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Unique market positioning of small retail companies – the Polish experiences

Abstract

The aim of the article is to identify and rank market positioning factors. The text presents the findings of research conducted among family-owned retail enterprises in Poland. The study results indicate the existence of differences in the perception of market positioning factors depending on the sector of operation and the level of competition...

Keywords: positioning, positioning factors, marketing instrument ranking, food sector, clothing sector, household appliances/audio-visual equipment sector, cosmetics sector, building a competitive advantage.

Introduction

Consumer decisions with regard to the place of purchase of goods and services are determined by a number of factors which, due to their high variability and the changing market environment, are constantly subject to an analysis by researchers and market practitioners. The motivation for choosing a place of purchase is of great significance for retailers, as it enables them to develop an effective marketing strategy and compete against other outlets. The competition between adjacent points of sale with the same profile forces the retailers to seek the most effective ways of attracting customers. The situation of small commercial enterprises whose scope of activity and reach are relatively limited, is particularly difficult, as they are forced to compete against large number of outlets which represent different formats. In view of the above a question arises how to build and strengthen a competitive advantage on a market which is ever more competitive? How to provide consumers with added value, so that their satisfaction with the choices and purchases made continues to grow? The aim of the article is to evaluate the marketing instruments used in the process of market positioning of family-owned retail outlets. The detailed issues under discussion include the ranking of marketing mix instruments and the comparison of own outlets to the outlets run by competitors in terms of their image and identity¹. An attempt has been made to establish the extent to which the level of competition affects the selection of positioning factors and instrumental strategies.

¹The scientific article uses the findings of research conducted as part of a research project financed in 2008-2010 by the Ministry of Science and Higher Education entitled „Uwarunkowania i strategie pozycjonowania jako źródło zdobywania przewagi konkurencyjnej w handlu detalicznym” (*Positioning Factors and Strategies as a Source of Competitive Advantage in Retailing*), No. 3267/B/H03/2008/34

Retail outlet positioning – theoretical foundations

Positioning is a stage in the development of a marketing strategy, at which, as a result of segmentation and selection of the target market(s), the position of the product range offered or the company in relation to its competitors is established, in order to better satisfy the customers' needs. The concept of positioning was first introduced by A. Ries and J. Trout, later to be popularized in marketing publications. Ries and Trout claim that positioning involves influencing the prospective customers' awareness and finding the way to place our product in the prospective customers' mind (Kotler, 2005). Positioning also means designing and implementing a set of instruments used in retailing in order to create a certain image of the retailer in the customer's mind in relation to the competition (Levy and Witz, 2001). In turn, Walters and Laffy (1996) indicate that positioning in the retail sector involves integrated actions in such areas as the product range, store format and its environment, the type and scope of the services and amenities offered, communication with the customers (Devlin, Birtwistle, Macedo, 2003). Positioning will be effective when the retailers clearly specify their target markets and tailor their marketing offer to the customers' expectations. Another author notes that the positioning strategy concerns the choice of the target market and includes a description of the manner in which a given business will serve the customers and differ from the competitors, i.e. based on what values the company is planning to build its competitive advantage (Brooksbank, 1994). Effective positioning results in the development of a distinct image of a store.

The guiding factors in the process of store image creation and building a competitive advantage are determined by earlier stages of strategy development, such as consumer and competition analysis and identification of the sources of competitive advantage. The first enables the retailer to learn more about the consumers - their preferences and motivations when choosing a store, while the second helps to identify the competitors and specify the positioning strategies applied by them. Based on those analyses market opportunities are identified, i.e. market segments whose needs are not satisfied (market niches) or are only partially satisfied by competitive outlets. Taking into consideration the information obtained, the store manager or owner may move on to plan their own positioning strategy. There are two main reference points in the positioning process, i.e. the competitors or the customers. The first type of strategy may involve copycat actions or applying strategies that are entirely different to the ones implemented by the competitors. The second type of positioning is established based on the reasons for choosing a retail outlet given by respondents to a survey.

Business literature identifies one more model of shaping the retail outlet image – based on the owners' preferences, however, since that model disregards market realities – both in terms of customer expectations, as well as actions by the competitors – it is connected with greater degree of uncertainty and has thus met with a critical reaction (Rosenbloom, 1983).

Positioning strategies and criteria are classified in a number of ways. General positioning strategies include original positioning, imitation, adaptation and anticipation (Garbarski, 1998). Another classification takes into account the retailer's market position. Depending on whether we are dealing with a market leader, challenger, follower or a nicher, relevant marketing strategies are selected in order to build the desired image. T. Domański distinguishes between the following retail development strategies: low price, own brand, competition through quality and new generation shopping centres (Domański 2005). These strategies are usually implemented using specific retail formats – discount stores, hypermarket and supermarket chains, as well as outlets offering non-food consumer goods.

