Factors Affecting Retailers Attitude towards Manufacturers: A Study on Unilever

[1]Muhammad Intisar Alam, [2]Afreen Choudhury*
[1]BRAC Business School, BRAC University, Bangladesh
[2]Faculty of Business Administration, East West University, Bangladesh
*ac@ewubd.edu

Abstract: The study addresses broadly the performance related issues as to what extent is the impact of various factors responsible in terms of retailers for doing business with manufacturers in FMCG (Fast Moving Consumer Goods) sector at Dhaka in Bangladesh. The theoretical framework was designed based on the literature and hence two hypotheses were formulated. The samples were selected by Proportionate Stratified Sampling method. The data were collected by distributing 10 items questionnaires to 50 retailers under different categories in Dhaka. The questionnaire was developed on the basis of exploratory research which were used to measure retailers attitude. Data collected were sorted out and keyed in into SPSS and were analyzed using descriptive statistics to answer the research question. Using the Factor analysis we have extracted four factors and named those factors as Manufacturer's Production Standard, Managerial Efficiency, Promotional Capability and Customer Solution Capability. The result of the Multiple Regression analysis showed that there is a significant relationship between retailers' attitude (dependent variable) and the factors determined in the factor analysis (independent variables). Together the independent variables explained 67.9% of the variance of the dependable variables whereas the remaining 32.1% was due to unidentified variables. Therefore the results of the study definitely play a vital role and leave an ever lasting impact to be used in decision making by retailers and the entire company as a whole. Moreover this study can be used as a reference for the future studies to understand the perceptions and opinions of the other channel members in addition to retailers as well.

Key Words: *Factors, Retailer, Attitude, Manufacturer, Unilever.*

1. Introduction

Channel members are crucial for every organization as it is the path through which the products reach to the ultimate customers and consumers. This is especially true for organizations like Unilever that does not sell their products directly to the consumers. As this type of companies has very wide range of business operations and large number of products, it is neither effective nor efficient for them to sell directly to the final consumers. For these reasons they have to depend heavily on the retailers who play a vital role in adding value to the products and selling the products to the final consumers. The retailers play a vital role and have left an ever lasting impact in this respect to drive out the sales of this company who are categorized into four dimensions according to it. Their attitude as well as their perception towards this company is the prime consideration for its success. Therefore the main intention of this paper was to determine the factors affecting retailer's attitude towards manufacturers a study on Unilever. It is true that at present Unilever has a very impressive position in retailers mind. To improve the present attitude retailers have towards Unilever, the company needs to measure it and take necessary steps to increase it further. The findings of the study will help to know the factors that retailers usually consider when they choose a company to do business with and the factors that are most influential on the retailers' attitude toward Unilever.

Discussions in the earlier studies so far have analyzed the significance about measuring the retailer's satisfaction level and competitiveness among them, their market share, visibility share, numeric distribution, weighted distribution and stock turn out ratio. But so far not even a single study has been found out specifically in terms of determining the factors affecting retailer's attitude towards manufacturers on the company's part itself or by any outsourcing which is in fact the prime consideration for continuing their long term profitable relationship efficiently and effectively. The study also demonstrates that the company will be

able to underlie those factors that retailers consider in choosing a specific company to do business with, sort out the influential ones, check out their performance on those variables and improve their performance on those dimensions to retain and attract more retail customers. There are many factors which influence retailers' attitude in business–to-business context and help building retailer-manufacturer relationship. The key elements of retailer-manufacturer relationship including image/goodwill, product quality, merchandizing, creativity, good inventory management, product innovation, timeliness, foresightness, extra benefit and customer demand are followed at different levels of transactional process. Considering the above mentioned variables and their inter relationships, we have defined the four influential factors shaping the retailers' attitude, these are- Manufacturer's Production Standard, Managerial Efficiency, Channel Incentives and Customer Solution Capability. Among them Production Standard and Managerial Efficiency are the major drivers that play significant role in the success of dyadic relationship between them. Finally it has been argued in the paper that maintaining delivery timeliness, ensuring merchandizing initiatives as well as credit facilities and providing more extra benefits (Cash and Kind) can provide "win-win" situation for both retailers and manufacturers.

To determine retailer's attitude toward the manufacturer (Unilever) we need to find out some criteria based on which attitude of retailer's are determined. The dependent variable is: Retailer's Attitude and independent variables are: Image/Goodwill, Product Quality, Timeliness, Merchandising, Creativity, Foresight, Extra Benefit, Good Inventory Management, Product Innovation and Customer Demand. The key objective is to gain a thorough idea about different retailers of Unilever Bangladesh Limited (UBL) and their attitudes towards it and its products. The specific objectives of the study are:

- To figure out the common variables that retailers generally consider in the process of choosing any FMCG company to do business with.
- To develop a mathematical relationship between retailers' attitude (dependent variable) and the independent variables (selected by factor analysis).

2. General Background of the Company

Unilever is committed to establishing mutually beneficial relations with their suppliers, customers and business partners. In their business dealings they expect their partners to adhere to business principles consistent with their own.

