

## Assessing Retail Computer Purchase Determinants: An Empirical Study on a Specialized Retail Computer Market of Dhaka City

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### Abstract

*This Research primarily aims at finding out the success factors of BCS Computer City, located in Agargaon, Dhaka, Bangladesh. In the research both qualitative and quantitative research methods are administered. The scope of the research is not only limited to the present success but also highlighted on the future sustainability. Factors like after sale service, inventory management system, knowledge, facilities, customer database system, shop layout, import system, online retail system are studied and analyzed using sophisticated statistical tool to understand in depth the fundamental parameters that fosters the success and sustainability of BCS Computer City.*

### Introduction

BCS Computer City is the IT Hub of Bangladesh. It is conveniently located in the heart of Dhaka City at Agargaon, Sher-e-Bangla Nagar at the close proximity of the Bangladesh Parliament building. It is a distinctive, well-maintained building with the most elaborate architecture as well as with all modern amenities. This building has four-storied covered floor space of more than 100,000 square feet of shopping complex with above 156 outlets for retail and wholesale of exclusively computer hardware, accessories, peripherals and related products. BCS Computer City played the role of a pioneer in setting the course of IT development to the right direction. From its inception till date, it still is the name of trust, reliability, and it is most definitely the symbol of success in Bangladesh.

### Key Concepts

**After-Sales Service:** This involves all the helpful activities provided by the shop to the customers regarding that particular good that has been sold to that same customer which include-Troubleshooting, helpline etc.

**Synergy:** Synergy occurs within shops when one shop refers a customer to other shops within the BCS Computer City or brings in products that the customer demanded from other shops currently not in inventory.

**Inventory Management System:** Forecasting demand based on technological innovation of ICT products and procuring based on the above information.

**Knowledge:** Information on hardware specification, system configurations, and IT solutions.

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**Import System:** It focuses on whether the goods are directly bought from the manufacturers or are delivered through intermediaries.

**Shopping entertainment:** Involves addition of interactive selling with customers through various activities like creating Wide Screen TV, Music, Wi-Fi zone, introducing cyber cafe, providing computer counseling and 24/7 service to add value to the shopping experience of the consumers.

**Layout of Shops:** Arrangement of shops according to product and floor wise systematic distribution.

**Online Retailing System:** Buying and selling option through internet.

**Customer Database System:** Listing customer information once they purchase any goods from the shop. These listing will later be used to provide reward, discount, news and complementary offers.

### **Literature review**

Consumers buying behavior is shaped by behavioral (observational) learning or cognitive learning (Schiffman, 2007). While buying from retail stores consumers consider location, product assortment, services and store atmosphere, price, and personnel (Kotler, 2007). Consumers' focus on location suitability, while selecting retail specialty store such as computer or computer accessories (Berman, 2007). Retailers exercise great care in selecting locations (Tice, 2004). Location can be in a central or intersection of two busy streets, or a bit far on a highway or street (Berman, 2007). Convenience is also a matter to most consumers while buying from retail stores (Anderson, 2006). Convenience means ease of placing order and getting the product smoothly in a less time consuming way (Anderson, 2006). Other researchers stressed store atmosphere as a major influence in selecting specialty retail store. Every store has a physical layout that makes it hard or easy to move around. Every store has a "look". The store must embody a planned atmosphere that suits the target market and draws consumers toward purchase (Coleman, 2000). Some retailers develop an atmosphere where consumers' can experience or test products in a simulated environment. They feel that they are buying from the proper store with such experiential environment (Eastman, 2002). A Store's interior influences consumers heavily while selecting their merchandize. Consumers' care whether they find the atmosphere modern or traditional (mazursky, 1986). The retailer's product assortment must match the target market's shopping expectations. The retailer has to decide on product-assortment breadth and depth (Berner, 2004). Defining store's product assortment is a real challenge but once done successfully acts as a powerful differentiation strategy. Retailers' can try several possibilities: featuring exclusive national brands that are not available at competing retailers, featuring mostly private branded merchandise, featuring blockbuster distinctive merchandise events, featuring surprise or ever-changing merchandise, featuring the latest or newest merchandise first, offering merchandise customizing services, offering a highly targeted assortment (Wortzel, 1987). The services mix is a key tool for differentiating one store from another. Retailers must decide on the services mix to offer customers: retailers' may offer pre purchase services that include accepting telephone and mail orders, advertising, window and interior display, fitting rooms, shopping

