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Looking Behind the Scenes of Shop-in-Store-Concepts: Conceptual Framework Outlining Four Routes to Success

Marco Mossinkoff
University of Amsterdam, The Netherlands

Willem Smit
Erasmus University, The Netherlands

Abstract

Increasing retail concentration and the growing reliance of both producers and retailers on their brand make producer-distributor relationships in many fast moving goods industries a critical factor for delivering customer value. A shop-in-store agreement (SISC) is a clear example of how collaboration between producer and distributor is developing to become a long-term oriented working partnership. Research on such kind of working partnerships has been conducted focussing on the marketing-mix elements that determine the success of such retail concepts. We want to extend the analysis of a SISC including the concepts of structure of the relationship, fairness and consider success as consisting of satisfaction and commitment. An extention of the extant literature is proposed based on insights from the marketing channels literature. Four routes to success are proposed as a result: 1) one winning format; 2) one winning arrangement structure; 3) fair division of outcomes; and 4) fair dealings with partner.

Keywords: shop-in-store, concession, co-operation, retail

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1 Introduction

"Consumers have become media wary and are delaying purchasing decisions until they get into the store!" (Cobb, 1997: p. 30). In many industries, that is why brand manufacturers really are rethinking ways to reach consumers directly and permitting them to make a clear brand and price statement at the time of the purchase.

However, retailers have gained more power reflected in shifting of margins to retailers (e.g. Kadiyali, Chintagunta & Vilcassim 1999) and also in the upcoming importance of retailers own brands (e.g. Narasimhan and Wilcox 1998, Hewitt 1993). Not merely based on concentration of buying power and efficient logistics, retail power also is founded on their direct consumer contact and consequently knowledge and branding capabilities.

The rising need for having direct consumer contact and the increase of retail power has placed the brand manufacturers in a problematic situation. Despite the retail power increase they could still develop their own direct channels – roll out their own format (e.g. opening of fashion-brand outlets in prime city locations) and invest in B-to-C internet-channels. Undoubtedly, that strategy deteriorates retail relationships and causes serious channel conflicts. One way of circumventing these difficulties and simultaneously leveraging on the retailer's competencies is setting up *stop-in-store concepts* within existing retail outlets.

Popular publications and current research have reported only on consumer reactions to *shop-in-store concepts*, mainly in retail marketing and co-branding literature (e.g McGoldrick, 1987; Rao and Ruekert, 1994; Dobbs et.al, 1991). The logic behind this approach is that making the shop-in-store concept matching to consumer expectations will yield benefits to both partners.

We argue however, that this view is rather limited to explain success of these types of *shop-in-store* collaborations. Also the structure of the working relationship has to be considered.

Purpose of this paper is to unfold an extended theoretical framework determining the success factors of the working relationship behind *shop-in-store concepts*. Our framework suggests four routes-to-success. The first route "one-winning format" is advocated by current research and proposes delineating a store-in-store concept maximizing added value to both brands.

The second route “one-winning-arrangement” implies that no matter what type of format both partners install, structure of the working relationship is the sole determinant for success. The third and fourth routes look for compromises between the former two routes and investigate the role of fairness.

While these developments are present in various industries (e.g. food, fashion), we specifically look at research collaborations in the fashion industry, where these practices are more common. At the conference, we wish to discuss ideas about the presented model, operationalizations of variables, survey methods to increase response rate, and research setting.

1.1 Definitions

Before introducing our research model, we want to clarify the specific marketing-mix terminology that we employ: *shop-in-store* concept (hereafter SISC), retailing mix, brand manufacturer and host retailer. Later we will introduce related to the structure of the working relationship.

In the popular press multiple names exist that typify stop-in-store concepts. Examples are concessions, shops-within-shops, instore-concepts. Frequently, the term concessions assumes to be synonymous with 'leased departments' in stores in the United States (Davidson, Doody, and Lowry, 1970); and shops-within-shops are occasionally defined as “a space which a host retailer lets to another retailer, wholesaler or manufacturer so that the hirer of the space may sell goods under his own name.” (Mintel, 1985)

Since “the relationships and contracts established differ very considerably” (McGoldrick, 1987: p.291) and based on our interviews, we argue that the aforementioned definitions do not account for the existent multitude of arrangements. Therefore, our definition addresses shop-in-store concepts as an arrangement between the retailer and the manufacturer and includes both intentions of partners and their inter-organizational linkages.

