

## **Promoting Convenience Store Marketing in Bauchi metropolis: A Survey on Consumers' Perception**

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**Abstract:** The convenience stores have proven to be high standard from the consumer shopping experience as they show the strongest growth in all the channels of retail businesses. Therefore, this study focuses on the perception of consumers within Bauchi metropolis in convenience store marketing. The study adopted the five dimensions of convenience. A total number of 248 respondents from both physical and online method of data collection were used in the study. The result from linear regression revealed the statistically significance of Time Dimension, Place Dimension, Acquisition Dimension and Execution Dimension while Use Dimension was insignificant in measuring the outcome. The study recognized the social media and broadcast media as the platform to encourage or create awareness on the convenience store marketing

**Keywords:** Buying decision, consumers' perception, convenience stores, the economic utility theory

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### **I. INTRODUCTION**

The people of 21st century have some busy task schedules and lifestyle. These people require easy access to products or service at their convenient time and space. The convenience stores are gaining weight within modern grocery retailers as it seems to be a good fit for consumers with busy schedules that needed basic goods or services to be available in nearby locations, at a given time and at a power to bargain price. Although, the landscape of the modern retailing has a variety of channels to products and services for consumers such either direct selling, catalogue selling, e-commerce, mobile commerce (m-commerce), convenience store, fixed store settings or mixed formats such as click-and-collect and pop-up-stores [1, 2].

The convenience stores have proven to be high standard from the consumer shopping experience as they show the strongest growth in all the channels of retail businesses. A study indicated that consumers revealed an increasing desire to make the grocery shopping experience easier and more convenient [2]. The realm of research has identified six convenience stores types as Kiosk, Mini Convenience Store, Limited Selection Convenience Store, Traditional Convenience Store, Expanded Convenience Store and Hyper Convenience Store [3].

The research on location selection and sales forecasting of variety of retail stores has been carried out since the 1960s by both retail management and retail geography research [4]. The studies mainly focused on the conceptualization of techniques for determining the optimal location and sales of the goods supermarket. The reasons were that superstores are the foremost arrangement within which goods are sold, the cost related to development and size of such stores need accuracy in location planning and the stores mostly depend on the expenditures levels of consumers [4]. This so far brought a good relationship between the retailers and the academy to consider the location selection expertise in supermarket retailers. However, this academic research on supermarket location selection has been limited toward location management and sales forecasting of small store convenience retail markets [4]. It was indicated that leading retailers strive for leveraging their location selection and planning into small store sales forecasting for competing in the neighborhood retailers [4]. This strategy of convenience store was made up due to the identified business opportunity surround it. The term Convenience has been perceived differently by consumers in different cultural and economic contexts [1].

Therefore, looking at the consumer perceptions based on their attached value or importance of understanding convenience stores provide opportunity to leverage the convenient ways to shopping in Bauchi metropolis

## **II. LITERATURE REVIEW**

Consumer perception has been studied in the field of marketing management that led to many companies' understanding about the buying decision of consumers for particular product or acquiring services. Studies on consumer perception were conducted by marketing managers to know more about the behavior of consumers in order to effectively communicate, tailor their advertisement campaigns and messages about their products and services [5]. Usually, many consumers do not know the factors that motivate them in making the buying decision on a particular product or service every day. Actually, it was discovered that there are many factors determining the buying behavior of consumers. Hussain (2017), states that "the factors affecting consumer buying behavior include psychological, social, cultural and Personal". Therefore, studying consumer perception on convenience store is worthy to identify the factors that determine the buying decision of consumers in Bauchi Metropolis in order to boost the economy of small business owners in Bauchi, Nigeria. The center of interest is to find out the decision-making process taken by consumer in buying products in a specific location and at their convenience time. It was argued that convenience is becoming a motivator to buying decision of consumers [1]. The reason for convenience becoming main player is that the "decision-making styles in emerging markets might look different from those derived from studies in mature markets in the western world" [1].