hours. They may also consider post purchase services such as shipping and delivery, adjustments and returns, alterations, installations. Ancillary services can also be of heightened interest for the consumers', such as parking, ATM service, credit card facility, rest-rooms (Kotler, 2007). Consumers' if not care for other things, must care price of goods and services they are buying from a retail store. Price must be in consideration with product quality, assortment, service, location and competition. Most retailers seek either high markups on lower volume (most specialty stores) or low markups on higher volume (mass merchandisers and discount stores) (Bell, 1998).

Since, BCS Computer City has never been subject to extensive research there is lack of literature directly related to it. The strength of secondary study as a contribution towards development of the core of the research, which is to- identify the factors of success of this computer market and sustaining them - is nothing much to talk about. Even though very few research materials shed ample light on the development and success of BCS Computer City there is abundance of literature on ICT Industry of Bangladesh that BCS Computer City operates in. Before any analysis of this unexplored yet immensely potential computer market could be made, they will have to go through the available secondary data regarding the industry. Three reports were thoroughly studied:

1. **National Information and Communication Technology (ICT) Policy** (October: 2002) from Ministry of Science and Information & Communication Technology
2. **Annual Report 2006**, Bangladesh Computer Samity
3. **Business Opportunities within the IT and Telecommunication Industry** (November 2006) A sector study prepared for Danida by Håndværksrådet, Ministry of Foreign Affairs Denmark

Along with that, websites of BCS Computer City was also being comprehensively studied. Newspaper articles from New Age, The Daily Star and reports published in IT Magazines e.g. Computer Jogot were also collected and studied. From this wide ranging source of data, it was possible to achieve valuable insights regarding the hardware products, local companies operating in the industry, the value chain of hardware products, forward linkages, implications of government policy etc. This information helped us set the parameters for our primary qualitative research. By connecting the dots it was possible to identify the whole set of stakeholders of BCS Computer City.

### **Objective of the study**

- a) To recognize the success story of BCS Computer City in the ICT industry of Bangladesh
- b) To identify and analyze the factors playing vital role in making BCS Computer City a success.
- c) To determine the factors that will help BCS Computer City to sustain its current reign of success in the future.

## **Methodology**

### **Primary Qualitative Research**

Primary Qualitative Research has been done to get an exhaustive understanding of what the factors are that might contribute to the success of BCS Computer City and how it can sustain its success in the long run through incorporating different techniques. Through information collected from primary qualitative and further secondary research 2 sets of questionnaires- one for the hardware retailers of BCS Computer City and the other one for customers of BCS Computer City were prepared.

Two types of Qualitative techniques were used for the research to gain primary information. Along with that interview of store managers were taken.

#### **• Key Informant Interview (KII)**

The KII was used for two classes of people. First class included key person from the organizations like BCS and ECS. They were interviewed to gain expert opinion and technical analysis about the whole system.

Second class includes key persons of a few selected shops in the BCS Computer City. They were interviewed to gain in-depth analysis and to get information about the shops.

#### **• Focus Group Discussion (FGD)**

The FGD has been done for getting information from the customers' perspective of BCS Computer City. 6 individuals who have previously purchased computer related items from BCS Computer City were the respondents of the FGD.

#### **• Interviews**

Interview of store managers of retail outlets of BCS Computer City and Elephant road computer market were also taken to gather further information that later helped us in formulating hypothesis.

## **Hypotheses**

1. Null hypothesis: The reliability of the sales personnel speech of the retail outlets doesn't have a direct impact on the retention rate of customers in the BCS Computer City.  
Alternative hypothesis: The reliability of the sales personnel speech of the retail outlets has a direct impact on the retention rate of customers in the BCS Computer City.
2. Null hypothesis: Knowledgeable sales personnel in BCS Computer City don't ensure ease in customers purchase decision.  
Alternative hypothesis: Knowledgeable sales personnel in BCS Computer City ensure ease in customers purchase decision.