We start by giving the definition emphasizing the intentions of both partners to operate a retail marketing concept that well presents and sells both brands and hence stems from the more familiar definition of ‘store concept’. A store concept is “*the balanced composition of the marketing (retailing) mix of a retailer, in a way that the targeted consumer receives a clear and recognizable image of the store*” (Van der Kind, 1996, p. 93). Our definition is:

> “A shop-in-store-concept is the balanced composition of the retailing mix resulting from a long term joint effort of a (brand) manufacturer and retailer, in a way that the targeted consumer receives a clear and recognizable distinct image of the SISC, apart from the larger store in which the SISC is located.”

Note that necessary conditions for an arrangement to be a SISC are (1) the location of the SISC is within a larger (host) store and (2) it is seen as a distinct part of the (host) store. Table 1 shows that brand manufacturers can offer various types of SISC to its retail channel members. Furthermore, it is clear that putting in place and operating such a concept obliges both partners to making serious investments.

TABLE 1 CASE DESCRIPTION YOUNG STYLE FASHION

*Case: Young style fashion Benelux**

Organization

Young Style Fashion (YSF) Benelux is the sales organization for Young Style Fashion Europe. The Benelux organization is basically divided in two parts. The first one is *wholesale operations*, serving departments stores (Bijenkorf, Inno), multibrand store chains (e.g. Sting, Lady Sting), and catalog-order organizations (e.g. Wehkamp) in all three Benelux markets. The second part is called *retail operations*, serving its own (flagship) stores and 30 franchise stores. Flagship stores are located in high-street-locations in Benelux's main cities. YSF objective is to market a lifestyle, and subsequently these stores are transformed in 'department stores' selling more and more other product categories than apparel. On average, locations are 1,200 – 1,500 sq meter. Total items (categories carried) depend on (estimated) sales per sq. meter.

Product line

YSF launches 6 collections a year, every two months. It markets collections for three women collections, two men, one kids. Product line extensions are shoes, accessories (watches, jewelry, bags).

Shop-in-store formats

Serving their major account, YSF's wholesale operations offers the opportunity to retailers to choose from three kinds of shop-in-store formats. From large (in size and investment) to small:

1. *Shop-within-a-shop;* this type comprises of an visually shop-within-a-store. YSF currently operates several in major department stores.
2. *ID-corner*; it comprises 15-40 sq.m. within a store. Design (busts, wardrobes) of that part of the store is partly paid by the retailer, and is bought from YSF and amounts to 11,000 DM (€ 5,600). YSF helps installing by means of its Visual Merchandise department, and continues to give directions on the outlook of the ID-corner through seasonal manuals. Control from YSF comes from the area manager. The goal for sales is approx. 8,000 guilders per sq. meter (€ 3,630).
3. *Depot*; no significant changes to the retailer's store, only soft-ID-signing is used.

If the retailer installs a shop-in-store format, it signs a contract, also specifying the requirement to purchase a certain minimum each collection.

* Because of reasons of confidentiality the name used here is fictitious.

These investments and continuous coordination are made tangible by the offered retailing mix of the SISC. "The retailing mix is, (…), the composite of all effort which was programmed by management and which embodies the adjustment of the retail store to its market environment." (Lazer and Kelley, 1961). Handbooks in retail management operationalize the retail mix in submixes of the retail proposition: price, product (assortment offering), personnel, place (here: location in store), physical distribution, presentation and promotion.

In the above-mentioned Young Style Fashion-case, the retailer agrees to reserve a fixed part of the store for the brand, buys the fixture from its supplier and guarantees a minimum order each season. The manufacturer trains the retailer's personnel.

In most cases, the *brand manufacturer* is the party that owns the brand and specifies the requirements of the *shop-in-store* concept. The *host retailer* is the retailer, who puts the the shop-in-store-concept in place and is responsible for local operations (i.e. the store as a whole). Continuous coordination and relation-specific investment from both partners remain necessary for the SISC to become and stay successful.