Distribution Network of Unilever Bangladesh: According to one study called "Shop or Dokan Shumary" conducted in 2002, there are total 6, 94,521 outlets in entire Bangladesh.
Categorization of Channels: Unilever categorizes various outlets into different channels in terms of outlet features, nature of products, location, type of consumers and measurement systems etc. The following channels are maintained by this company:

(A)   General Categories

- Urban Neighborhood Grocery
- Urban Wet Market Grocery
- Urban General Store
- Urban Cosmetics Store
- HPC (Hot Tea Shop, Pan, Cigarette)
- Rural Neighborhood Grocery
- Rural Wet Market Grocery
- Rural Cosmetics Store

(B)   Emerging Channels

- Shopping Complex
- Modern Trade

Region Wise Distributor Numbers and the Coverage:

There are total 6 regions and 12 areas in whole Bangladesh with 43 territories. The number of the distributors and the outlet coverage is given bellow:

Table 1: Distributors and the Outlet Coverage

Regions	Distributors	Total Outlets	Direct Coverage	Indirect Coverage
Dhaka Metro	10	49,208	36,913	12,295
Dhaka Outer	22	1,13,191	57,742	55,449
Chittagong	22	1,35,357	52,645	82,712
Khulna	32	1,54,019	65,517	88,502
Bogra	21	1,90,968	49,500	1,41,468
Sylhet	12	62,687	22,940	39,747
Total	**119**	**6,94,521**	**2,85,257**	**4,20,173**

In terms of the above mentioned chart, Unilever directly covers 2, 85,257 outlets among 6, 94,521 outlets through their distributors. But the remaining outlets are under the indirect coverage. To cover these indirect outlets, Unilever appoints several teams of people who carry the company's goods to these outlets in the remote places. They are called Pollydut and Joyta. They are recruited by the company usually but sometimes they are also recruited by distributors as well. In this case, distributor leaves a certain percentage for them. They buy the goods from them and distribute them towards the remote areas and achieved the profit margin left by distributors.

Table 2: Total Number of Retail Outlets in Different Channels in Dhaka Metro Region

Channels	Super Market	UWNG(Urban Wet Market Grocery)	HPC (Hot Tea, Pan, Cigarette)	UNG(Urban Neighborhood Grocery)
Outlets	**49**	**17,974**	**6,166**	**25,019**

Figure 1: Flow of Distribution:
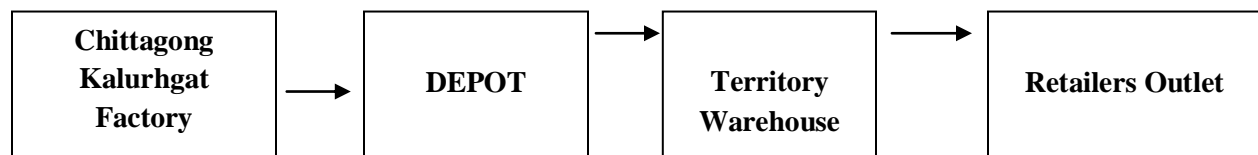
Actually there are three phases in terms of overall distribution:

(A) At first, after manufacturing the products, the finished goods are transported from factory towards the different depots of Bangladesh. There are total 6 depots in Bangladesh. Each depot is assigned with its entire region including its areas as well as the territories. They are as follows:

- Dhaka Depot
- Sylhet Depot
- Bogra Depot
- Khulna Depot
- Chittagong Depot
- Barisal Depot

(B) Then goods are loaded into trucks in depots and transported to different warehouses in terms of different territories all over Bangladesh according to the indents by the distributors.

(C) While the goods are reached towards the territory warehouses, they are unloaded from the truck and stocked as well. After that they are delivered to different retail outlets on the basis of the orders in terms of customer demand.

3. Literature Review

Schiffman & Kanuk (2004) claimed that it is the aim of relationship marketing to create strong, lasting relationship with a core group of customers. He emphasized on developing long-term bonds with customers by making them feel good about how the company interacts with them and by giving them some kind of personal connection to the business. In this research study we are trying to explore the efficiency level of Unilever in serving their channel partners, mostly the retailers, to improve the relationship with them by overcoming their deficiencies. According to Kotler & Armstrong (2008), retailing includes all the activities involved in selling products or services directly to final consumers for their personal, non-business use. Many institutions manufacturers, wholesalers and retailers do retailing but he argued that most retailing is done by retailers. He also believes that channel members must be continuously managed and motivated to do their best and the company must sell not only through the intermediaries but to and with them. Kotler & Armstrong (2008) also claimed that most companies see their intermediaries as first line customers and partners, practicing strong partner relationship management (PRM) to forge long-term partnership with channel members which creates a marketing system that meets the needs of both the company and its marketing partners.