In the literature review, it was found that convenience is a multidimensional construct [6]. The article explains the concept of convenience as it applies to the characteristics of a product, service and idea. The concept of convenience has classified into five dimensions include Time Dimension, Place Dimension, Acquisition Dimension, Use Dimension, and Execution Dimension [6]. These dimensions will be adopted to constitute the underline factors to determine ways to encourage convenience store marketing in Bauchi Metropolis. The reason for adopting them is due to an article showing that "number of converging socioeconomic factors during the 1980s have encouraged consumers and businesses to seek convenience in the products and services they buy" [6]

On the side of convenience stores, many studies have shown the relevancies in society. For instance, BBC news revealed that convenience stores have advantage over the Supermarket due to the ownership and decision making. As reported by BBC News "All convenience stores, big and small, have to pay rates, but the independents are light on their feet: They are very good and adaptable at keeping their costs down" [7] (Robertson, 2018). In addition, convenience stores are invested within local businesses that offer a wide range of local and international products and services, which allow customers to buy what they need and get on with their day [8]. It was recorded that the convenience stores carried about 80% of the items found in supermarkets, which are satisfactory in addressing most of consumer needs [9]. Despite being small when compared to supermarkets, they may provide services (opening time) up to 24 hours and seven days a week.

The convenience store is a small retail business designed to sell items such as soft drinks, snacks, food items, and toiletries and so on. According to Petersen (2019) "A convenience store is a retail outlet that sells a limited range of prepared and ready-to-eat foods, bottled and fountain beverages, household staples, tobacco products and periodicals. Convenience stores are typically small in size, are open extended hours, and, in most cases, are staffed by a relatively small team of cashiers, stock workers, and managers" [10]

## **III. RESEARCH MODEL**

The business opportunities of convenience stores provide a huge advantage to economy of states. Many countries are measuring the contributions of convenience stores to the Gross Domestic product index. Thus, explanations and measurements of convenience to understand the consumer perception in selecting channel of buying products or services using technology (Internet) have been established through traditional theories on adoption such as the Theory of Reasoned Action (TRA) and the Technology Acceptance Model (TAM). These theories focus on determining the adoption and acceptance behaviors of consumers with new technology (e.g. the Internet), and their intentions to act upon it. However, these tradition theories of measuring perception on the use of new technologies may not be adequate in determining the consumers' opinion on use of convenience in marketing products and services [1]. Therefore, this study adopts the five dimensions of convenience proposed by Lew G. Brown in 1990 as depicted in figure 1.

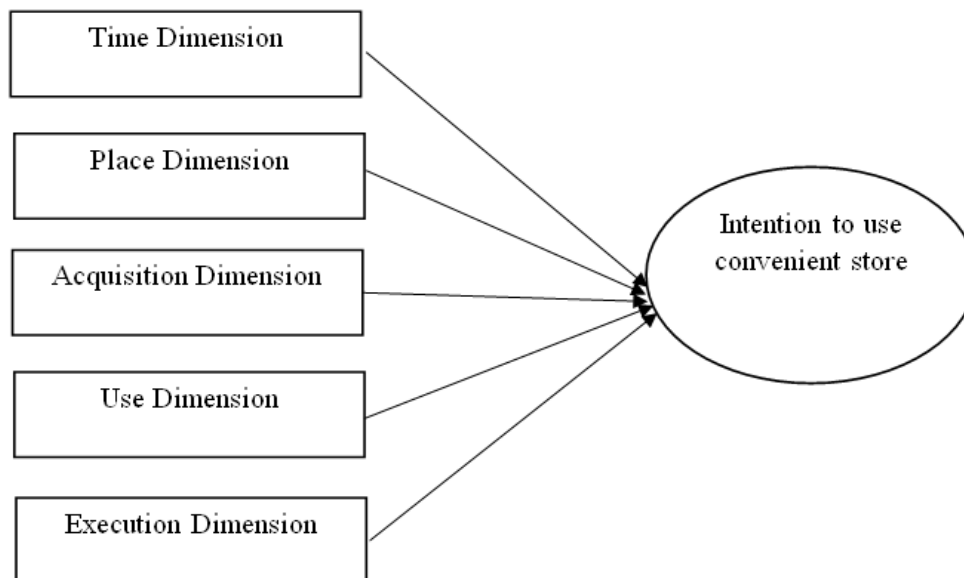


Figure 1: Research Model adapted from Lew G. Brown (1990)

**Time Dimension** focuses on the products or services needed to be provided at a time within the convenient of the consumer. Some businesses open 12 hours a day while others 24hour depend on some factors that include security, culture, place, etc. Time dimension means availability of products or services for the consumer to acquire or use on a clock time at a more convenient time but not referring timesaving to a product/service [6].