2 Review relevant literature

Although, the employment of shops-in-store, shops-within-shops, concessions is widely spread, little research explaining success exists in this field. We found one specific study by McGoldrick (1987) and have observed relevant parallels with research in branding alliances.

2.1 The study by McGoldrick

To the best of our knowledge, one study has investigated this topic. Based on work from Good (1985), McGoldrink (1987) developed a framework and has tested empirically consumer's reactions. The empirical investigation was aimed at testing the managers' assumptions – and hopes – that consumers would not be aware of the difference between the shop-in-store concept and the own-operated store departments. The study shows that almost 80% of the respondents are aware of 'shops-within-shops'. In accordance with expectations, frequent and younger shoppers are more aware of the difference. When asked about their preferences between shops-within-shops or own store departments, over 70% of the shoppers indicated that they had no such preference. Only 10% said to favor a shop-within-shop. Interestingly, 20% of all people interviewed thought that service in a shop-within-shop offers better service.

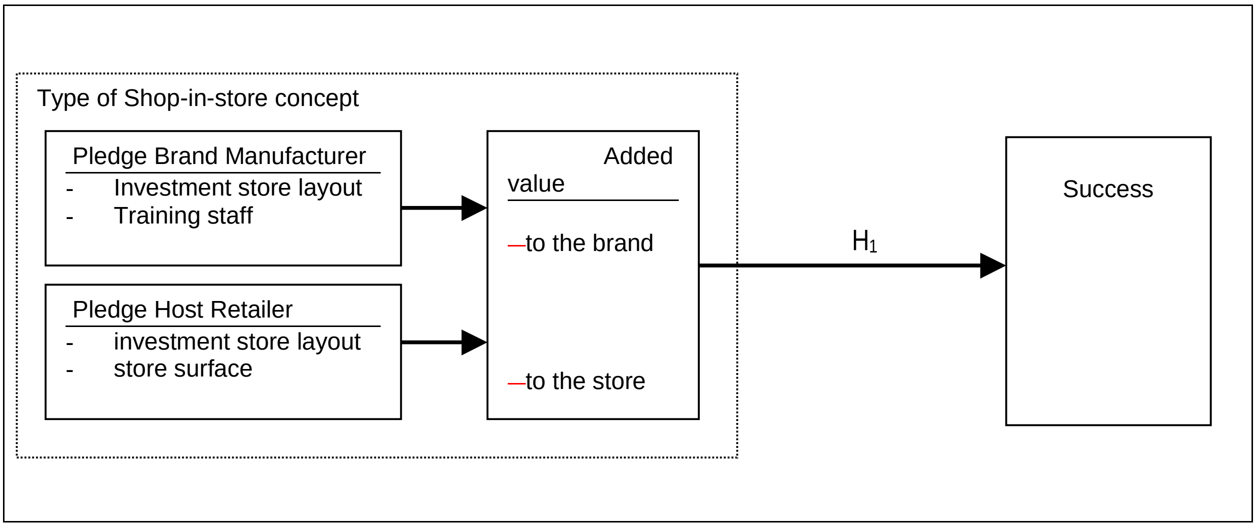
Research on branding alliances

Shop-in-store concepts are related to co-branding strategies. For in fact, it can be considered as two brands (retailer and manufacturer) teaming up. In that sense, "it might be seen as the ultimate form of cooperation between two firms by making the relationship highly visible [and staking] their reputations on the outcome." (Park et.al, 1996). One of the major concerns in brand alliances is how to maximize the brand's monetary value by forming synergetic coalitions with other brand names (Rao and Ruekert, 1994).

Three studies have investigated the determinants for success of co-branding (Rao and Ruekert, 1994; Park et.al., 1996; Venkatesh, et.al. 2000). First, Roa and Ruekert (1994) argue that brand names are instruments that signal 'hidden information' and when co-branding is used to signal incremental quality of the joint (retailer-manufacturer) proposition, a sufficiently large number of current or potential buyers who are concerned about product quality is crucial to have impact. Second, Park et.al. (1996) draw on categorization theory and emphasize the attributes of the 'composite brand' having impact on consumer perceptions and evaluations. Similar to Roa and Ruekert (1994), Venkatesh et.al. (2000)'s dynamic model on co-marketing alliances also studies the influence of context variables (e.g. market size) on the success of brand alliances. In addition to the potential market size requirements, they demonstrate that variables capturing shift in preference (from one brand to the other) determine success for each partnering brand.