The main purpose of this study is to change the retailers' attitude positively towards Unilever as they are creating a link with the final consumer the ultimate target. According to Hawkins, Best & Conney (2004), business and social agencies alike frequently succeed in altering behavior by changing attitudes towards a product, service, or activity. Attitude is a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object. Thus an attitude is the way one thinks feels and acts towards some aspect of his or her environment such as a retail store of UBL. Study stated that attitudes may be accurate or inaccurate with respect to objective reality, but he urged that the attitude will often determine subsequent behaviors rather than the reality. People always tend to form favorable attitudes towards objects and activities that are rewarding. Study also found that attitude consists of three components: Cognitive components (beliefs), affective components (feelings) and behavioral components (response tendencies). All these three components tend to be consistent. This means that a change in one attitude component tends to produce related changes in other components.
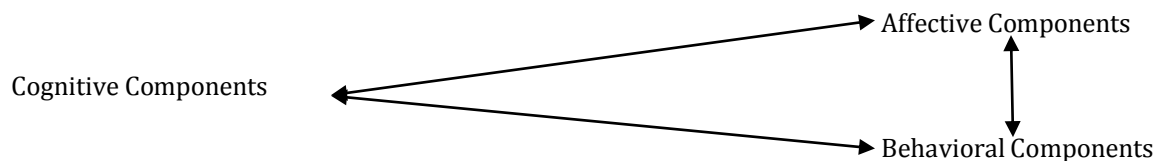

Figure 2: Attitude Component Consistency (Hawkins et al., 2004)

According to Hawkins et al., (2004), in terms of changing attitudes of customers, the marketers can take the strategy involves shifting beliefs about the performance of the brand on one or more attributes and again marketers often take strategy in terms of convincing customers that those attributes on which their brands are relatively strong are the most important. He stated that attitude change is determined by the individual and the situation as well as the activities of the firm or social agencies. There are individual differences in how easily individuals will shift attitudes. Some people are more stubborn or close minded or less subject too social influence than are others and attitudes that are strongly held are more difficult to change than those that are weakly held. Among a number of manufacturing brands retailers purchase Unilever brand for a number of reasons. Our intention was to identify why they purchase this brand and what variables mainly influence their attitude. Schiffman (2004) claimed that in terms of the context of customer decision making, the "evoked set" refers to the specific brands a customer considers in making a purchase within a particular product category and this evoked set is called the consideration set. The criteria customers use to evaluate the alternative products that constitute their evoked sets usually are expressed in terms of important product attributes (Schiffman, 2004). Motivation research has found that people make such purchases for a variety of motives including rewarding themselves or for an accomplishment (Hawkins, 2004).

According to Schiffman (2004), multi-attribute attitude models portray customers' attitude with regards to an attitude object (a product, service, company, direct mail catalogue or cause or an issue) as a function of customers' perception and assessment of the key attributes or benefits held with regard to the particular attitude object. He believes that in terms of routinized response behavior, customers have experience with the product category and a well established set of criteria with which to evaluate the brands they are considering. He also stated that in some situations they may search for a small amount of additional information; in others they simply review what they already know. Study claimed that customers subscribe to the notion of brand personality; that is they attribute various descriptive personalities like traits or characteristics to different brands in a variety of product categories and marketers of different brands in the same category can effectively differentiate their offerings only if they stress the benefits that their brands provide rather than their products physical features. He emphasized on positioning, which is more important to the ultimate success of a product than are its actual characteristics. He also added that manufacturers who enjoy a favorable image generally find that their new products are accepted more readily than those of manufacturers who have a less favorable or even a "neutral image". Brand personality greatly dominates retailers purchasing behavior, which is especially true in case of Unilever. According to Hawkins (2004), brands acquire personalities whether marketers want them to or not, and these personalities influence purchases, therefore marketers need to manage the personalities of their brands.

Academic researchers observed that besides establishing a strong brand personality, manufacturers can rule the retailers' attitude by offering a number of extra benefits, where trade promotion is the most powerful element. A recent study by Andersen Consulting (Super-Market Business-1998) finds that "Trade promotion is the biggest, most complex and controversial dilemma facing the retail industry today"; yet, despite this, trade promotions continued unabated. Academic researchers have proposed several reasons for this seemingly anomalous behavior: (1) competitive motivation to limit store brands (Lal, 1990), (2) the desire to pass inventory down the channel (Blattberg et al., 1981), and (3) the need to encourage retailers to participate in price promotions to low-valuation consumers (Gerstner and Hess, 1991, 1995). The trade literature reports a variety of other motivations, such as the manufacturer's desire to smooth operating performance, lower the retail price without reducing the list price, move inventory, motivate the sales force, maintain distribution, maintain shelf space, and counteract competitors (Struse, 1987). Empirical advances in the area initially focused on the identification of core quality practices that include top management support, quality information, process management, product design, workforce management, supplier involvement and buyer orientation (Flynn et al., 1994; Black and Porter, 1996). Ittner and Larcker (1996) stated that subsequent empirical studies switched their focus to the quality practices–quality performance relationship and quality performance–business performance relationship with significant support for the former but only mixed support for the latter. Significantly, efficient quality management was one of the most prominent contributors to explain variation in supplier quality performance, which underlines the importance of managing quality throughout the value chain (Forker, 1997).