3. Null hypothesis: Service specialization like bulk buying at a discount offered to corporate clients doesn't help retailers gain majority of its profit.  
Alternative hypothesis: Service specialization like bulk buying at a discount offered to corporate clients helps retailers gain majority of its profit.
4. Null hypothesis: Intra-shops relationships don't ensure greater efficiency of service in BCS Computer City.  
Alternative hypothesis: Intra-shops relationships ensure greater efficiency of service in BCS Computer City.
5. Null hypothesis: Current inventory management system of retailers doesn't help provide updated products.  
Alternative hypothesis: Current inventory management system of retailers helps provide updated products.
6. Null hypothesis: The competition currently existing among BCS retailers is more price-based rather than service based.  
Alternative hypothesis: The competition currently existing among BCS retailers is service based.
7. Null hypothesis: Product updates and latest product prices published in different daily newspapers and magazines doesn't create awareness among customers.  
Alternative hypothesis: Product updates and latest product prices published in different daily newspapers and magazines creates awareness among customers.
8. Null hypothesis: Latest product promotions using Billboards is not an effective medium for BCS Computer City retail outlets.  
Alternative hypothesis: Latest product promotions using Billboards can be an effective medium for BCS Computer City retail outlets.
9. Null hypothesis: Modern amenities currently provided by BCS Computer City are not conducive to good business.  
Alternative hypothesis: Modern amenities currently provided by BCS Computer City are conducive to good business.
10. Null hypothesis: Presence of strong management doesn't ensure high level of professionalism and can't help reducing disputes.  
Alternative hypothesis: Presence of strong management ensures high level of professionalism and reduces disputes.
11. Null hypothesis: Presence of high number of importers in BCS doesn't ensure availability of updated technology.  
Alternative hypothesis: Presence of high number of importers in BCS ensures availability of updated technology.

## **Questionnaire Generation**

Two sets of questions were prepared for the research, one for the retailers of BCS Computer City and the other one for customers of BCS Computer City. These were developed by the help of the hypothesis created above. A pretest has been done considering 10% of the total sample taken for each category. After pretest, few changes were made and thus we prepared the final questionnaire for both the categories.

## **Data Collection Techniques**

### **Primary Qualitative Research**

The qualitative techniques used to gather primary information are Focus Group Discussion (FGD), Key Informant Interview (KII) and Interviews.

- The FGD consisted of respondents who had purchased computer related items from BCS Computer City previously. The respondents were 6 students of different batch of North South University.
- The KII consisted of all the team members taking interview of individuals from different organizations. A certain set of questions were previously prepared for ease. Each member noted down points individually as the interviews continued.
- The interview consisted of all the members interviewing store managers of different retail outlets in BCS Computer City in turn. Each members noted down points individually as the interviews continued.

### **Survey Methods**

Four types of survey methods are being used for gaining information from both the customers and retailers of BCS Computer City.

- Customers: Intercepts and Questionnaire Surveys were being done for obtaining information from the customers of BCS Computer City. The intercept was beneficial for our research since the response rate was high and we could get instant answer.
- Retailers: Door-to-Door institutional surveys and Mystery shopping were being done to gather information from the retailers of BCS Computer City. The major survey method for gaining information from retailers was door-to-door institutional survey.

### **Sample Design**

#### **Target Population**

In comprehending the target population, two sets of target population have been chosen:

- a. Retailers of BCS Computer City
- b. Customers of BCS Computer City

#### **Sample Frame**

The sample frames that have been selected are as follows:

- a. Retail outlets of BCS Computer City
- b. Customers of BCS Computer City

Sample Unit

- a. Hardware retailers of BCS Computer City
- b. Hardware Customers of BCS Computer City

Sample Element:

- a. Sales Representatives of the Retail Outlets of BCS Computer City
- b. Customers who have bought computers from BCS Computer City

Extent: Dhaka Metropolitan city

Time factor:

Customers:

Time: 270 minutes

Time per Interviewee = 6 minutes

Total Estimated Number of Interviewees =  $(270/6) = 45$

Here, 45 surveys were conducted to complete the customer questionnaire survey.

Retailers:

Time: = 250 minutes

Time per Interviewee = 10 minutes

Total Expected Number of Interviewees =  $(250/10) = 25$

Here, 25 surveys were completed by the retailer.

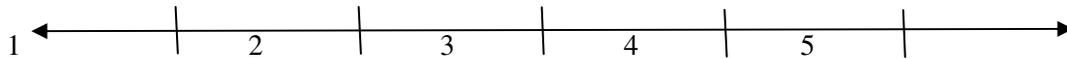
Error Factor: 5%, as we are estimating that 95 out of the 100 interviews will be conclusive for our research.