Confirmation of the positive effect of co-branding on consumer preferences is given by a study from Dobbs, Monroe and Grewal (1991). Their experiments show that favorable brand and store information (that is, extrinsic cues as brand name and store name) positively influence perceptions of quality and value. Since, our objective is to investigate the success of *shop-in-store concepts*, in essence figure 1 gives a rough outline of the insights provided by the above-mentioned studies. Mutual pledges in terms of investments and training will lead to changes in consumer perceptions and evaluations. The modification in consumer perceptions and evaluations represented by 'added value to the brand and the store' is implicitly followed by an approving assessment of both partners.

FIGURE 1 RESEARCH MODEL (part I)



While all of these studies point to favorable effects on consumer evaluations, McGoldrick (1987)'s and our interviews with managers indicate that this view is rather limited. Perhaps, we could even state that positive changes in consumer perceptions are just one of the necessary conditions for success. Clearly, other benefits that play a role lie in the field of flexibility for the retailer, easy market access for the brand manufacturer, and so on.

Table 2 also gives a list of potential difficulties. Some relate to problems of coordination: f.e., less control over stock levels and prices, increased administration for store managers, retailer attempts to de-emphasize or disguise the concession, difficulty in advertising locations. In SISC-arrangements these problematic situations can affect the overall success and these risks should not be disregarded.

TABLE 2 POSSIBLE ADVANTAGES AND PROBLEMS

VIEWPOINT HOST RETAILER

Possible Advantages	Possible Advantages
• Flexibility through short-term contracts • Use of expertise in buying and merchandising • Ability to learn from outside expertise • Provide specialization within diversity • Tactical response to life-style retailing by multiples • Opportunities for clearer segmentation and positioning • Well-known names provide attraction to the store • Add further interest and excitement to the store • Benefits from concessionaire's (i.c., brand manufacturer's) advertsing and promotion • Lower prices through greater buying power or vertical integration • Superior quality of displays and promotions • Better quality staff • Additional staff motivation through rivalry • Constant pressure upon concession to perform • Reduction in staff wage and training costs to retailer • Reduction in fixture and fitting costs to retailer • Reduced risk of unsold stock • Guaranteed income for store • More productive use of excess or 'dead' space • Higher profit per sq.m. than own department	• More difficulty to establish/maintain coherent image for store • Excessive diversity of design formats in store • Bad concession can seriously damage reputation • Mismatch between concession merchandise and store • Increased confusion in store layout • May become a substitute for real innovation • Diversion of sales from own departments to concessions • Less control over stock levels and prices • Staff less/not loyal to store • Antagonism between concession and store staff • Increased administration for store management • Reduction in realized gross margin may lead to lower net profit

VIEWPOINT BRAND MANUFACTURER

Possible Advantages	Possible Advantages
• Minimizes risk of market entry • Benefits of existing customer flow in store • Synergistic combination of concession and store images • Allows market test before developing own outlets • Provides direct contact with, and knowledge of, customer needs • Sales staff more appropriately trained and more loyal • More control over selling/display environment • Benefits from store advertising and promotions • Can concentrate upon specialist manufacturing/retailing • Staff may be deployed between various concessions in area • Retailer may assist with staffing during sickness/holidays • Benefits from store security, cash control, and credit system • Manufacturer can derive profits at production and retailing stages • Costs mostly known in advance • Avoids the hidden costs of running outlets • Lower overhead costs • Low initial start-up costs	• Short-term contract, not a long term channel strategy • Vulnerable if reliant upon single or few host retailers • Retailer may learn from expertise, then develop their own • Danger of take-over by host retailer • Slower way of establishing a national name than own outlets • Ambience or market position of store may not be suitable • Retailer attempts to de-emphasize or disguise the concession • Retailer influence upon design formats • Standard uniforms may not be appropriate • Retailer restrictions on stock carried to reduce in-store competition • Difficulty in advertising location of concessions • Consumers may have less confidence in after-sales service • Conflicts between store and concession staff • Uncertainty about host retailer affecting concessionaire's share prices

Source: McGoldrick (1987)

3 Theoretical Framework: four routes-to-success

To increase our understanding of these arrangements, first we append other characteristics: the inter-organizational linkages as decision-making structure and the degree integration of operations. Second, we introduce our research model and continue to describe our dependent variable 'success'.