This study attempted to review store classification strategies depending on the level of competition, measured by the number of competitive outlets operating in the closest environment. The starting point for the analyses was the division of the stores under study into outlets operating in the setting of weak competition and fierce competition. The aim of the research was to establish which marketing instruments the entities analyzed consider to be most important for their strategy and whether the choice of instruments translates into the differentiating features of a given outlet. The research focused on:

- the location (place) of retail outlets,
- the product policy,
- the pricing and margin policy,
- the use of promotional tools in the process of communicating with consumers.

Location in retailing is one of the main factors determining the success of a store. Whereas the product range, prices and promotional activities can be modified relatively quickly and cheaply if they do not bring satisfactory financial results, any changes to the location entail significant costs (related, for instance, to investments) and, consequently, business risk. However, we can sometimes encounter a statement that a good location cannot replace other strategically focused company activities (Sławińska, Urbanowska-Sojkin, 1993). The choice of a venue for conducting retail operations depends on a number of factors: economic, demographic, social, urbanization, legal and communication-related. The selection of location is also determined by the nature of the products offered and the presence of

competitors. Based on an analysis the most attractive area is determined and then a specific location is chosen.

Product range decisions concern the choice of: the retail sector, product structure and the brands to be included in the range offered. They may also relate to private label goods, as in many countries private labels are no longer perceived as a cheaper substitute of manufacturers' brands, but rather as a key means of differentiation in an ever more competitive environment (Thomas, 1998). Another issue which needs to be determined is the scope of the services provided in connection with the goods (e.g.: installation, exchange, packaging), as well as value added services, emphasizing the appeal of the retail outlet (e.g. the presence of restaurants, beauty parlours, lockers for leaving clothes or luggage, car parks).

Price is another marketing mix instrument used to differentiate retail outlets. The choice of the price level, and, therefore, the price image, depends on a multitude of factors, including the pricing strategy used by the competitors, customer expectations, own costs and the forecast financial performance. Retailers are also subject to the influence of the manufacturers, who may suggest the final price. Retail pricing strategies include strategies based on constantly maintaining low prices (EDLP - every day low price) and strategies connected with periodic promotional discounts that boost the appeal of the products offered (HiLo – high – low prices).

Promotion in store is necessary to communicate with customers. The most effective forms are used in the place of sales, such as sales promotion, personal selling or advertising, but we should remember also about Internet and new chances it has created for gaining consumers attention.

Study methodology

The Polish retail sector differs from the European retail sector. The main distinguishing feature is that the sector is highly fragmented, with a large share of independent commercial enterprises, usually family-owned. In 2007 in Poland there were around 371,000 retail outlets. Enterprises operating 3 and more points of sale accounted for as little as 2% of that number (Statistical Yearbook 2008). The 2% also comprises foreign capital enterprises, which means that the remaining trade is dominated by Polish companies, operating individually or as part of small chain structures, however not fully seizing the opportunities provided by retail chains. The expansion of foreign commercial enterprises has contributed to a change in the quantitative and qualitative structure of Polish trade. A number of modern large format facilities or big franchising chains have been established, state-of-the-art new

generation shopping centers have been built. Their presence is particularly visible in large cities. Small towns, due to low demand concentration and legal barriers, have been largely neglected by large format investors for many years. At the moment, as a result of growing competition in large urban centers, there is rising interest in towns with a lower population density and the drive to establish there modern institutions and retail chain structures. This causes significant anxiety among the local independent retailers, whose main advantage remains the familiarity with the local markets and proximity to the prospective customers. This does not change the fact that with such a large number of retail outlets currently existing in Poland every retailer needs to build their own unique identity to win customer loyalty and, consequently, survive on the marketplace.

This study focused on small format outlets (measured in size of sales surface and number of employees). The fundamental reason for choosing such subjective scope of the research was that these entities dominate the structure of Polish retailing and provide a source of income for a few million of Polish citizens. These are usually small family-owned businesses with limited capital resources and limited growth. They are reluctant to join chain structures, thus narrowing down their opportunities to build a competitive advantage to strategies of independent niche enterprises. Such strategies as low cost or private label in creating a competitive advantage have limited application in that group of business entities, chiefly due to the similar level of costs borne by small retailers or lack of relations with the manufacturers (Śmigielska, 2007). Manufacturing plants that have their own outlets or representatives and can establish their own commercial brand are an exception to this rule.

The review of the positioning strategies applied was carried out based on retail outlets using formats smaller than supermarkets or hypermarkets. The study involved a random, representative sample of 503 retail outlets operating in the Wielkopolska province. A sample of 500 units is typical for regional research (edited by Mruk., 1999). The stores represented four sectors: food (51%), clothing (31%), household appliances/audio-video equipment and cosmetics (9% each). The study used the structured direct interview, conducted in retail outlets by trained pollsters. The analysis and evaluation of opinions and attitudes used the five-point Likert scale, where 1 means “I strongly disagree” while 5 – “I strongly agree” with the opinion presented. The researchers also used the semantic profile technique enabling them to carry out a comparative analysis.