**Findings & Analysis**

Below are the detailed analyses of all 15 hypotheses stated above. Extensive analysis has been done through SPSS so that it can be made possible to arrive to a result as to whether we should accept the null hypothesis or the alternate hypothesis.

**H1: The reliability of the sales personnel speech of the retail outlets has a direct impact on the retention rate of customers in the BCS Computer City.**

8. Rate the reliability of the Sales Personnel speech of BCS Computer City. (1 = Poor, 5 = Excellent). (Circle the appropriate number).



Null Hypothesis- Reliability of the sales personnel speech does not exceed rating 4.

Ho:  $\mu \leq 4.0$

Alternative Hypothesis- Reliability of the sales personnel speech exceeds rating 4.

H1:  $\mu > 4.0$

**Statistics**

Sales Personnel speech of BCS

N	Valid	45
	Missing	0

**Sales Personnel speech of BCS**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid poor	3	6.7	6.7	6.7
2	4	8.9	8.9	15.6
3	12	26.7	26.7	42.2
4	19	42.2	42.2	84.4
excellent	7	15.6	15.6	100.0
Total	45	100.0	100.0	

Descriptive Analysis:

From the frequency table it has been found that 42.2% respondent rated sales personnel speech above at above average which is rating 4 even though the mean result was 3.51 and 15.6% rated excellent even though almost 27% rated their speech as average.

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Sales Personnel speech of BCS	45	3.51	1.079	.161

**One-Sample Test**

	Test Value = 4					
	t	Df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Sales Personnel speech of BCS	-3.039	44	.002	-.489	-.81	-.16

The further test has been done to check whether these ratings of the respondents actually represent the population or not. The significance level came out to be 0.002 which is less than 0.05 at 5% level of significance. Even though there is a statistically significant difference in variable across the groups the individuals are indifferent in case of current customer focused behavior of the sales representatives of BCS Computer City, which suggests that the mean result was not truly representing the respondents' answers.

Result: The null hypothesis is rejected that means peoples' perception toward the sales representatives in terms of speech is quite positive and that can be considered as one of their underlying success factors.

**H2: Knowledgeable sales personnel ensure ease in customers purchase decision.**

9. Rate the level of knowledge of the Sales Personnel of BCS Computer City that helps you in making a wise purchase (1 = Poor, 5 = Excellent). (Circle the appropriate number).



Null Hypothesis- Customers purchase decisions are not made easier when the sales person is knowledgeable and ratings do not exceed 4.

Ho:  $\mu \leq 4.0$

Alternative Hypothesis- Customers purchase decisions are made easier when the sales person is knowledgeable hence the ratings exceed 4.

H1:  $\mu > 4.0$

**Statistics**

Knowledge of the Sales Personnel

N	Valid	45
	Missing	0

**Knowledge of the Sales Personnel**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Poor	3	6.7	6.7	6.7
	2	4	8.9	8.9	15.6
	3	10	22.2	22.2	37.8
	4	19	42.2	42.2	80.0
	Excellent	9	20.0	20.0	100.0
	Total	45	100.0	100.0	

From the frequency table it has been found that 42.2% respondent rated sales personnel speech above at above average which is rating 4 even though the mean result was 3.51 and 20% rated excellent even though almost 22% rated their speech as average.

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Knowledge of the Sales Personnel	45	3.60	1.116	.166

**One-Sample Test**

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Knowledge of the Sales Personnel	-2.404	44	.030	-.400	-.74	-.06

One sample T-test:

The further test has been done to check whether these ratings of the respondents actually represent the population or not. The significance level came out to be 0.030 which is less than 0.05 at 5% level of significance.

Result: The null hypothesis is rejected that means customer purchase decision is made easier by the knowledgeable sale person of BCC computer city.

#### ANOVA

How many times Purchased from BCS?

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.690	4	.423	1.051	.393
Within Groups	16.088	40	.402		
Total	17.778	44			

One Way ANOVA:

Null hypothesis- There is no difference among frequent buyers and less frequent buyers in terms of the knowledge the sale people have.

Alternative Hypothesis: There is differences among frequent buyers and less frequent buyers in terms of the knowledge the sale people have.

