UNIVERSITI TEKNOLOGI MARA

THE INFLUENCE OF RETAIL MARKETING MIX ON STORE PATRONAGE: INVESTIGATING THE MODERATING ROLE OF ETHNICITY AND ETHNOCENTRISM

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DBA

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AUTHOR'S DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

Convenience store at petrol station is an important income streams for both retailers and petroleum retailing companies. The impact of higher store patronage is an increased of sales, thus increase the earning capacity of the retailer. It is a critical activity for retailers and petroleum retailing companies to formulate the best strategies to increase the store patronage level. For petroleum companies to come out with the fit for purpose strategies, references from past researches and articles will be key. However, at the heart of the issue faced by the petroleum retailing companies currently is that there are very limited and scarce researches that focused on store patronage at convenience stores located within the vicinity of petrol stations. The lack of management and academic data in this setting is a concern specifically in the petroleum retailing industry. This research explored on the relationship of seven elements of the retail marketing mix on the dependent variable of store patronage, with ethnicity and ethnocentrism as the moderators. It studied the relationship specifically for convenience stores at Shell petrol stations within Peninsular Malaysia. The data was gathered from survey questionnaire, and a total of 456 valid responses were collected and analyzed. Both descriptive and inferential statistics were deployed to analyze the full data. Hierarchical Multiple Regression was used to test nine hypotheses developed for the research. Out of the seven variables, only three variables that are 'price', 'place' and 'brand' have direct significant relationship with store patronage. Two additional variables that are 'communication' and 'incentives' were found to have significant moderating relationship when ethnocentrism is included as the moderator variable. The other moderator variable that is ethnicity was found to only have moderation effect for relationship between price and store patronage. The results of the study suggested that higher focus need be given to pricing and branding strategy as well as all elements that falls under the variable of place, in order to increase the store patronage by customers.

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