Study findings

The commercial enterprises surveyed have at their disposal marketing instruments which, in the right configuration, create the desired image and positioning of the store. In an open question respondents were asked to indicate the main factor distinguishing their outlet from other points of sale. The factors were arranged in a few categories. As a result the most frequently selected factor was the product range (43% of answers), followed by the quality of service (19%) and location (place) (18%). 10% of the entities surveyed chose the price, which was followed by image (7% of answers), additional services and experience (1% each). Based on another question, closed this time, using the pair comparison method a ranking of instruments considered most important in the development of retail strategy was obtained (Dillon, Madden, Firtle, 1994). The ranking is as follows: place, price, product range and promotional activities (see Annex, Table 1). Similar results were obtained in a study carried out in Poznań among the stores located in the very centre of the city. However, the ranking differed depending on the business sector in which the store operated and the level of competition (Stefańska, 2006).

The ranking of marketing instruments presented should be reflected in the area considered by retailers to be the source of their competitive advantage. For instance those entities that pointed to the product range as their most important differentiating feature, should emphasize the manner in which they build the store's unique identity, i.e. through the product structure, its quality or brands and services comprising their offer. Disregarding at that stage the sectoral differences and the environment in which the stores operate, retail outlet owners and managers, when asked to choose the most important criteria governing the choice of an outlet by the customers, pointed to familiarity with the seller, as well as the product range and its features. These were followed by the level of prices. Accepting various means of payment and providing additional services were deemed of little significance. Therefore, the instruments indicated as a differentiating feature of a store and what the respondents deemed to be the criteria valued by the customers are not entirely compatible.

Market sectors vs. the preferred positioning instruments

The analysis of the importance of location (place), price, product range and promotional activities was also conducted for the four sectors distinguished in the study: food, clothing, household appliances/audio-visual equipment and cosmetics. The results obtained varied significantly between the distinguished cross-sections (see Annex, Tables 2-5).

The food sector yielded results comparable to the ones typical for all entities surveyed. The ranking of marketing mix instruments corresponds to the results for the general population under study. The analysis of the indicators obtained points to relatively greater importance of the price as a success factor in food retail outlets as compared to retail stores in general. The estimated value of the price indicator is in this case not much lower than for the location, whereas in the case of the general population this value was close to the value obtained for the product range.

The clothing sector also deemed location to be the most important factor. However, it was followed closely by the product range, which was considered more important than the price. The value of the price indicator estimated for the purpose of pair comparison is in that case significantly lower than in the food sector. Promotional activities, as in the case of the general population, ended up at the bottom of the ranking.

The household appliances/audio-visual equipment sector yielded results that differed materially from the ones obtained for the food and clothing industry. Price was ranked first, followed, in terms of significance, by the product range. The value of the location indicator for household appliances/audio-visual equipment stores was the lowest among all sectors compared. Once again, promotional activities in this sector, just as in the food and clothing industries, were the least significant. Such a hierarchy results from the fact that in that sector customers deal with shopping goods, purchased less frequently, but which are more expensive. Therefore the location of the retail outlet is less important than a wide range of products and attractive prices.

In the cosmetics sector price was deemed to be the biggest success factor. A slightly lower value of the indicator was estimated for store location. Interestingly, promotional activities were ranked third. Product range was considered the least important by the respondents representing the cosmetics industry.

The study findings suggest that the nature of the goods offered – whether they are purchased frequently, periodically or rarely – affects the perception of marketing mix instruments and their significance in the process of building a competitive advantage. Location (place) was deemed the most important, followed by price, product and promotion. However, this ranking does not correspond to the most frequently named differentiating features of the retail outlets surveyed – product range, prices and customer service, respectively.

Level of competition vs. positioning instruments

The study also examined how the number of competitors affects the ranking of marketing instruments. Due to vast differences in the number and spatial distribution of retail outlets in the sectors surveyed, it was assumed that low competition occurs in a situation when within a ten minute walking distance there are: four food stores, five clothing stores, one outlet offering household appliances/audio-visual equipment and three drugstores. Should the number of competitive outlets be greater than specified above, this was considered high competition.

The findings suggest material differences in the perception of retail outlet success factors depending on the level of competition (see Annex, Tables 6-7). In case of high competition location (place) was deemed most important. The runner-up spot was taken by prices, followed by the product range. Promotional activities were considered the least significant. On the other hand, in a relatively low competition setting the price was believed to be the most important success factor, followed by location (place), product range and promotion.

Differences in the ranking of significance of retail outlet success factors depending on the number of competitors were observed in three out of four sectors analyzed (see Annex, Table 8). Only the household appliances/audio-visual equipment sector yielded the same results regardless of the level of competition. In the remaining industries a decline in the number of direct competitors resulted in a lower ranking for location (place), which was replaced at the top spot by price or product range. In the food and cosmetics sectors location (place) dropped to the second spot and was overtaken by price. In the clothing sector location (place) switched positions with the product range. Price continued to be ranked third, the same as in the case of high competition.