*H<sub>1</sub> Time dimension has a significant relationship to setting up convenient store*

**Place Dimension** is when products and/or services are provided in a place that is more convenient for the consumer. Therefore, providing convenient stores in neighborhood give consumers the convenient to use or acquire products/services at their immediate doors [6].

*H<sub>2</sub> Place dimension has a significant relationship to setting up convenient store*

**Acquisition Dimension** relies on making the whole process of acquiring or using products and/or services more easily for the consumer in term of payments and purchases. For instance, providing of Point of Sale (POS) machine to accept debit and credit cards [6].

*H<sub>3</sub> Acquisition dimension has a significant relationship to setting up convenient store*

**Use Dimension** provides more convenient for the consumer to use products. It is where the consumer receive the specific product or service that a store offers [6].

*H<sub>4</sub> use dimension has a significant relationship to setting up convenient store*

**Execution Dimension** involves how much effort either mental or physical the consumer is willing to expend in acquiring a product or service [6].

*H<sub>5</sub> Execution dimension has a significant relationship to setting up convenient store*

In summary, the four dimensions are adopted from the economic utility theory that explains the behaviors of consumers in term of their desire time, place, possession, and form utility. Generally, the term convenience encompasses a summary variable for the four utilities. This means that convenient products and/or services are made available continuously (time) within a particular area and everywhere (place) and would require almost no effort to acquire (possession) or use (form). The fifth dimension (execution) is perhaps the most convenience aspect that determine the amount of efforts the consumer can make choice for a product or service. It involves how much effort either mental or physical he or she is willing to expend in acquiring a product or service [6].

#### IV. RESEARCH METHOD

This study is aimed at surveying the perception of People within Bauchi city on setting up some convenience stores on strategic places (i.e. Neighborhoods). The total population of Bauchi state as at 2006 was 4,653,066 out of which the Bauchi Metropolis was having 493,810 [11, 12]. The sample size of this study was 381 based on estimation by Krejcie & Morgan sampling method in 1970. The sampling technique used on the population of Bauchi metropolis was convenience sampling. This sampling method encompasses getting participants wherever you can find them. According to Saunders, Lewis, & Thornhill in 2012 "In business studies this method can be applied in order to gain initial primary data regarding specific issues such as

perception of image of a particular brand or collecting opinions of perspective customers in relation to a new design of a product” [[13].

The method of data collection was both physical and online. The physical data collected was through distribution of the questionnaire to people found in the Bauchi metropolis while the online was by the used of Google form to designed the questionnaire and shared the link to various social media platforms. The method of data analysis used was linear regression.

**V. Result**

The finding of the research are in two parts. The first part is the descriptive statistics of the respondents, while the second part is regression analysis. The descriptive statistic indicates that males have the higher number of responses with 182 (73.4%) while females have 66(26.6%). Similarly, the descriptive statistics of respondents based on educational qualification shows that HND/Degree are higher with 148(59.7%) followed by Postgraduate 56(22.6%), Diploma 24(9.7%), Certificate 14(5.6), and the least is other 6(2.4). Table I depicts the descriptive statistics of the respondents.

