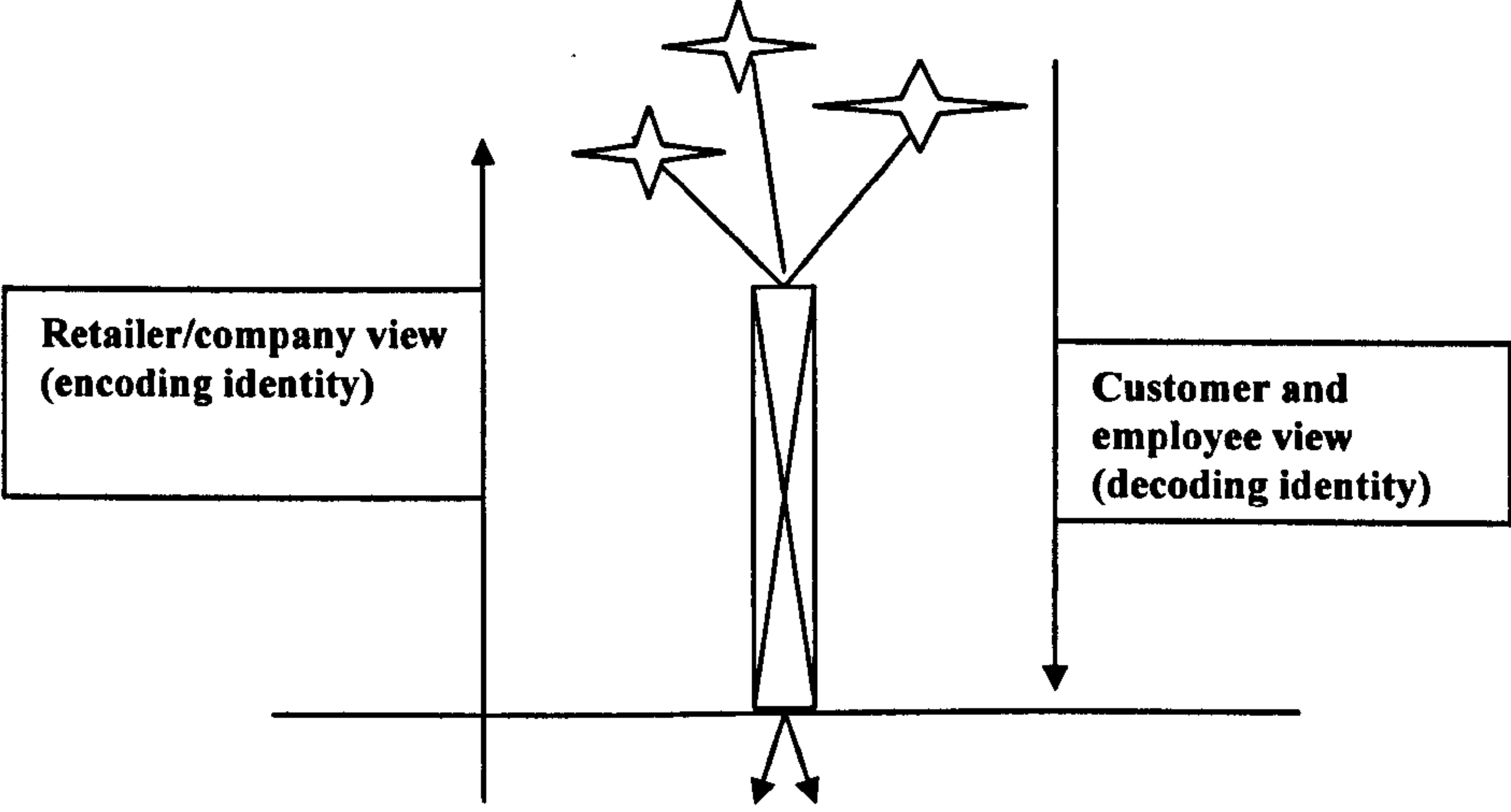


Table (9.1) will guide the retailer through the tree metaphor to build a retailer brand identity step-by step around the senior management vision. It takes the retailer from meaning foundation and vision formulation, through the tree roots, to vision customization and communication, via trunk and leaves respectively, suggesting a process to develop an identity-building strategy, and finally suggesting the branding paradigms best deployed as tools to manage identity building.