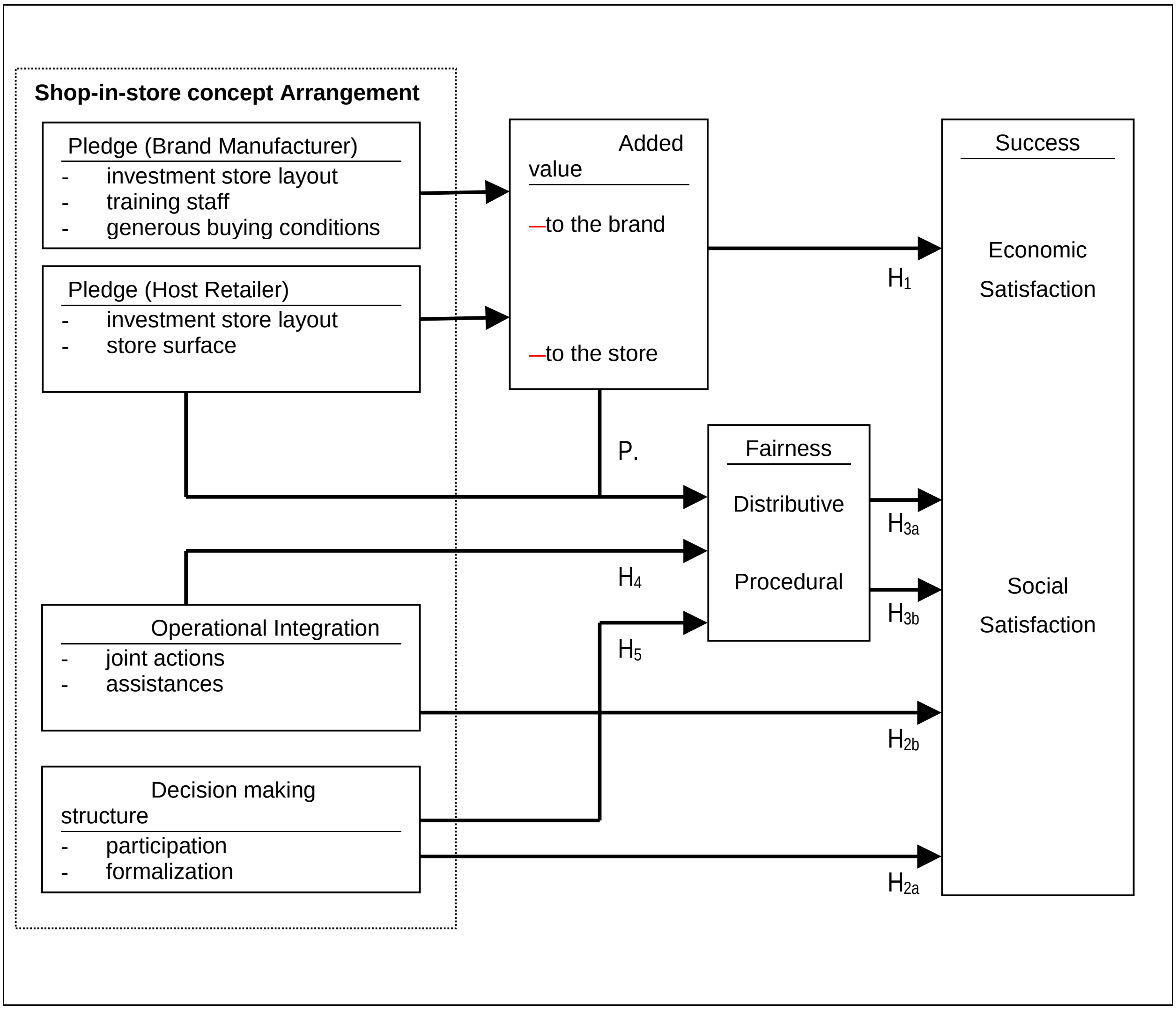
3.1 SISC as arrangement: inter-organizational linkages

Focussing on the inter-organizational linkages, shop-in-store concepts are particular types of producer-distributor working relationships (Anderson and Narus, 1990). A working relationship is "the extent to which there is mutual recognition and understanding that the success of each firm depends in part on the other firm, with each firm consequently taking actions so as to provide a coordinated effort focused on jointly satisfying the requirements of the customer marketplace".