The relatively lower significance of the pricing policy in the case of a greater number of direct competitors reflects rational decisions by entrepreneurs. In such a situation the local market experiences monopolistic competition. In accordance with the monopolistic competition model, a reduction in price by one entity causes a reaction of the remaining entities. Widespread price reductions contribute to a drop in the profit margin earned by all retail outlets. In extreme cases this may even lead to a price war, detrimental to all entities concerned. In a monopolistic competition setting competing by price reductions is therefore irrational. Companies should instead focus on non-price competition (Klimczak, 2006). In case of a smaller number of competitors on the local market, it is more common to encounter structures resembling oligopoly or monopoly. In case of oligopoly, price competition may not

be ruled out (Varian, 1997). In certain circumstances price reductions can be beneficial for one of the oligopolists (e.g. having low costs) and cause no reaction of the remaining market players. An appropriate pricing policy is also the condition for maximizing profit in a local monopoly setting (Samuelson, Marks, 2009). Hence the conviction that the price constitutes the most important success factor in the case of weak competition reflects the rationality of decisions taken by the entities surveyed.

The growing significance of location (place) together with rising competition may result from the respondents' belief that customers are not interested in comparing the products offered by all outlets representing a given sector on the local market and decide to make a purchase in an outlet with the most convenient location, which they visit first. An outlet with a less convenient location cannot hope for its product range to reach and be noticed by all prospective customers, even if its products and prices stand out favourably against other stores with a better location. This is probably the consequence of fragmentation of the Polish retail trade, which occurred in the nineties of the previous century.

The lower the competition, the bigger the probability that customers will compare the offer of all local competitors, which adds significance to such marketing mix instruments as price and product range. This is particularly true of smaller towns, where the local customers' familiarity with the products offered by the individual stores is much greater than in large cities. In small towns attractive prices and products may help to attract loyal customers, regardless of the retail outlet location. In the centers of large cities, characterized by high density of retail outlets, many customers do their shopping in a given point of sale only occasionally and are not interested in detailed comparison of the products offered by the individual stores. After checking the offer of a few outlets with the most convenient location they make their purchasing decisions. Therefore an attractive offer is not nearly as significant as in the case of locations with less intense competition.

Self image vs. competitors image in view of market positioning factors

One of the concepts of the positioning strategy is based on the comparison against the competitors. The entities surveyed rated their own stores higher than those of their rivals. Regardless of the sectoral criterion, they perceived their own outlet as having a better image (see Annex, Table 9). The biggest differences were noted in the rating of unique ambience and sales staff, while the smallest concerned the location and promotional activities. The selection of the right location (place) is of particular importance when deciding to launch business operations. However, in the case of existing retail outlets their owners do not intend

to change the location. In such circumstances the outlet may employ other positioning strategies, i.e. the pricing, product and promotional policy. Moreover, if the retailers judged the competitors more harshly in terms of their location, they would undermine their own rating in this respect. It is worth noting that when evaluating competitive outlets the value of standard deviation was high, which means that the respondents were not unanimous in their rating of the potential of retail outlets operating in the same sector.

When it comes to promotional activities, the rating given to retail outlets is fairly similar, which suggests that stores do not perceive promotion as the source of their competitive advantage. Hence the cautious assessment of that factor. Location and promotional activities are rated as most similar, whereas the ambience and staff are considered unique resources which contribute to gaining a competitive advantage.

According to the respondents, one of the key factors in building a competitive advantage of retail outlets is the familiarity of the customer with the seller. It is followed by the product range and the level of prices. At the same time it turns out that retailers operating small format stores do not seek their competitive advantage in providing additional services. This may be due to the nature of services, which are intangible, non-durable and cannot be stored. Moreover, they are difficult to standardize and evaluate (Mazur, 2002). Most importantly, however, the process of service provision is inextricably linked with human presence, which means that offering services would require expanding the scope of duties of existing personnel or entail the need to hire new staff with relevant qualifications.

The assessment of self image and the image of competitive outlets in view of the business sector

The assessment of the retail outlet's own image as compared with the image of competitive stores varies depending on the sector in which the retailers operate and the existing level of competition (see Annex, Charts 1-4 and Tables 10-13). Stores operating in the food sector in a fierce competition setting rate their own image higher and show greater respect for the competitors. While food outlets operating in a weak competition setting pass harsher judgment on their rivals and tend to distance themselves from competitors, outlets which rate their competitors as strong believe that in certain respects, such as location (place) or promotional activities, there are no significant differences between them.

As in the case of food outlets, clothing stores which operate in a weak competition setting evaluate their rivals more harshly. A comparative analysis of clothing outlets indicates similarities in the assessment of own stores regardless of the level of competition. Differences

in the rating arise in case of the last three factors. Strong competition is rated more highly by respondents that appreciate its existence, nevertheless the rating given is still below the average estimated for own stores.

The ratings given to own stores and competitive stores in the household appliances/audio-visual equipment sector vary substantially. Respondents operating in a strong competition setting rate their own stores higher than the competitive stores. The highest rating is given to sales staff and location (place), followed by unique ambience. The lowest score has been given to promotional activities, nevertheless it is still higher than the one assigned to the rivals. In case of weak competition, the greatest differences in the assessment of own and competitive stores have been observed in the unique ambience and sales staff category, in favour of own stores.