Table 9.1 A step-by-step guide for building a retailer identity using the tree metaphor

<i>Brand meaning development stages</i>	<i>Brand identity building strategy</i>	<i>Managing brand identity</i>
Roots [Meaning foundation and vision formulation stage]	Stage 1. At the roots, the retailer should explore the meaning foundation of its business category embedded in the universal human	<ul style="list-style-type: none"> Corporate branding approach (corporate identity management)

	<p>values. Then, formulate a vision that adds a unique meaning/s to basic values.</p> <p>To disseminate that vision, align the meanings emerging at the trunk with that communicated by the leaves</p>	
<p>Trunk [vision customization stage]</p>	<p>Stage 2. At the trunk, the retailer will perform rituals in which both customers and employees are active participants. In a ritual, the retailer involves customers and employees in an interrelated network of social relationships (the drama) in which the retailer vision socialises with the customers and employees own visions (self-images). This drama therefore forms the retailer meaningful experience in which customers and employees realise their self-images (i.e. live the brand).</p>	<ul style="list-style-type: none"> • <i>Service and Internal branding</i> management techniques. • Global brand management should consider the social side of country culture when planning for vision socialisation.
<p>Leaves [vision communication stage]</p>	<p>Stage 3. At the leaves, the retailer will attempt to attract customers to experience the brand inherent drama. Thus,</p>	<ul style="list-style-type: none"> • Store image and brand equity managerial techniques. • Global branding should

	<p>the symbols should communicate (carry) the meanings to be experienced with the brand by associating them with the retailer tangible attributes.</p>	<p>consider the technical retail culture, in addition to social culture, when managing the presentation of meaning.</p>
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As shown above in the process of building a brand identity for retailers, the tree metaphor encompasses the various branding paradigms pertaining to a retailer and depicting their interrelationships. Hence, the organisational culture framework depicted in the tree metaphor constitutes a holistic approach for retail branding that enable retailers to embrace and adapt to the diversified managerial branding requirements dictated by their business nature, unique managerial needs, and changing business environment. This is the ultimate objective of this research.

9.6 Research Limitations and Future Research

As a piece of qualitative research, there are a number of limitations generically associated with this approach. The low number of cases used, a single case in this research, and the inductive nature of the research raises concerns about the reliability of the research. Thus, it is highly desirable to have the conceptual model proposed in the research tested empirically.

Additionally, since the research has been analysed inductively using a grounded theory perspective, it is important to recognise that the interpretation reflects the researcher's viewpoint and that is just a viewpoint not *the* viewpoint.

Besides, since the conceptual model was based on a case from grocery retailing, it may not reflect the special characteristics and meanings pertaining to any other retail field (e.g. fashion retailing). Also, since the conceptual model is built from the most common store format in food retailing—the supermarket—other formats, such as hypermarkets carrying food and extensive non-food ranges, or discounters may have format-specific meanings that are worth unveiling and testing for congruence with the model. Thus, qualitative and quantitative research to adjust and test the conceptual model in other food retailing formats or other retail fields would be welcomed.

Moreover, since the conceptual model was built from the customer and employee viewpoints, it may not be suitable to address the views of other stakeholders, such as shareholders, trade partners, etc. Therefore, it would be interesting to widen the scope of the research in the future to include other stakeholders to reach an inclusive retail branding approach.

Finally, organisational culture is used in this research as a framework for the model. Given the central role it plays in branding organizations (de Chernatony, 2001, 2002; Harris and de Chernatony, 2001; Hatch & Schultz, 1997; Ind, 1999), the concept may be stretched to model other brands in other fields where employees are central. For example, it may be used in modelling the service sector (health care services, airlines, etc.) or unconventional branded institutions (universities, political parties, etc.).