Buyer supplier collaboration may have significant effects on the focal firms in reference to the flexibility, responsiveness and modularization capabilities which would help building capability of supplier firms towards increasing competitive advantage and gaining high customer value (Squire et al., 2005). Chopra (2004) stated that lack of coordination may result if each stage of the supply chain only optimizes its local objective without considering the impact on the complete chain and total supply chain profits are thus less than what could be achieved through coordination. He also added that each stage of the supply chain, in trying to optimize its local objective, takes actions that end up hurting the performance of the entire supply chain. According to Rogers (2006), the suppliers benefit in turn by increasing volumes, allowing them to protect margins and the purchasers benefit through overall lower total cost of service, more attentive suppliers and potentially a much enhanced working relationship. High levels of front line employee performance and interdepartmental buyer orientation have a positive effect on distribution centre service and supply chain performance (Voss et al, 2005). According to Ganeshan (1994), buyer-supplier collaboration and high level of front line employee performance generates satisfactory relationship among the channel members and satisfaction plays an important role in relationships which is instrumental in increasing cooperation between channel partners, and leads to fewer terminations of relationships.

Kumar (1996) claimed that a trust-based relationship between two stages of a supply chain includes dependability of the two stages, and the ability of each stage to make a leap of faith. He also added that trust involves a belief that each stage is interested in the others' welfare and would not take actions without considering their impact on the other stage. Buyer-supplier relationship gets closer and stronger through the information management at both the ends and supplier information sharing helps to develop higher quality supplier relationship. Interestingly, even if the initial level of trust in the retailer is low, the relationship quality substantially improves and in a more competitive situation, the suppliers respond more favorably to the retailer's information-sharing initiative (Smith et al, 2002). Based on all empirical studies and literature review we have generated an understanding that there are several factors and variables that guide the retailers' attitude toward manufacturer and it can be more positively changed by understanding their further expectations. So it will help us to advance our understanding on this phenomenon if we move toward further studies on the retailers' attitude to identify the gaps between manufacturer-retailer relationships which will help us to establish a long term profitable belief system in the channel.

Research Hypotheses
Retailer's attitude toward the Manufacturer (Unilever) is determined by their perceptions of Manufacturer's Production Standard, Managerial Efficiency, Channel Incentives and Customer Solution Capability.

4. Methodology

Sample and Measures

Target population for this study was defined in terms of the following components:-
- Elements—All the retailers of Unilever in the following categories (only in Dhaka city):-
- Sampling Units
    Urban Wet Market Grocery
    Urban Neighborhood Stores
    Supermarkets
- Extent—Dhaka Metropolitan Area
- Time---2010.

Two types of research designs were used for conducting this study.
- At first an exploratory research was conducted to find out the variables retailers usually consider to choose a FMCG company to do business with.
- After that a descriptive research was conducted to collect data on retailers' attitude using a structured questionnaire. Again among two types of descriptive research designs, cross-sectional design was used. Finally, among two types of cross-sectional research designs, single cross-sectional design was used for this study.

The process of questionnaire design started by identifying the information, needed for this research. The questionnaire contains two parts- basic information about the research and identification information about the respondents. All the questions were designed as close ended. The pre-testing of the questionnaire was done on a small sample of respondents to identify and eliminate the potential problems. The problems that were identified during the pre-testing were corrected and revised and the final questionnaire was developed. In this study, interval scale was used. Here both the zero point and units measurement were arbitrary. Respondents were asked to evaluate one object at a time. Among three types on non comparative scaling techniques, a 5-point Likert scale was used to collect data on the importance retailers attach to different variables in choosing a FMCG company.

Procedure and Techniques

For the research and data analysis purposes we collected the needed data through Survey method under which we administered the Personal Interviewing mode. In this technique a structured questionnaire was given to respondents to elicit specific information. The process of questionnaire design started by identifying the information, needed for this research. The questionnaire contains two parts- basic information about the research and identification information about the respondents. All the questions were designed as close

ended. The pre-testing of the questionnaire was done on a small sample of respondents to identify and eliminate the potential problems. The problems that were identified during the pre-testing were corrected and revised and the final questionnaire was developed. This study involves a conclusive research and it is usual to use probability sampling in any conclusive research so that the result can be used to make an inference about the population. Unilever has already maintained an established list of retailers in terms of Dhaka region which was considered as the sampling frame over here. In Bangladesh, there are total 6, 94,521 retail outlets. It includes all the outlets remaining in all regions, areas and territories. As the research topic is focused on Dhaka metropolitan, 49,208 retail outlets in Dhaka was considered as population. The three categories of outlets are as follows:

(a) Supermarket
(b) UNG
(c) UWNG + HPC

Proportionate Stratified Sampling was used for this study. At first the population was divided as shown in the above categories. In this way three strata were got. Then the percentage of each of the strata in the target population was calculated. Finally sample elements were taken from each of the strata as per the percentage of the strata in the population. The composition of sample is shown in the following table.