This test has been conducted to see whether those who purchase frequently and less frequently has any relation with the knowledge the sales person have.

The significance came out to be 0.393 which is greater than 0.05 meaning that the Null hypothesis is not rejected.

Result: The Null hypothesis is not rejected. It means that knowledgeable sales person makes there purchase decision process easier even though their purchase decision may not solely depend on the knowledge of the sales people. It may be stated in other words that, knowledge of the sales people makes purchase decision easier that even it results in similar type of purchases or reduces differences among the first time buyers and frequent buyers. This is another key success factor for BCS computer city.

**H3: Service specialization like bulk buying at a discount offered to corporate clients helps retailers gain majority of its profit.**

3. Who contributes to your profit the most? Either Personal Users or Corporate Clients

4. Do you offer specialized service to corporate clients? Either Yes or No

Null Hypothesis- Ho: Frequency percentage of corporate clients and yes percentage for Q4  $\geq 50\%$

Alternative Hypothesis- H1: Frequency percentage of corporate clients and yes percentage for Q4 < 50%

Analysis:

**Statistics**

		contributes to your profit the most	offer specialized service to corporate clients?
N	Valid	25	25
	Missing	0	0

Descriptive Analysis:

76% of the respondent agreed that they provide specialized service to the corporate clients. Along with that from the result of Q3 in the retailer questionnaire it has been seen that 72% of the respondents agreed that corporate clients contribute to their profit most.

**contributes to your profit the most**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Personal Users	7	28.0	28.0	28.0
	Corporate Clients	18	72.0	72.0	100.0
	Total	25	100.0	100.0	

**offer specialized service to corporate clients?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	6	24.0	24.0	24.0
	Yes	19	76.0	76.0	100.0
	Total	25	100.0	100.0	

Result: So the Null Hypothesis is accepted. Hence specialized service offered to corporate clients helps retailer gain majority of its profit from corporate clients.

**H4: Intra-shops relationships ensure greater efficiency of service in BCS Computer City.**

7. Maintaining Intra-shop relationship help you provide better service to your customer.



Null Hypothesis- **Intra-shop relationship does not ensure greater efficiency of service in BCS Computer City** and ratings do not exceed 4.

Ho:  $\mu \leq 4.0$

Alternative Hypothesis- **Intra-shop relationship ensures greater efficiency of service in BCS Computer City**, hence the ratings exceed 4.

H1:  $\mu > 4.0$

**Statistics**

Maintaining relationship help providing better service Intra-shop providing

N	Valid	25
	Missing	0

**Maintaining Intra-shop relationship help providing better service**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid agree	5	20.0	20.0	20.0
highly agree	20	80.0	80.0	100.0
Total	25	100.0	100.0	

Descriptive Analysis:

From the frequency table it has been found that 80% of the respondents highly agreed with the fact that **intra-shop relationship ensures greater efficiency of service in BCS Computer City**. **The mean rating for the question also came 4.80 exceeding the rating 4.**

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Maintaining Intra-shop relationship help providing better service	25	4.80	.408	.082

**One-Sample Test**

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Maintaining Intra-shop relationship help providing better service	9.798	24	.000	.800	.63	.97

Further test has been done to find out whether these results truly represent the population or not. Here, the significance came 0.000 which is less than 0.05 at 5% level of significance.

Result: The null hypothesis is rejected proving that intra-shop relationship is a key success factor that ensures greater efficiency of service in BCS Computer City. The results of the test suggest that maintaining intra shop relation definitely help providing better service.

**H5: Current inventory management system of retailers helps provide updated products.**

5. Do you think an in-house inventory would increase your efficiency? Either Yes or No

**in-house inventory would increase your efficiency**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	10	40.0	40.0	40.0
	Yes	15	60.0	60.0	100.0
Total		25	100.0	100.0	

60% of the respondents agreed that current inventory management is helpful in providing updated products. It suggests that majority of the respondents agreed to incorporate an in-house inventory to increase their efficiency in service. This proves that BCS Computer City's current inventory

management system needs improvement. BCS Computer City can take initiatives to provide retailers with in-house inventory management system to facilitate prompt supply of latest technology to the customers. Moreover providing in-house inventory location will decrease operational cost of retailers for example extra transportation cost.