The ratings of stores in the cosmetics sector, when taking into account the level of competition, differ from previous results. The differences in the rating of own and competitive stores in a strong competition setting are smaller than in the case of the household appliances/audio-visual equipment sector. What is more, this is the first time the competitor was rated higher in terms of their location (place) and promotional activities.

Conclusions

The article attempted to assess the role played by the sector in which retailers operate in the choice of the instruments used to build a competitive advantage. The research findings presented concern smaller retail outlets, representing the so-called traditional trade, involving independent retailers. These outlets operate on local markets characterized by a higher density of stores located on a relatively small area, hence the greater proximity to the competitors.

The study findings suggest that the nature of the goods offered affects the perception of marketing mix instruments and their significance in the process of building a competitive advantage. It's an important message to managers, who decide about the type of store sector in which they plan to operate. Generally location (place) was deemed the most important, followed by price, product and promotion. However, this ranking does not correspond to the most frequently named differentiating features of the retail outlets surveyed – product range, prices and customer service, respectively. The main determinant indicated by managers is connected with product, but at the same time, in other question, location seems to be, for them, the key to success. One of the explanation is that location belong to non tangible factors, which cannot be modified in short time, so the only chance to compete successfully is by concentration on other marketing tools.

The findings indicate differences in the preferred areas for building a competitive advantage. These differences become particularly apparent when distinct segments of retail outlets operating in a strong or weak competition setting are distinguished in addition. Although location is considered a key factor in retailing, in the case of shopping goods – i.e. household appliances/audio-visual equipment – location was rated third in the order of importance. The research shows, that when the competition becomes harder then managers should analyze again what builds their competitive advantage. The lower the number of competitive outlets, the greater the importance of price and location. Managers should know, that customers may be then more active in market research to gather and compare pieces of information. The fiercer the competition, the more significant becomes location, followed by the pricing policy. Then the winner is the store which location is more attractive for target market. It may be also important, when manager decides to change the sector and offer different products than so far- then its competitive advantage may be weaker or stronger – up to the type of location.

The managers and owners of such outlets are likely to benefit from paying greater attention to the strengths and weaknesses of their rivals. They should also focus on the specific sources of their own competitive advantage, since the study findings indicate discrepancies between the rating given to the sources of competitive advantage in general and the rating of own stores.

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Annex

Table 1. Ranking of marketing mix instruments - All outlets surveyed

	Product range	Price	Promotion	Place
Product range	X	-0,15	-0,25	0,36
Price	0,15	X	-0,33	-0,03
Promotion	0,25	0,33	X	0,47
Place	-0,36	0,03	-0,47	X
Sum	0,040	0,210	-1,050	0,800
Average	0,010	0,053	-0,263	0,200
Indicator	0,273	0,315	0,000	0,463
Ranking	3	2	4	1

Source: Own research findings

Table 2. Ranking of marketing mix instruments – food stores

	Product range	Price	Promotion	Place
Product range	X	-0,07	-0,24	0,40
Price	0,07	X	-0,58	-0,13
Promotion	0,24	0,58	X	0,47
Place	-0,40	0,13	-0,47	X
Sum	-0,090	0,640	-1,290	0,740
Average	-0,023	0,160	-0,323	0,185
Indicator	0,300	0,483	0,000	0,508
Ranking	3	2	4	1

Source: Own research findings

Table 3. Ranking of marketing mix instruments - clothing sector

	Product range	Price	Promotion	Place
Product range	X	-0,30	-0,43	0,38
Price	0,30	X	-0,34	0,15
Promotion	0,43	0,34	X	0,17
Place	-0,38	-0,15	-0,17	X
Sum	0,350	-0,110	-0,940	0,700
Average	0,088	-0,028	-0,235	0,175
Indicator	0,323	0,208	0,000	0,410
Ranking	2	3	4	1

Source: Own research findings

Table 4. Ranking of marketing mix instruments - household appliances/audio-visual equipment stores

	Product range	Price	Promotion	Place
Product range	X	-0,16	-0,13	0,06
Price	0,16	X	-0,60	-0,23
Promotion	0,13	0,60	X	-0,03
Place	-0,06	0,23	0,03	X
Sum	0,230	0,670	-0,700	-0,200
Average	0,058	0,168	-0,175	-0,050
Indicator	0,233	0,343	0,000	0,125
Ranking	2	1	4	3

Source: Own research findings

Table 5. Ranking of marketing mix instruments –cosmetics stores

	Product range	Price	Promotion	Place
Product range	X	0,15	0,28	0,39
Price	-0,15	X	-0,41	0,16
Promotion	-0,28	0,41	X	0,28
Place	-0,39	-0,16	-0,28	X
Sum	-0,820	0,400	-0,410	0,830
Average	-0,205	0,100	-0,103	0,208
Indicator	0,000	0,305	0,103	0,413
Ranking	4	2	3	1

Source: Own research findings

Table 6. Ranking of marketing mix instruments –high competition

	Product range	Price	Promotion	Place
Product range	X	-0,05	-0,26	0,45
Price	0,05	X	-0,56	0,10
Promotion	0,26	0,56	X	0,45
Place	-0,45	-0,10	-0,45	X
Sum	-0,140	0,410	-1,270	1,000
Average	-0,035	0,103	-0,318	0,250
Indicator	0,283	0,420	0,000	0,568
Ranking	3	2	4	1