In this study, joint coordinated effort of both parties is divided into two facets: (1) the decision-making structure and (2) the degree of integration of operations. Decision-making structure can vary from hierarchical to clan-like (Ouchi, 1980); it is measured in terms of participation (i.e. the degree of input in decision processes), decentralization, and formalization (i.e., the extent to which norms are formulated explicitly).

Operational integration (e.g. Robicheaux and Coleman, 1994) is defined as joint actions (Heide and John 1990), assistances, monitoring and information exchange (Noordwier, John and Nevin 1990). Robichaux and Coleman (1994) do reason that these facets are not independent from each other: firms having low levels of operational integration are less likely to pose emphasis on decision making structures; if operational processes are not shared firms will have little to discuss. On the other hand when operational integration is high, the structure of decision-making processes can vary considerably and will have greater impact on the outcomes of the relationship.

FIGURE 2 RESEARCH MODEL (part I and II)



Having broadened the concept of the SISC-arrangement with inter-organizational variables, we can introduce our extended model demonstrating that there are three additional routes to success. Traditionally in existent popular press, retail-marketing and co-branding literature guide partners to the first route to success: the one-winning-format. Bundling of brands will positively affect consumer quality perceptions, and subsequently success (hypothesis 1). Since a SISC-arrangement is a working relationship, the way in which the inter-organizational linkages are structured influences the degree of success. A direct relationship between ‘inter-organizational linkages’ and ‘success’ would imply that ‘no matter what type of format’, decision-making structure and operational integration determine success. We labeled this route: one-winning-arrangement-structure (hypothesis 2).

1. The route of "One-winning-format"
2. The route of "One-winning-arrangement-structure"
3. The route of "Fair-division-of-outcomes"
4. The route of "Fair-dealings-with-partner"

3.2 Determining Success: the dependent variable

Managers say: "the success of SISC's is objectively measurable as an increase in turnover per sq. meter occurred since its introduction". Nevertheless given the nature of a working relationship what is of most importance is that both manufacturer and retailer are willing to pursue the relationship and further invest in joint activities.

To explain success in this relational way is not an easy task, because literature does not show any consensus in this respect. In order to capture this complex variable, we consider it to be multi-dimensional.

TABLE 3 MEASURES OF SUCCESS

Study	Research question	Construct of Success	Scale	items	Origin
Bucklin and Sengupta (JM, 1993)	Understanding how co-marketing alliances can be managed more effectively	*Effectiveness* is defined to be the extent to which both firms are committed to the alliance and find it to be productive and worthwhile.	5 items ($\alpha = 0.84$)	To what extent has: (a) the partner firm carried out its responsibilities and commitment with respect to the project?; (b) your firm carried out its responsibilities and commitments with respect to the project?; (c) the relationship between your firm and the partner firm been productive?; (d) the time and effort spent in developing and maintaining the relationship with the partner firm been worthwile? (e) the relationship between your firm and the partner firm been satisfactory?	Ruekert and Walker (1987); Van de Ven and Ferry (1980)
Ganesan (JM, 1994)	Eaxmining the antecedents of long-term orientation; and identification of the major dimensions of trust	*Long-term orientation* is the perception of interdependence of outcomes in which both a vendor's outcomes and joint outcomes are expected to benefit the retailer in the long run	7 items ($\alpha = 0.94$)	(1) We believe that over the long run our relationship with this resource (here: partner firm) will be profitable; (2) Maintaining a long-term relationship with this resource (here: partner firm) is important to us; (3) We focus on long-term goals in the relationship; (4) We are willing to make sacrifices to help this resource (here: partner firm) from time to time; (5) We are only concerned with our outcomes in this relationship (R); (6) We expect this resource (here: partner firm) to be working with us for a long time; (7) any concessions we make to help out this resource (here: partner firm) will even out in the long run	-