**Table I: Descriptive Statistics**

Variable	Description	Frequency(N)	Percent (%)
Gender	Male	182	73.4
	Female	66	26.6
	<b>Total</b>	<b>248</b>	<b>100.0</b>
Qualification	Certificate	14	5.6
	Diploma	24	9.7
	HND/Degree	148	59.7
	Postgraduate	56	22.6
	other	6	2.4
	<b>Total</b>	<b>248</b>	<b>100.0</b>

**Regression Analysis**

The research used the linear regression to analyse the data. The reason for using linear regression is to predict the value of a dependent variable (Intention to use Convenience Store) based on the values of independent variables (Time dimension, Place dimension, Acquisition dimension, Use dimension and Execution dimension). The result of the regression shows ability to account for the total variation in the dependent variable. It means that the total variation of dependent variable was measured by its variance. In the table II, the model summary provides the R and R2 values. The R value signifies correlation and is 0.851 that shows a high degree of correlation. The R2 value shows the total variation in the dependent variable explained by the independent variables. The R2 is 72.4% that explain this variance. From the R2 value, which is very large, however, it can be concluded that the independent variable are adequate to measure the outcome. The Durbin-Watson statistic is 2.098 between 1.5 and 2.5. The result of the Durbin-Watson shows that the data is not auto correlated, and is among the assumptions of regression that the observations should be independent. “If observations are made over time, it is likely that successive observations are related. If there is no autocorrelation (where subsequent observations are related), the Durbin-Watson statistic should be between 1.5 and 2.5” [14].

**Table II: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of Estimate	Durbin-Watson
1 <sup>a</sup>	.851	.724	.719	.59241	2.098

a. Predictors: (Constant), Time dimension, Place dimension, Acquisition dimension, Use dimension and Execution dimension

b. Dependent Variable: Intention to use Convenience Store

In the table III, ANOVA. The ANOVA table explains the regression equation fits the data (i.e., predicts the dependent variable). In this research, the regression result shows that there is statistical significance of model ( $P < 0.05$ ). Generally, the regression model statistically significantly predicts the outcome variable (i.e., it is a good fit for the data).

Table III: ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
Regression	Regression	223.229	5	44.646	7.212	.000 <sup>b</sup>
	Residual	84.931	24	.351		
	Total	308.160	29			

- a. Predictors: (Constant), Time dimension, Place dimension, Acquisition dimension, Use dimension and Execution dimension
- b. Dependent Variable: Intention to use Convenience Store

Table IV is the Coefficients table, which determine whether Independent variables (Time dimension, Place dimension, Acquisition dimension, Use dimension and Execution dimension) contribute statistically significant to the model (P<0.05). The results from the Coefficients table shows a significant regression model among Time dimension, Place dimension, Acquisition dimension, and Execution dimension with p-values less than 0.05 (P<0.05) while Use dimension is not significant.

In the Coefficients table, time dimension has a significant contribution to the regression model with Beta ( $\beta$ ) value of 0.554, p value of 0.000. Based on the result, convenience store need to consider time as major factor in setting up the store. Therefore, the hypothesis statement *Time dimension has a significant relationship to setting up convenient store* is accepted. Similarly, place dimension is significant too with  $\beta$  value of 0.142, p value of 0.027. Therefore, *Place dimension has a significant relationship to setting up convenient store* is accepted. In addition, Acquisition dimension is statistically significant to the model with  $\beta$  value 0.305, p value of 0.002, hence, the hypothesis statement that says *Acquisition dimension has a significant relationship to convenient store* is accepted. Lastly, the execution dimension plays significant role in setting up convenience store with  $\beta$  value 0.322, p value of 0.000. The hypothesis statement of *Execution dimension has a significant relationship to setting up convenient store* is accepted.

On the other hand, use dimension is not significant to the setting up convenience store with  $\beta$  value of 0.143, p value of 0.088. Therefore, the hypothesis statement *use dimension has a significant relationship to setting up convenient store* is rejected.

Table IV: Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.439	.138		3.176	.002
Time dimension	.498	.077	.554	6.437	.000
Place dimension	-.159	.072	-.142	-2.218	.027
Acquisition dimension	.276	.086	.305	3.204	.002
Use dimension	-.129	.075	-.143	-1.711	.088
Execution dimension	.362	.060	.322	6.023	.000

- a. Dependent Variable: Intention to use Convenience Store

## VI. CONCLUSION

This study shows a promising result in setting up a convenient store within Bauchi metropolis with six of the construct measuring the intention to use it were statistically significant except for the Use dimension. In line with the result, we are set to encourage the business of convenient store within the Bauchi metropolis through social media platforms and local broadcast media.

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