Source: Own research findings

Table 7. Ranking of marketing mix instruments –low competition

	Product range	Price	Promotion	Place
Product range	X	-0,18	-0,23	0,25
Price	0,180	X	-0,43	-0,17
Promotion	0,230	0,43	X	0,18
Place	-0,25	0,17	-0,18	X
Sum	0,160	0,420	-0,840	0,260
Average	0,040	0,105	-0,210	0,065
Indicator	0,250	0,315	0,000	0,275
Ranking	3	1	4	2

Source: Own research findings

Table 8. Indicators for marketing mix instruments

Sector	Competition	Product range	Price	Promotion	Place
Food	Low	0,223	0,368	0,000	0,280
	High	0,363	0,595	0,000	0,723
Clothing	Low	0,395	0,248	0,000	0,358
	High	0,250	0,208	0,000	0,483
Household appliances/audio-visual equipment	Low	0,203	0,368	0,000	0,080
	High	0,248	0,320	0,000	0,153
Cosmetics	Low	0,000	0,250	0,108	0,213
	High	0,000	0,325	0,018	0,558

Source: Own research findings

Table 9. The image of own store and the nearest competitor

All outlets surveyed	Own store		Competitive store	
	average	standard deviation	average	standard deviation
Product range quality	4,30	0,86	3,52	1,27
Product range width	4,07	0,98	3,51	1,26
Product range depth	3,97	0,99	3,38	1,24
Attractive prices	3,99	0,97	3,25	1,24
Location (place)	4,00	1,10	3,72	1,33
Promotional activities	3,28	1,19	3,03	1,26
Sales staff	4,50	0,90	3,16	1,29
Store design	3,89	0,97	3,28	1,24
Unique ambience	4,25	1,01	2,87	1,25

Source: Own research findings

Table 10. The image of own store and the nearest competitor–food stores

Food stores	Low competition		High competition	
	Own store	Competitive store	Own store	Competitive store
Product range quality	4,2	3,2	4,4	3,8
Product range width	4,0	3,3	4,2	3,7
Product range depth	3,8	3,1	3,9	3,5
Attractive prices	3,7	3,0	3,9	3,6
Location (place)	3,9	3,4	3,8	3,8
Promotional activities	3,1	2,8	3,2	3,3
Sales staff	4,4	3,0	4,5	3,5
Store design	3,8	3,1	3,9	3,3
Unique ambience	4,1	2,9	4,1	2,9

Source: Own research findings

Table 11. The image of own store and the nearest competitor -clothing stores

Clothing stores	Low competition		High competition	
	Own store	Competitive store	Own store	Competitive store
Product range quality	4,3	3,4	4,3	3,7
Product range width	3,9	3,2	3,9	3,7
Product range depth	4,1	3,2	4,1	3,7
Attractive prices	4,1	3,0	4,2	3,5
Location (place)	4,1	3,6	4,2	4,4
Promotional activities	3,4	2,7	3,5	3,2
Sales staff	4,5	2,9	4,7	3,6
Store design	3,8	3,1	4,2	3,6
Unique ambience	4,2	2,9	4,5	3,2

Source: Own research findings

Table 12. The image of own store and the nearest competitor– household appliances/audio-visual equipment stores

Household appliances/audio-visual equipment stores	Low competition		High competition	
	Own store	Competitive store	Own store	Competitive store
Product range quality	4,3	3,4	4,3	3,5
Product range width	4,1	3,6	4,2	3,6
Product range depth	3,5	3,4	4,2	3,5
Attractive prices	4,3	3,4	4,3	3,2
Location (place)	4,1	3,3	4,5	3,8
Promotional activities	3,0	2,5	3,7	3,2
Sales staff	4,3	2,7	4,7	3,0
Store design	3,6	3,1	3,8	3,4
Unique ambience	4,0	2,5	4,4	3,0

Source: Own research findings

Table 13. The image of own store and the nearest competitor –cosmetics stores

Cosmetics stores	Low competition		High competition	
	Own store	Competitive store	Own store	Competitive store
Product range quality	4,7	3,7	4,2	3,7
Product range width	4,7	3,7	4,0	3,8
Product range depth	4,5	3,7	4,0	3,6
Attractive prices	4,1	3,4	4,0	3,6
Location (place)	4,2	4,0	3,8	4,0
Promotional activities	3,8	3,6	3,3	3,7
Sales staff	4,7	2,7	4,7	3,1
Store design	4,1	3,4	3,9	3,4
Unique ambience	4,5	2,5	4,5	2,6

Source: Own research findings

Charts 1-4. The image of own store and the nearest competitor

Chart 1. The image of own store and the nearest competitor - comparison
Food sector