Table 3: Composition of Sample

Channels	Outlets	Percentage (%)	Number of Sample Elements from Each Stratum
Supermarket (Shopping Mall and Modern Trade)	49	0.099	10
UWNG + HPC (Kutcha Bazar and TONG)	24,140	49.05	20
UNG(Convenience Store)	25,019	50.84	20
Total	**49,208**	**100**	**50**

From the above table it can be observed that the percentage of the super market is 0.099 therefore 10 supermarkets were selected for survey and as the percentage of Kutcha Bazar and Tong was 49.05 and percentage of Convenience store was 50.84 which were almost similar, so 20 from each category were selected for survey. So the total sample size was 50. Two statistical techniques were used to analyze the data collected through the survey:

• Factor Analysis
• Multiple Regression Analysis

The variables identified in the exploratory research were: Image/Goodwill, Product Quality, Timeliness, Merchandizing, Creativity, Foresight, Extra Benefit, Good Inventory Management, Product Innovation and Customer Demand. These variables would be factor analyzed to determine whether the variables were highly correlated or not. As it was needed to use the result of this factor analysis in subsequent multivariate analysis, principle component analysis was specifically used.

The model used for factor analysis:
$X_i = A_{i1}F_1 + A_{i2}F_2 + A_{i3}F_3 + \ldots\ldots + A_{im}F_m + V_iU_i$

Where,
X_i = ith standardized variable
A_{ij} = standardized multiple regression coefficient of variable i on common factor j
F = common factor
V_i = standardized regression coefficient of variable i on unique factor i
U_i = the unique factor for variable i
m = number of common factors

By conducting multiple regression analysis, it was shown how dependent variable (retailers' attitude) changes according to the changes in independent variable (factors, identified in factor analysis).

The model used for multiple regression analysis:

$Y = \beta o + \beta 1X1 + \beta 2X2 + \beta 3X3 + \ldots\ldots + \beta kXk + e$

In this study, it was estimated by using the following equation:

$\hat{Y} = a + b1X1 + b2X2 + b3X3 + \ldots\ldots + bkXk$

5. Findings of the Study

Factor Analysis

As it has been already mentioned in the "research methodology" chapter, that two statistical techniques have been used for analyzing the data and those are: - Factor Analysis & Multiple Regression Analysis.

Table 4: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.634
Bartlett's Test of Sphericity	Approx. Chi-Square	215.609
	df	45
	Sig.	.000

In the Table 4, it is shown that the null hypothesis, that the population correlation matrix is an identity matrix, is rejected by the Batrlett's test of sphericity. The approximate chi-square statistic is 215.609 with 45 degrees of freedom, which is significant at the 0.05 level. The value of Kaiser-Meyer-Olkin measure of sampling adequacy is also larger than 0.5, which is 0 .634. Thus factor analysis may be considered an appropriate technique for analyzing the correlation matrix. Once it has been determined that factor analysis is an appropriate technique for analyzing the data, among the two basic methods of factor analysis, for the purpose of this study principal component analysis has been used. Because here, the aim is to determine the minimum number of factors that will account for maximum variance in the data for using in the subsequent multivariate analysis. In this study the number of factors has been decided on the basis of the eigenvalues of the factors. According to this method, only factors with eigenvalues, greater than 1.0 are retained. The other factors are not included into the model.

Table 5: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.769	37.688	37.688	3.769	37.688	37.688	3.149	31.491	31.491
2	1.410	14.101	51.789	1.410	14.101	51.789	1.672	16.720	48.211
3	1.220	12.199	63.988	1.220	12.199	63.988	1.506	15.057	63.269
4	1.107	11.065	75.053	1.107	11.065	75.053	1.178	11.785	75.053
5	.884	8.841	83.894						
6	.579	5.787	89.682						
7	.402	4.019	93.701						
8	.341	3.412	97.113						
9	.212	2.125	99.237						
10	.076	.763	100.000						

Extraction Method: Principal Component Analysis.

From Table 5, it is clear that the eigenvalue greater than 1.0 (default option) results in four factors being extracted. The "Extraction Sums of Squared Loadings" give the variances associated with the factors that have been retained. It is important to note that these are the same as under "Initial Eigenvalues." This is always the

case in principal component analysis. Factor 1 account for a variance of 3.769, which is (3.769/10) or 37.68% of the total variance. Likewise the second factor accounts for (1.410/10) or 14.10% of the total variance. Thus the first two factors together accounts for 51.78% of the total variance. Same is applicable for the rest of the factors.