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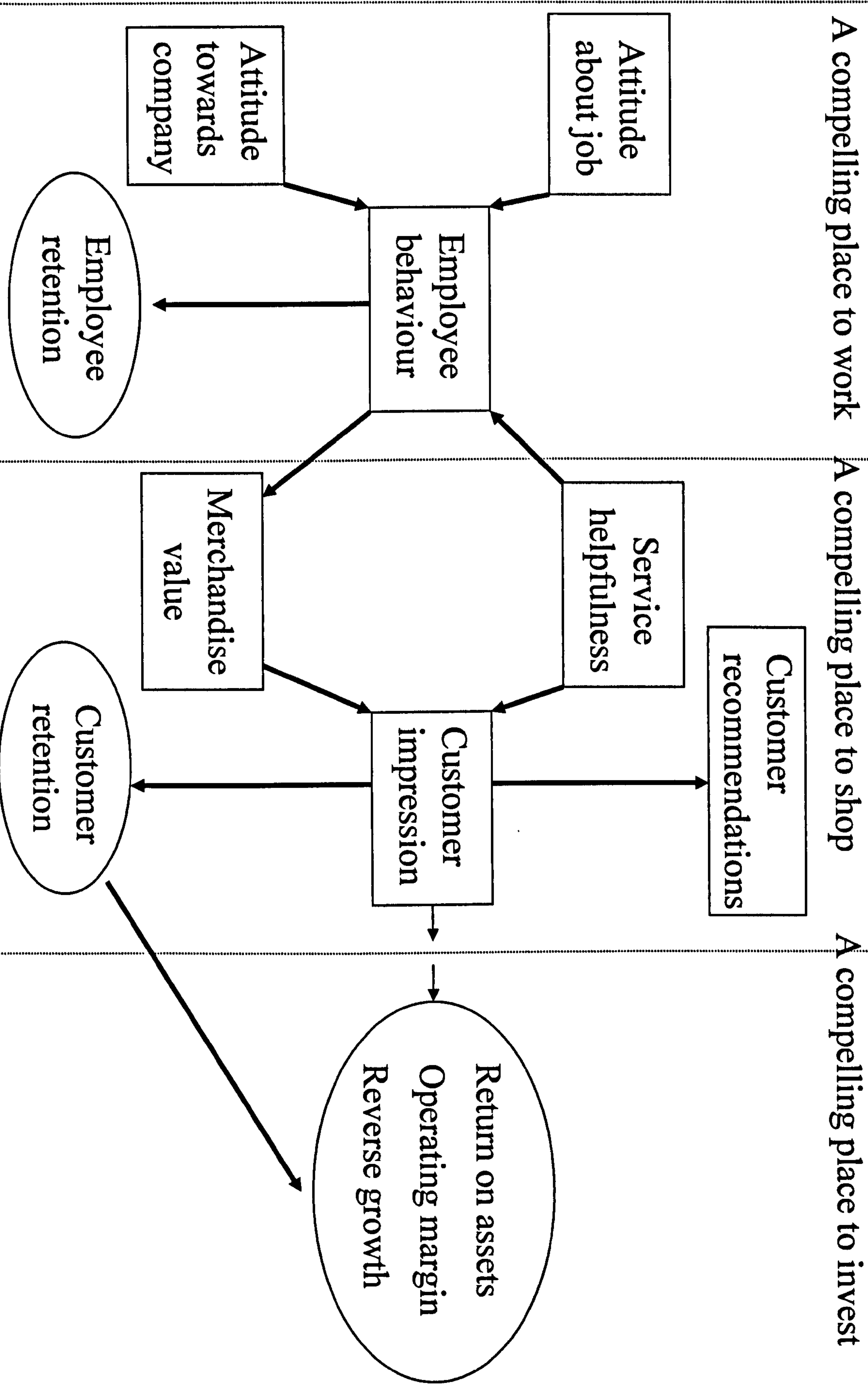
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Appendixes

Appendix (1)

Employee - Customer - Profit Chain



An increase in employee attitude— drives —> An increase in customer impression— drives —> An increase in revenue growth