**H6: The competition currently existing among BCS retailers is service based.**

- Null Hypothesis- The competition amongst retailers is not service based. ( $H_0: \mu \leq 4.0$ )
- Alternative Hypothesis- The competition amongst retailers is service based. ( $H_1: \mu > 4$ )

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
service based rather than price based	25	2.92	1.187	.237

**One-Sample Test**

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
service based rather than price based	-4.548	24	.000	-1.080	-1.57	-.59

From the one sample statistics it can be seen that the mean is 2.92 which is less than 4. The value of significance is 0.000 which is less than 0.05 at 5% level of significance. So the null hypothesis can be rejected. From the above information it can be concluded that the competition amongst the retailers is currently service based rather than product based and those who provide the better service, can hope to get more customers.

**H7: Product updates and latest product prices published in different daily newspapers and magazines creates awareness among customers.**

**Statistics**

Information about latest product updates of BCS

N	Valid	45
	Missing	0

**Information about latest product updates of BCS**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid friends and family	21	46.7	46.7	46.7
newspaper	11	24.4	24.4	71.1
magazine	5	11.1	11.1	82.2
television	8	17.8	17.8	100.0
Total	45	100.0	100.0	

**Null hypothesis: less than 30% of mean value indicates newspaper and magazines does not create awarness among customers.**

**Alternative hypothesis:** More than 30% of mean value indicates newspaper and magazines create awarness among customers.

From the study it is clear that the mean value of newspaper and magazine jointly is 35.50%. So, null hypothesis is rejected; ultimately alternative hypotheis is accepted which indicates that newspaer and magazine create awarness among customers.

**H8: Latest product promotions using Billboards can be an effective medium for BCS Computer City retail outlets.**

- Null Hypothesis- Billboards are not an effective medium of promotion. (Ho:  $\mu \leq 2.0$ )
- Alternative Hypothesis- Billboards are an effective medium of promotion. (H1:  $\mu > 2$ )

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
product promotions using Billboards can be an effective	45	2.51	1.199	.179

**One-Sample Test**

	Test Value = 2					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
product promotions using Billboards can be an effective	2.860	44	.004	.511	.15	.87

From the one sample statistics it can be seen that the mean is 2.51 which is greater than 2. The value of significance is 0.004 which is less than 0.05 at 5% level of significance. So the null hypothesis cannot be accepted. From the above information we can say that billboards are an effective medium of promotion and thus shop owners should spend more on billboard promotions.

**H9: Modern amenities currently provided by BCS Computer City are conducive to good business.**

- Null Hypothesis- Modern amenities currently provided by BCS Computer City are not conducive to good business. ( $H_0: \mu \leq 4.0$ )
- Alternative Hypothesis- Modern amenities currently provided by BCS Computer City are conducive to good business. ( $H_1: \mu > 4$ )

One-Sample Statistics

	N	Mean	Std. Deviation	Std. Error Mean
Amenities	25	3.80	1.000	.200

One-Sample Test

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Amenities	-1.000	24	.277	-.200	-.61	.21

From the one sample statistics it can be seen that the mean is 3.80 which is less than 4. The value of significance is 0.277 which is greater than 0.05 at 5% level of significance. So the null hypothesis cannot be rejected.

From the above information, it can be concluded that the modern amenities currently provided by BCS Computer City are not conducive to good business. So, BCS Computer City has ample opportunities to improve in this section. To sustain the success of BCS Computer City in long run it should come up with more modern and up-to-date amenities to satisfy the customers.

**H10: Presence of strong management ensures high level of professionalism and reduces disputes.**

- Null Hypothesis- Presence of strong management does not ensure high level of professionalism and reduce disputes. ( $H_0: \mu \leq 4.0$ )
- Alternative Hypothesis- Presence of strong management ensures high level of professionalism and reduces disputes. ( $H_1: \mu > 4$ )

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Management committee is effective in resolving disputes	25	3.96	1.060	.212

**One-Sample Test**

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Management committee is effective in resolving disputes	-.189	24	.712	-.040	-.48	.40

From the one sample statistics it can be seen that the mean is 3.96 which is less than 4. The value of significance is 0.712 which is greater than 0.05 at 5% level of significance. So the null hypothesis cannot be rejected. So, it can be said that presence of strong management in BCS Computer City does not ensure high level of professionalism and reduce disputes.