Geyskens and Steenkamp (JR, 2000)	Development and testing measurement instrument for economic and social satisfaction	Economic satisfaction is defined as a channel member's evaluation of the economic outcomes that flow from the relationship with its partner; *social satisfaction* is defined as a channel member's evaluation of the psychological aspects of its relationship, in that interactions with the exchange partner are fulfilling, gratifying, and facile.	ES: 5 items; SS: 5 items	Economic satisfaction: (1) my relationship with this supplier has provided me with a dominant and profitable market position in my sales area, (2) my relationship with this supplier is very attractive with respect to discounts, (3) I am pleased with my decision to distribute the supplier since theor high quality increases customer traffic, (4)	-

In their study on co-marketing alliances, Bucklin and Sengupta (1993) define success by means of a construct called 'perceived effectiveness'. Perceived effectiveness is defined to be the extent to which both firms are committed to the alliance and find it to be worthwhile. The operationalization used includes items on (1) whether the partnering firms (partner firm and the focal firm) have carried out their responsibilities and commitments, and on (2) assessments of satisfaction in terms of productivity, being worthwhile, and overall satisfaction.

Other indications for success investigated are long-term orientation (Ganesan, 1994), relationship quality (Crosby, Evans, and Cowles (1990); Kumar, Scheer and Steenkamp, 1995), satisfaction (see Geyskens, Kumar and Steenkamp, 1995 for an overview; Geyskens and Steenkamp, 2000) and commitment (Morgan and Hunt, 1994; Hibbard, Kumar, and Steenkamp, 1995).

In our study, we combine fragmented indications for success with the overall evaluation of effectiveness (as employed by Bucklin and Sengupta, 1993). Our approach for characterizing success of SISC is by a three-pillar composite. Overall aim is that 'partners both remain committed and further invest in joint activities'; that is why, first, we include commitment as an indicator of behavioral intent.
Second, as a major antecedent of long term orientation and cooperation and as reflection of sentiments, the degree of satisfaction (Ganesan, 1994; Childers Ruekert and Boush 1984) is incorporated. Satisfaction has been defined as "a positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm" (Anderson and Narus, 1984: p. 66) and can be divided into social and economic satisfaction (Geykens and Steenkamp, 2000).

Economic satisfaction is defined as a channel member's evaluation of the economic rewards that flow from the relationship with its partner, whereas non-economic satisfaction refers to the channel member's evaluation of the personal dealings with its exchange partner (Geyskens 1998).The firm's goal is in first instance economic in nature. When channel members are socially more satisfied of the relationship (non-economic satisfaction) they will be less likely to engage in search for alternative relationships (Dwyer, Schurr and Oh 1987, Geyskens 1998). The structure of the arrangement is known to affect success; we propose the following:

H_{2a}: If decision-making structure within the arrangement is characterized by high levels of participation, decentralization, and formalization, economic and social satisfaction will be higher, as well as commitment.

H_{2b}: If operational integration within the arrangement is high, economic and social satisfaction will be higher, as well as commitment.

3.3 Fairness as mediating variable

Justice in interactions is seen as necessary for developing trust between business partners[1] (Dwyer, Schurr and Oh, 1987). Anderson and Weitz (1989) observe that a supplier with a reputation for fairness engenders greater trust and expectation of (relationship) continuation. Especially when channel partner is in a powerful position, fairness in the relationship will increase the relationship quality (Kumar, Scheer and Steenkamp, 1995). Mainly, previous studies on channel relationships dealt with fairness in terms of outcomes received from the relationship. For instance, the testing of equity theory in channel settings (Kumar, Scheer and Steenkamp, 1995b; Geyskens, 1998) show that equitable outcomes result in less hostile, more trusted relationships, and higher relationship continuity expectations (Kumar, Scheer and Steenkamp, 1995b). Equity - here, distributive fairness - is merely an assessment of the ratio of past rewards to burdens, whereas (economic) satisfaction expresses a positive affective state, which results in willingness to pursue the relationship. When both manufacturer and retailer perceive that the relationship is been conducted on an equitable basis, it means that they do not have to fear for retaliation in the future and that returns on investments made in the relationship are acceptable.