Source: Rucci et al (1998)

Appendix (2)

Exit

Customer service desk

Entrance

Special Display Area

Check-outs

Health & Beauty

Toys & House Appliances

Special Display Area

EGYPT

Chilled Grocery & Frozen Food

GROCERY

PRODUCE

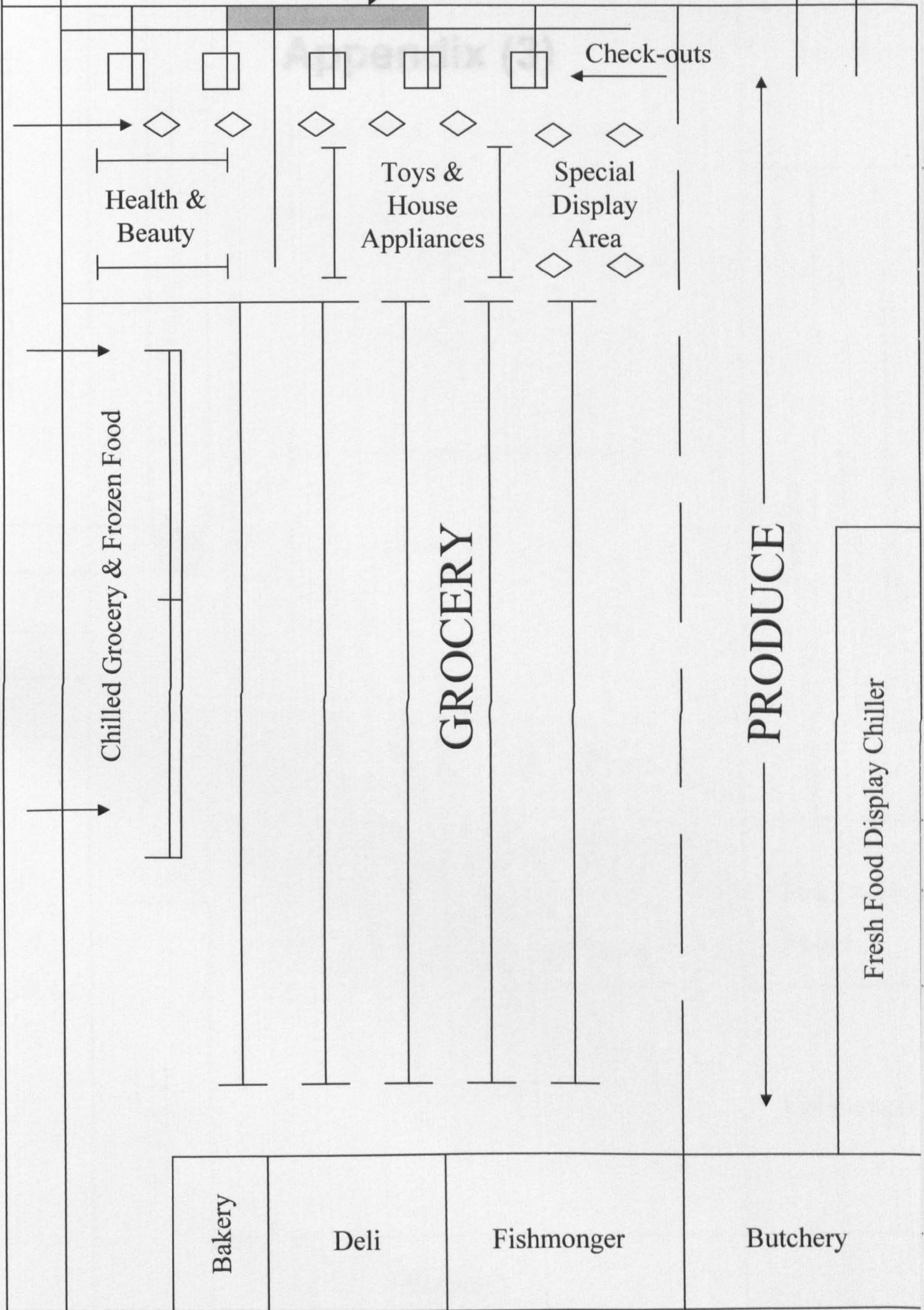
Fresh Food Display Chiller

Bakery

Deli

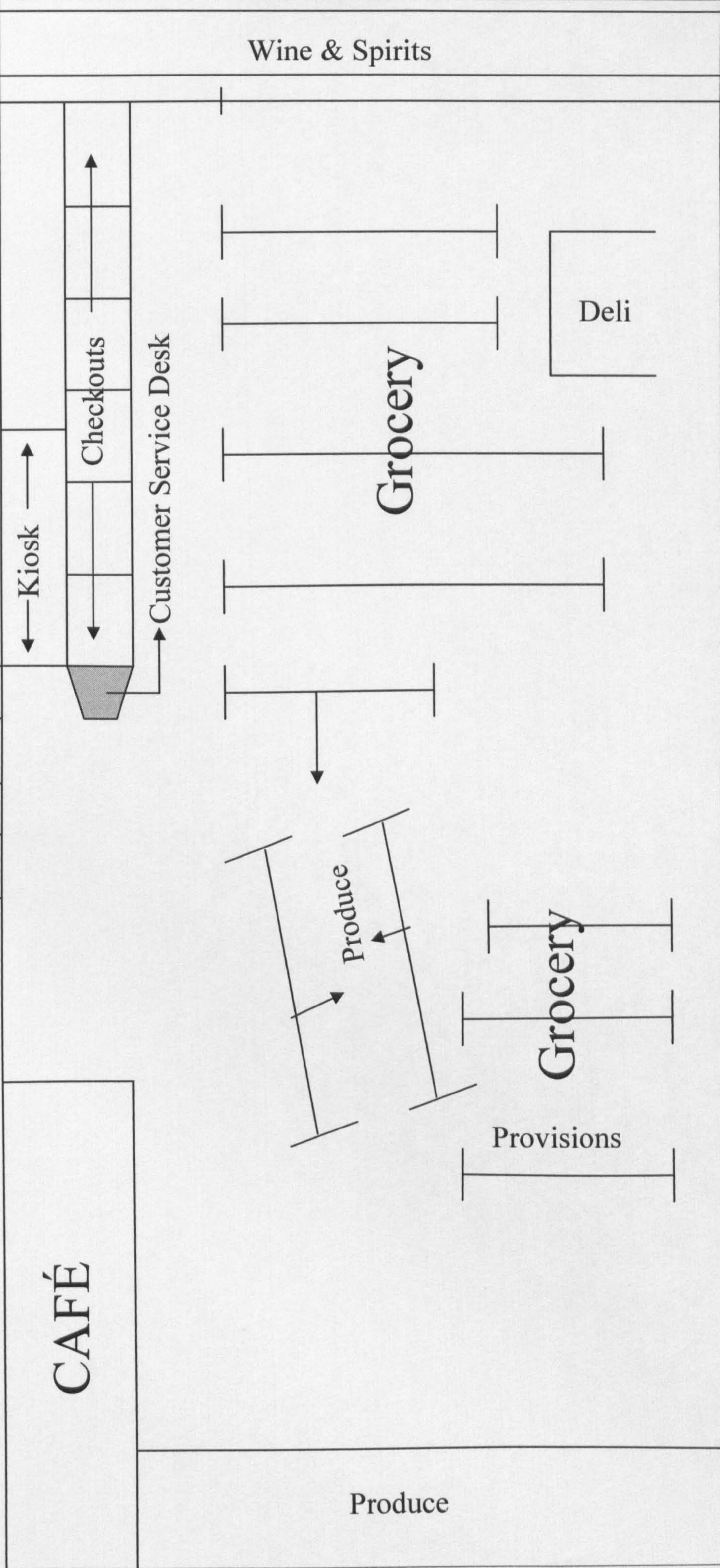
Fishmonger

Butchery



SCOTLAND, UK

OUT | IN



Bakery	
Provision	
Display Chiller	
Fish Display Fridge	
Fishmonger	