Thus, BCS Computer City needs to concentrate on this subject in order to sustain its success in long run.

**H11: Null hypothesis: Presence of high number of importers in BCS ensures availability of updated technology.**

- Null hypothesis: Presence of high number of importers in BCS doesn't ensure availability of updated technology. Here, mean value assumed 4 or more than 4.
- Alternative hypothesis: Presence of high number of importers in BCS ensures availability of updated technology. Here, mean value assumed less than 4.

**One-Sample Statistics**

	N	Mean	Std. Deviation	Std. Error Mean
Presence of importers in BCS ensures updated technology	25	3.12	.781	.156

**One-Sample Test**

	Test Value = 4					
	t	df	Sig. (one-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Presence of importers in BCS ensures updated technology	.768	24	.003	.120	-.20	.44

From the one sample statistics it can be seen that the mean is 3.12 which is less than 4. The value of significance is 0.003 which is less than 0.05 at 5% level of significance. So the null hypothesis is rejected. From the above information we can conclude that the presence of a high number of importers in BCS computer city ensures that updated technology is available to the customers. Since computer parts are not manufactured in Bangladesh that much, so high number of importers are needed.

**Findings from Qualitative Study**

- BCS Computer City is South East Asia's only hardware focused computer market selling only products and accessories that are computer related.
- It is successful due to its brand image and from the first movers' advantage.
- It is successful due to its good customer relationship management. Moreover it demonstrates a positive image of Bangladesh attracting foreigners.
- BCS is not a market for selling second hand goods like other computer market. They try to be ethically just.
- BCS Computer City is successful for its reliability because customers common perception is that if any computer item is not available anywhere it will at least be found here.
- BCS Computer is so popular that 1000-1500 application for shop space is still pending.
- BCS Computer City provides various market facilities to the retailers so that the retailers themselves take incentive to better the environment.
- The retailers think themselves as buyers to depict their end users wants. Hence they have an internal arrangement through which they maintain quality and trust and help ensure product reliability from the manufacturers.
- **Arbitration Committee:** Is highly effective in maintaining discipline, confidence and a neutral ground. It's a 9 member committee with a neutral leader.
- **Upgraded Product Issues:** To introduce new product it takes around 4/5 months. Seldom retailers don't bring new products due to the affordability factor. Bringing large stock can

result in loss due to low purchasing power of customers and seldom technology becomes obsolete. They also don't introduce new products since they need to clear previous inventory.

- **Competition:** A positive competition exists between all the retailers. There is no pricing competition but only service competition. This is so because importers price is fixed.
- **Importers Issue:** All shops get their goods from the same importers, so they get the same price and same warranty. Importers are also able to produce low quality items and sell them at lower price hence providing price curbing.
- **Fairs/IMC:** Intel channel conference occurs twice a year. Product launching occurs. Marketing modes – print ads, radio, TV advertisement, IT website, word of mouth.
- **Budget Impact:** Effect is seen after one month but very minimal. Budget will not have significant impact as computer purchase comes later. First comes people's basic needs. Moreover announcements in budget may delay purchase of consumers as they might wait for the prices to go down. Budget is more profitable for the importers. When the tax rate is decreased, the importers decrease the price slowly, but any hike of price in budget makes the importers instantly increase price.
- **Intellectual Property Rights (IPR):** The copyright law was first established in the IT Sector. In Bijoy keyboard royalty is taken.
- **Lease Factor:** 7 years lease given by IDB so the retailers are merely operating in BCS by providing rent. They are not the owner of the floor space and can anytime be evicted if wanted. So there is no surety of business over there which is a disadvantage. But the advantage is that some form of dictatorship from the BCS authority helps maintain discipline and resists retailers being very bold. This results in high operating cost which might be the reason for high price.
- **Steps taken to maintain defects (INVENTORY):** If 1000 goods are ordered they keep aside around 100 of them in stock for backup in case of warranty default.
- **Consumer Database:** Most of the shops maintain automated customer database through receipts.
- **Intra-shop Relations:** There is full-fledged understanding between shops. References only occur when there is confidence for each other.
- **Future Plans:** Further 5th and 6th floor will be built for software and corporate office space.