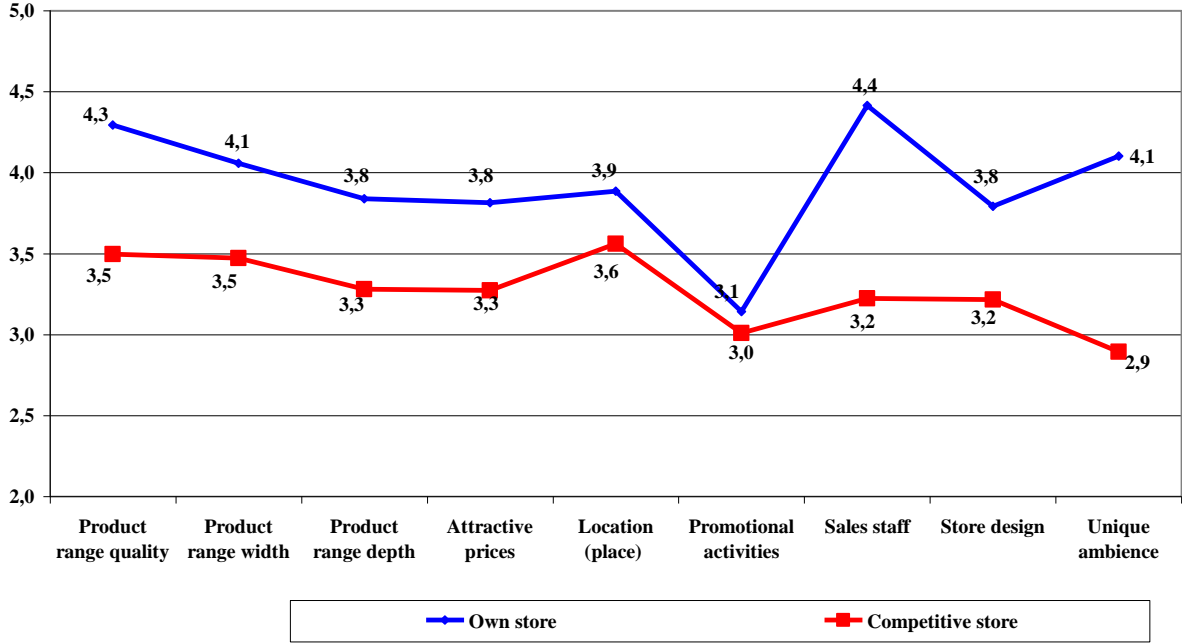


Chart 2. The image of own store and the nearest competitor - comparison.
Clothing sector

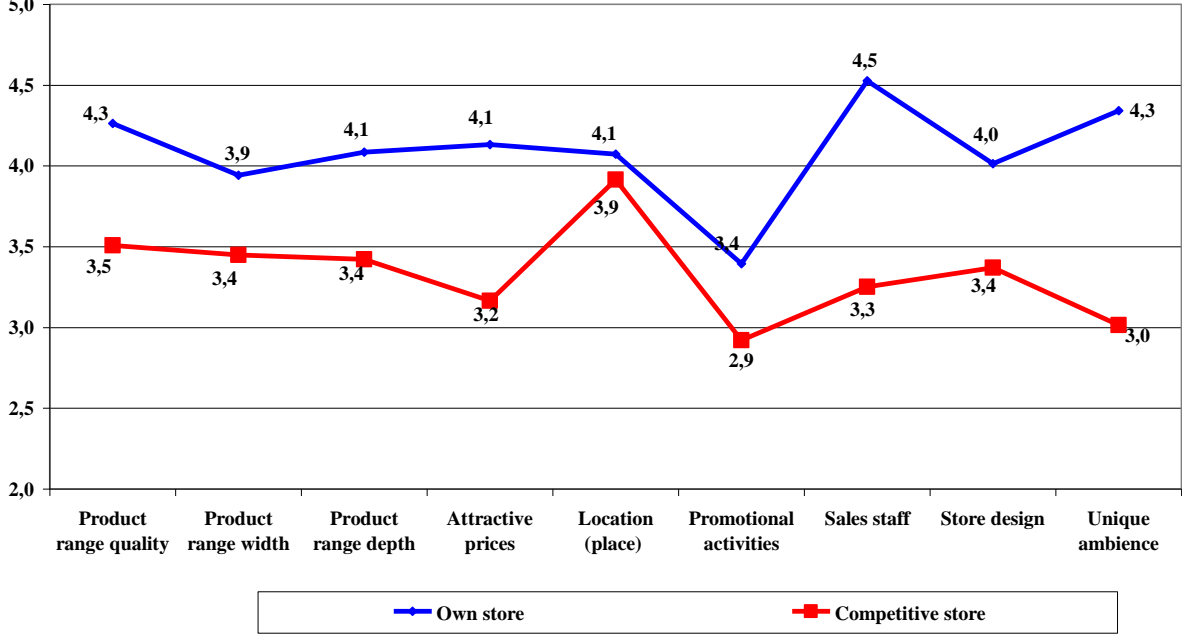


Chart 3. The image of own store and the nearest competitor - comparison.
household appliances/audio-visual equipment sector