Table 6: Component Matrix

Variables	Component			
	1	2	3	4
Image/Goodwill	.724	-.076	-.006	.336
Product Quality	.753	-.418	-.029	.242
Timeliness	.366	.239	.700	.178
Merchandizing	.839	-.104	-.327	-.221
Creativity	.822	.415	-.105	-.096
Foresight	.438	.749	.292	-.139
Extra Benefit	.321	-.456	.477	.376
Good Inventory Management	.745	-.261	-.135	-.361
Product Innovation	.522	.206	-.270	.240
Customer Demand	-.201	.331	-.455	.704

The above Table 6 shows the unrotated "component matrix" where factor 1 is somewhat correlated with 9 variables (Image/Goodwill, Product Quality, Timeliness, Merchandising, Creativity, Foresight, Extra Benefit, Good Inventory Management and Product Innovation). That means these nine variables have high loading on factor 1. Factor 2 is correlated with 3 variables (Creativity, Foresight and Customer Demand,). Factor 3 is correlated with 2 variables (Timeliness and Extra Benefit) and factor 4 is correlated with only 3 variables (Image/Goodwill, Extra Benefit and Customer Demand). Moreover, "Image/Goodwill" has high loadings both on factor 1 and 4, "Timeliness" has high loadings on both factor 1 and 3, "Creativity" has high loading on factor 1 and 2, "Foresight" has high loadings on factor 1 and 2, "Extra Benefit" has high loadings on factor 1, 3 and 4, "Customer Demand" has high loading on factor 2 and 4. (In each case high loading represents loading >.3). Although the initial or unrotated factor matrix indicates the relationship between the factors and individual variables, it seldom results in factors that can't be interpreted because the factors are correlated with many variables. Through rotation, the factor matrix is transformed into a simpler one that is easier to interpret. In rotating the factors, we like each factor to have nonzero or significant loadings or coefficients for only some of the variables.

Table 7: Rotated Component Matrix

Variables	Factor 1	Factor 2	Factor 3	Factor 4
Image/Goodwill	**.594**	.182	**.463**	.208
Product Quality	**.684**	-.084	**.570**	.015
Timeliness	-.056	**.658**	**.514**	-.109
Merchandizing	**.924**	.071	.012	-.113
Creativity	**.726**	**.578**	-.044	.077
Foresight	.176	**.901**	-.125	.003
Extra Benefit	.063	-.025	**.816**	-.097
Good Inventory Management	**.793**	.016	.089	-.367
Product Innovation	**.517**	.205	.052	**.364**
Customer Demand	-.109	-.073	-.091	**.910**

After rotation, it is observed from Table 7 that factor 1 is correlated with six variables (Image/Goodwill, Product Quality, Merchandizing, Creativity, Good Inventory Management and Product Innovation) instead of nine variables that have high loadings on this factor. Factor 2 is correlated with three variables (Timeliness, Creativity and Foresight) that have high loadings on it. Factor 3 is correlated with four variables (Image/Goodwill, Product Quality, Timeliness and Extra Benefit) that have high loadings on this factor. Finally, factor 4 is correlated with two variables (Product Innovation and Customer Demand) that have high loadings on it. Here it is important to note that even after rotation, "Image/Goodwill" and "Product Quality" has high loading on both factor1 and 3 and "Timeliness" has high loadings on both factor 2 and 3. In addition "Creativity" has high loading on factor 1 and 2 and "Product Innovation" has high loading on factor 1 and 4. (In each case high loading represents loading >.3)

After rotating the factors, the four factors have been named as Manufacturer's Production Standard, Managerial Efficiency, Channel Incentives and Customer Solution Capability. As even after rotation it is found that the selected variables are having a substantial loading on more than one variable, we may also follow the simple prescription that is to ignore the complexity treat the variable as belonging to the factor on which it has the highest loading. Based on this concept we may identify the following scenario-

Table 8: Factors with Highest Loading

Factor No.	Variables	Values
Factor 1	Image/Goodwill	.594
	Product Quality	.684
	Merchandizing	.924
	Creativity	.726
	Good Inventory Management	.793
	Product Innovation	.517
Factor 2	Timeliness	.658
	Foresight	.901
Factor 3	Extra Benefit	.816
Factor 4	Customer Demand	.910

Multiple Regression Analysis

The result of the MRA showed that R^2 = .679 and adjusted R^2 = .651, which implies that there are significant relationships among the variables and 67.9% of the variance in the dependent variable is explained by the identified independent variables. The detail of the analysis is shown in Table-6 below.

Table 9: Multiple Regression Coefficients, Standard Errors in parenthesis, t-values in brackets, p-values and F-statistics in italics

Constant	Production Standard	Managerial Efficiency	Channel Incentives	Customer Solution Capability	R^2	F
3.894	.282	.203	.037	-.037	.679	*23.829*
(.036)	(.036)	(.036)	(.036)	(.036)		
[109.280]	[7.835]	[5.639]	[1.029]	[-1.040]		
.000	*.000*	*.000*	*.309*	*.304*		*.000*

Predictors: (Constant), Production Standard, Managerial Efficiency, Channel Incentives, Customer Solution Capability
Dependent Variable: Retailers' Attitude
Level of Significance at $p < 0.05$

By considering the Multiple Regression analysis results mentioned in Table 9, it is identified that the partial regression coefficient for Production Standard is .282, for Managerial Efficiency is .203, for Channel Incentives is .037 and for Customer Solution Capability is -.037. Therefore, the estimated regression equation is:

$(\hat{Y}) = 3.894 + .282\ (X_1) + .203\ (X_2) + .037\ (X_3) + (-.037)\ (X_4)$

Here, $\hat{Y}$ = Retailer's Attitude; while,

X_1 = Production Standard
X_2 = Managerial Efficiency
X_3 = Channel Incentives
X_4 = Customer Solution Capability

Retailer's Attitude = 3.894 +.282 (Production Standard) +.203 (Managerial Efficiency) +.037 (Channel Incentives) + (-.037) (Customer Solution Capability)

According to this equation retailer's attitude toward the manufacturer (Unilever) is expected to change .282 unit by one unit change in Production Standard when the rest of the variables (Managerial Efficiency, Channel Incentives and Customer Solution Capability) are held constant or otherwise controlled. Similarly retailer's attitude is expected to change .203 unit by one unit change in Managerial Efficiency when the rest of the variables (Production Standard, Channel Incentives and Customer Solution Capability) are held constant or otherwise controlled. On the other side Channel Incentives may create insignificant changes (.037 units) in retailer's attitude toward the manufacturer. In case of Customer Solution Capability the result shows that it is inversely related to the retailer's attitude. It may be assumed that manufacturer's Customer Solution Capability to some extent divert manufacturer's concentration from Retailer's satisfaction which may have a negative but very insignificant influence over retailer's attitude toward manufacturer (Unilever).As it can be observed from Table-3 two independent variables, "Production Standard", and "Managerial Efficiency" are significant at 0.05 level and useful for the measurement of the dependent variable, "Retailers Attitude". That means these two independent variables are most important in explaining the "Retailers Attitude" of the selected retailers of Dhaka City towards Unilever Bangladesh Ltd.

6. Implications of the Study

All the findings of the study have been summarized to make it easier to have an idea at a glance. For the sake of convenience of understanding, the findings have been described with reference to the objectives of the study.

- The first objective of the study was to find out the variables that the retailers usually consider in the process of choosing a manufacturer to do business with. Through survey ten variables were found that the retailers consider in choosing a specific manufacturer. Through factor analysis, it can be observed that these variables were highly correlated with each other. Four uncorrelated factors (Manufacturer's Production Standard, Managerial Efficiency, Channel Incentives and Customer Solution Capability) are got and each factor was highly correlated with more than one variable even after rotation. Only for convenience of description, the four factors are being referred by these four names which have been chosen based on judgment. These four factors were used as the independent variables in the subsequent multivariate analyses.

- Secondly, our objective was to determine whether there is any relationship between retailers' attitude (dependent variable) and the independent variables (Manufacturer's Production Standard, Managerial Efficiency, Channel Incentives and Customer Solution Capability).Through multiple regression analysis, it was found that two variables "Manufacturer's Production Standard", and "Managerial Efficiency" are significant at 0.05 level and useful for the measurement of the dependent variable, "Retailers Attitude". That means these two independent variables are most important in explaining the "Retailers Attitude" of the selected retailers of Dhaka City towards Unilever Bangladesh Ltd.

Limitations of the Study

- This study is actually confined to the retailers' attitude of Dhaka in Bangladesh. That's why the analysis result may not reflect the actual scenario of all retailers' attitude considering the entire country. It may portray different scenario if further studies are conducted considering the whole Bangladesh as a sample.

- Another limitation of the study can be lack of generalizability. As this study actually determines the retailers' attitude towards a particular manufacturer (Unilever), it is not appropriate to generalize the findings of the study for the other FMCG (Fast Moving Consumer Goods) manufacturers of Bangladesh.
- In terms of the result output, together the independent variables explained 67.9% of the variance of the dependable variables whereas the remaining 32.1% was due to unidentified variables which indicate the necessity of further studies to identify the rest of the undefined factors.

7. Conclusion and Recommendations

With multiple competitors, Unilever is a leader in the FMCG sector in Bangladesh. It has been maintaining its standard with the channel members especially with the retailers in terms of serving them efficiently and effectively for a long time. The retailers' overall attitude has been examined towards Unilever in Dhaka. Even though this company is serving them well, some recommendations have been made based on the research findings about what Unilever Bangladesh Ltd should do to more satisfy the retailers.

- Delivery timeliness has to be maintained perfectly so that the retailers can easily get the goods in time because if they cannot get the products in time, then they cannot meet the customer's needs as well. Ultimately sales volume will be reduced. So it has to be maintained ay any cost regardless all the problems.
- Merchandizing initiatives have to taken for all the retailers according to different channels or locations such backlist, frontlets, shelf talker, billboards etc. Other wise retailers will loose their interest, because competitors are very active in this respect.
- More extra benefit (Distribution Drives) has to be ensured for them with different types of brands (such as 4 units of Lux 150gm free with 1 Carton of Lux 150gm, providing different gifts to them for winning various schemes) etc.
- Taking actions very strictly to ensure that retailers are getting theses benefits properly because one of their common complaint is they don't get these gifts properly.
- Last of all, some credit facilities have to be ensured for the large retailers, because if they get this opportunity then they will be able to buy and stock more products according to their convenience.