### Findings of the Hypotheses Testing

- Customers find the reliability of the sales personnel speech satisfactory enough and it has a direct impact on the retention rate of customers in the BCS Computer City.
- Customer's purchase decision is made easier by the knowledgeable sales person of BCC Computer City.
- Specialized service offered to corporate clients helps retailer gain majority of its profit from corporate clients.

- Intra-shops relationships do ensure greater efficiency of service in BCS Computer City.
- Current inventory management system of retailers is not efficient enough to provide updated products.
- The current competition existing among shops is purely service based rather than price-based.
- Billboards proved to be an efficient medium to create awareness among the customers regarding new product arrivals.
- Product updates from magazines and newspapers proved to be less efficient in creating awareness and it was found that customers prefer word-of-mouth advices from family and friends while making purchase decisions.
- The current management committee has not been successful enough in decreasing disputes within BCS Computer City and they need to take rigorous steps in solving disputes more efficiently.
- Modern amenities currently provided by BCS Computer City are not conducive to good business. Retailers think that they can perform better if they are provided with more advanced amenities.
- Presence of high number of importers ensure greater availability of updated technology.

### **Recommendations**

- BCS Computer City should arrange an in-house inventory to support its retailers with better inventory solution. This will ease retailers operational activities, cut down excessive transportation cost and will allow them to promptly supply latest and updated technology to the customers.
- Quality of the product has to be maintained by all the retailers to ensure customer empowerment. Recently importers are importing low quality items and are selling them at high price. This needs to be stopped since stopping it will help sustain and enhance the current customer perception about BCS Computer City.
- BCS Computer City needs to create a platform for the e-commerce potentials of the country. It will not only help it to sustain its success but also make it the proper IT hub of the country.
- BCS Computer City has to promote the Copyright Act to not only protect the intellectual property but also to inspire local programmers to participate in the development of the local software industry.
- BCS retailers should use better promotional tools in the yearly IT fair they organize since it attracts a huge number of customers and through unique and effective tool can they only capture a significant market share.
- BCS Computer City has to incorporate the whole market under Wi-Fi network to pronounce itself as an international standard market and compete with others.

- With addition of further storey to the current structure, BCS Computer City can segment a particular space for offering networking solution. This way it will always facilitate the growth of the ICT industry of Bangladesh and continue to be the leader in this field.
- A more balanced mixture has to be created between IDB and the BCS Computer City retailers that will serve both parties' interest. This will help create synchronization and hence, will result in improved performance of the retailers.
- Training should be given to the sale representatives of each retail outlets so that they can enlighten customers with their knowledge and help ensure ease in their purchase decision.
- BCS Computer City can offer foreign manufacturers to open their own assembly plants in Bangladesh to enhance the current service and to enable product specialization to meet the local needs.
- Launch product specifications of all the shops online so that customers can easily compare price and service sitting at home.
- Government has to show more dedication in building a proper IT village in the country. This will help ensure growth of both BCS Computer City and the country.
- An escalator system should be developed to facilitate both upward and downward movement of the customers. This will enhance the buying experience of the customers which will result in customer retention.
- Maintaining strong coherence among the retailers and strengthening the intra-shop relationships will prove to be vital in the long run. Specially, the large importers have to find trustworthy and committed supply chain members through BCS Computer City.
- BCS Computer City can make the customers buying experience more memorable by introducing the Shoppertainment concept. Shoppertainment includes cyber café, computer counseling, and online customer care, 24/7 service and other. This will help secure a significant portion of the customers' heart which will help them to retain customers.

### **Limitations**

Though we have put up our best effort to make this report a good one, this paper has some limitations too. We have faced some constraints and obstacles while conducting the study.

Firstly, we had limited access to the related literatures due to restricted access of journals in JSTOR Internet library and other journal sites and there hasn't been enough secondary research available for BCS Computer City. As a result, we could find limited resources to deal with.

Secondly, we couldn't find any developed questionnaire. Therefore, the researcher had to develop a questionnaire whose reliability and validity is not tested.

Thirdly, as we have used non-probability sampling for our survey and convenience sampling was conducted due to time constraint, they might not be the representative of the whole population of the target customer base.

Last but not the least, the measures included in this research was based upon the perceptions of the participating respondents. Therefore, the potential data inaccuracies due to misinterpretation or predisposition to certain responses on the part of the participant do exist.

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