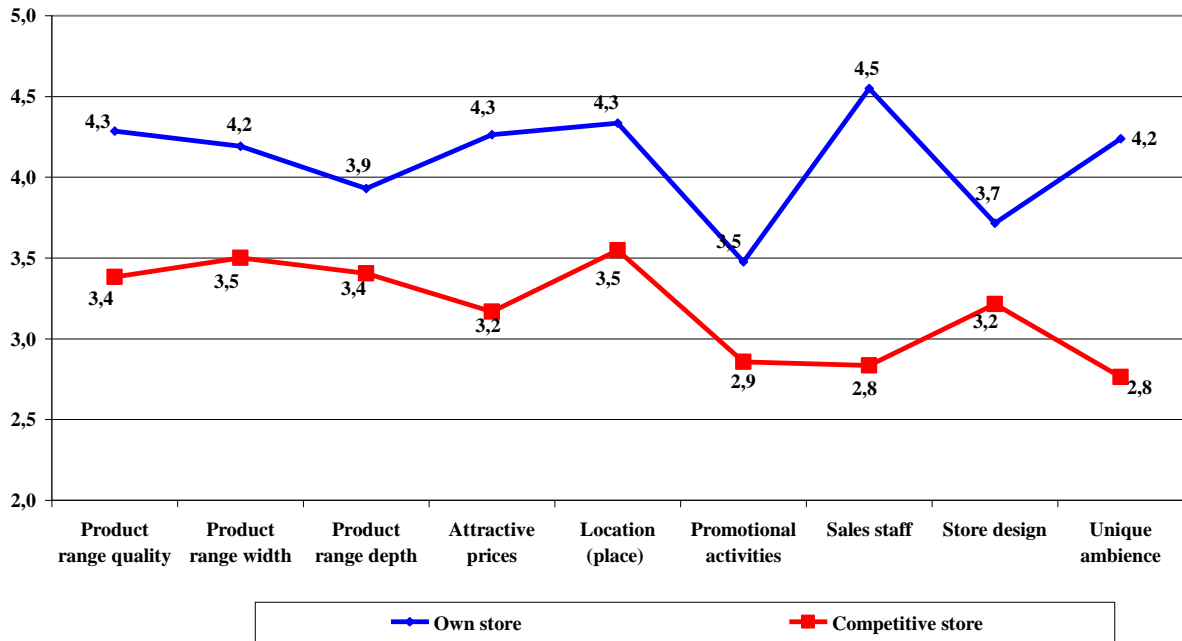
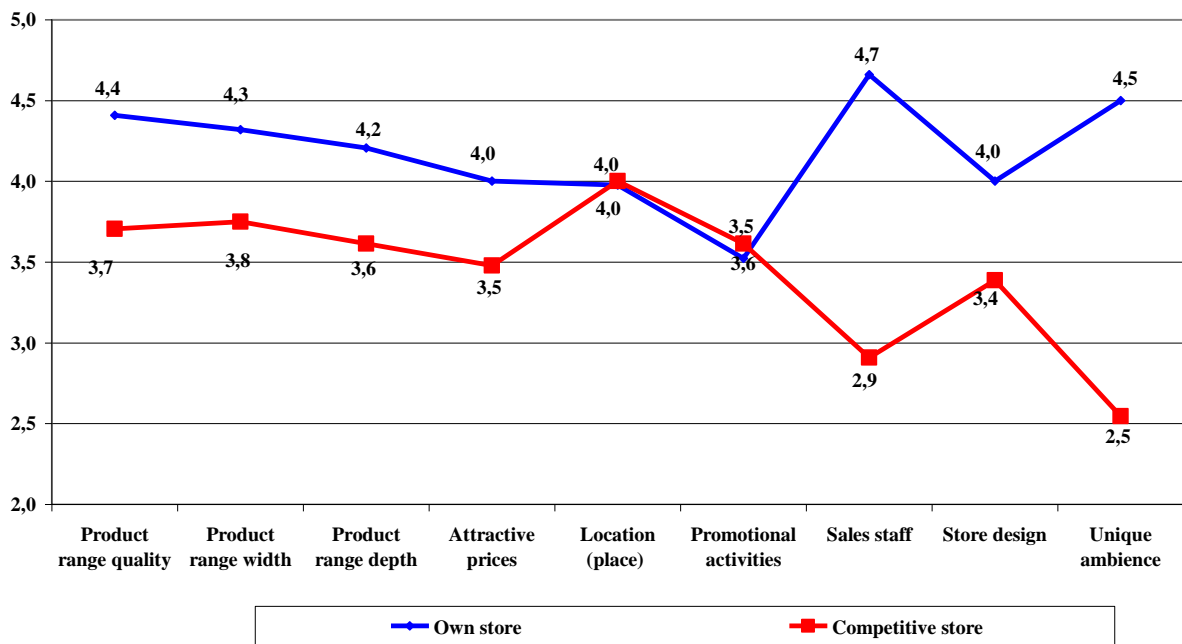


Chart 4. The image of own store and the nearest competitor - comparison.
Cosmetics sector



Source: Own research findings