At last, it can be concluded that retailers are the inseparable part of a distribution channel in terms of serving the interest of the manufacturer's to drive out the sales of that company as they are directly connected with ultimate consumers. Their attitude and perception towards the company, its products and schemes significantly matters a lot for ensuring a continuous business growth and long-term profitable relationship. This paper is an attempt to determine the retailers' attitude toward the manufacturers (Unilever) considering the factors that shape their outlook. We realize the limitations of the proposed framework that future work could address. We hope that the transparent intuition provided in this paper will be helpful for other important extensions.

Being a world renowned FMCG (Fast Moving Consumer Goods) giant, Unilever would have to work hard in terms of maintaining the quality and service standards and serving the interests of the retailers so that retailers will feel like partners whose satisfaction is the desired outcome of the manufacturers as well. It is because if the retailers do not have positive attitude toward the company or are not satisfied with its products and services, they will not carry the company's products to the final consumers who are the ultimate target of it. Besides this, retailers are the extreme source from where Unilever can acquire the needed, timely and accurate information on customers' ever-changing needs, wants and demands. In today's fierce market competition, it's not enough only to obtain space in consumers' heart and mind. To win final consumers' share of heart and share of mind, companies have to acquire as much shelf space as possible in retailers' stores so that the ultimate customers can get the desired products. Therefore to improve the present attitude that retailers have toward Unilever, the company needs to measure it and take necessary steps to improve it further.

The discussions in this paper provides a holistic view of the retailer-manufacturer co dependence and interrelationships by proposing ways to measure different factors influencing retailers attitude, such as-

"Manufacturer's Production Standard" and "Managerial Efficiency". Finally this paper will definitely play a vital role and would have left an ever lasting impact for future studies as well considering the perceptions, opinions, interests of the retailers, manufacturers and the other channel members. At the end of the paper to represent its positive impressions on the practical field, we can highlight the improvements that can be made by the manufacturers by adopting the strategies recommended, the improvements may include- increased effective transactions, mutually satisfying relationship, long-term effective trade incentives, profitable trade dealings and above all an effective as well as efficient distribution channel.

Reference

Black, S. A. & Porter, L. J. (1996). Identification of the critical factors of TQM. *Decision Science,* 27(1): 1–27.

Blattberg, R. C., Eppen, G. D. & Lieberman, J. (1981). A theoretical and empirical evaluation of price deals for consumer nondurables. *Journal of Marketing,* 45(1): 116-129.

Chopra, S. (2004). Supply Chain Management. Pearson Education: New Jersey.

Flynn, B. B., Schroeder, R. G. & Sakaibara, S. (1994). A framework for quality management research and an associated measurement instrument. *Journal of Operations Management,* 11(4): 339–366.

Forker, L. B. (1997). Factors affecting supplier quality performance. *Journal of Operations Management,* 15(4): 243–269.

Ganeshan, S. (1994). Determinants of long term orientation in buyer–seller relationships. *The Journal Marketing,* 58(April): 1–19.

Gerstner, E. & Hess, J. D. (1991). A theory of channel price promotions. *The American Economic Review*, 81(4): 872-886.

Gerstner, E. & Hess, J. D. (1995). Pull promotion and channel coordination. *Marketing Science,* 14 (1): 43-60.

Hawkins, D. I., Best, R. & Conney, K. (2004). Consumer Behavior. Tata McGraw-Hill: New York.

Ittner, C. D. & Larcker, D. F. (1996). Financial impact of quality initiatives. *Advances in the Management of Organizational Quality,* 1: 1–37.

Kotler, P. & Armstrong. G. (2008). Principles of Marketing. Pearson Education, Inc: USA.

Kumar, N. (1996). The Power of Trust in Manufacturer-Retailer Relationships. *Harvard Business Review,* 74 (Nov- Dec): 92-106.

Lal, R. (1990). Manufacturer trade deals and retail price promotions. *Journal of Marketing Research*, 27(4) 428-444.

Rogers, P. A. (2006). Optimizing supplier management and why co-dependency equals mutual success. *Journal of Facilities Management,* 4(1): 40–50.

Schiffman, L. G. & Kanuk, L. L. (2004). Consumer Behavior. Pearson Education, Inc: USA.

Smith, W., Bruggen G. H. V. & Wierenga, B. (2002). *Building stronger channel relationship though information sharing*. Discussion Paper, 235, Erasmus Research Institute of Management, 1–62.

Supermarket Business. (1998). The trade promotion quagmire. (June) 130.

Squire, B., Cousins, P. D. & Brown, S. (2005). Collaborating for customization: An extended resource-based view of the firm. *International Journal of Productivity and Quality Management,* 1(1–2): 8–25.

Struse, R. W. (1987). Commentary-Approaches to promotion evaluation: A practitioner's viewpoint. *Marketing Science,* 6(2): 150-151.

Voss, M. D., Calantone, R. J. & Keller, S. B. (2005). Internal service quality: Determinants of distribution center performance. *International Journal of Physical Distribution and Logistics Management,* 35(3): 161-176.