H_{3a}: If distributive fairness within the arrangement is high, economic satisfaction will be higher, as well as commitment.

[1] Note that we used the term fairness and justice interchangeably (cf. Tyler and Lind, 1992; Kumar, Scheer and Steenkamp, 1995).

Another and distinct category of fairness is 'procedural fairness' - that is, the fairness of process (Kumar, Scheer and Steenkamp, 1995; Tyler and Lind, 1992). Procedural fairness refers to the perception of the fairness of the other firm's procedures and processes in relation to its partners and the focal firm. Instead of one overall procedural fairness, six key interrelated components of procedural fairness can be distinguished: (1) bilateral communication, the willingness of the other to engage in two-way communication with its partners, (2) impartiality, the consistency of the other's channel policies across other partnerships (here sisc's), (3) refutability, the extent to which focal party can challenge the other's channel policies, (4) explanation, the degree to which the other provides the focal party with a coherent rationale for its channel decisions and policies, (5) knowledgeability, the other's familiarity with the (local) conditions under which the focal party operates, and (6) courtesy, being polite and respectful.
We expect that procedural fairness will positively affect social satisfaction.

H_{3b}: If procedural fairness within the arrangement is high, social satisfaction will be higher, as well as commitment.

3.4 SISC arrangement and fairness

The structure of the arrangement will in turn affect fairness. Participation in the decision-making structure will stimulate bilateral communication, explanation and refutability in the collaboration. Formalization will foster impartiality within the relationship.

H_4: If decision-making structure within the arrangement is characterized by high levels of participation, and formalization, procedural fairness will be higher.

When operations are highly integrated, partners' contributions will be more and more regarded as joint efforts. The distinction between own inputs and inputs from the other becomes less apparent, likewise the outcomes of the relationship. Therefore, we propose:

H_5: If operational integration will be higher, distributive fairness will be higher.

4 Research method

Our next steps are the following: first, in order to continue verification of the presented ideas and to increase our understanding of dealings within shop-in-store arrangements -- think of, terminology used -- we will pursue interviewing buyers and account managers in the fashion industry. Second, we develop a survey aimed at both sides of the dyads (buyers and account managers) in the fashion industry.

5 Anticipated results and the objective of presenting at the 11th International Conference on Research in the Distributive Trades

The purpose of our study is to increase understanding of shop-in-store arrangements. Specifically, we want to determine what factors drive success in these types of retailer-manufacturer collaborations. Furthermore, our research model brings together findings from relatively separate streams of research: retail-marketing, co-branding and channel relationships.

Our objectives of presenting this paper at the Conferences are:

1. Discussion of our model with academic peers and perhaps business managers;
2. Getting suggestions on research setting (here: the fashion industry), design of the survey and recommendations for increasing response rate.

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Looking behind the scenes of shop-in-store-concepts: Conceptual Framework Outlining Four Routes to Success

Marco Mossinkoff
Universiteit van Amsterdam
Department of Accountancy & Information Management

Willem Smit
Erasmus University, Rotterdam

Ed Peelen
Universiteit Nijenrode

ABSTRACT: Increasing retail concentration and the growing reliance of both producers and retailers on their brand make producer-distributor relationships in many fast moving goods industries a critical factor for delivering customer value. A shop-in-store agreement (SISC) is a clear example of how collaboration between producer and distributor is developing to become a long-term oriented working partnership. Research on such kind of working partnerships has been conducted focussing on the marketing-mix elements that determine the success of such retail concepts. We want to extend the analysis of a SISC including the concepts of structure of the relationship, fairness and consider success as consisting of satisfaction and commitment. An extention of the extant literature is proposed based on insights from the marketing channels literature. 4 routes to success are proposed as a result: 1) one winning format 2) one winning arrangement structure 3) fair division of outcomes 4) fair dealings with partner.

KEY WORDS: shop-in-store, concession, co-operation, and retail

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Office:
Sprouts
University of Amsterdam
Roetersstraat 11, Room E 2.74
1018 WB Amsterdam, Netherlands
Email: admin@sprouts.aisnet.org