

ETHICAL RESPONSIBILITIES OF BRICK AND MORTAR RETAILERS

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Abstract Retailers have ethical responsibilities in their dealings with different stakeholders. All the stakeholders have expectations from retailers and the retailers in obligation to fulfil their expectations in an ethical manner. Retailers have ethical responsibility towards customers, employees, suppliers, financiers, competitors, government, and the community as a whole. In fact, some researchers have conceptualised responsibilities of retailers but the in-depth empirical investigation has not yet done. The study empirically examines the ethical responsibilities of brick and mortar retailers towards various stakeholders. The data were obtained from 200 retailers through a self-designed schedule. The exploratory factor analysis extracted ten factors out of various variables representing ethical responsibilities of retailers towards different stakeholders. The results indicate that brick and mortar retailers are moderately ethical towards various stakeholders. The present study will be highly beneficial for the researchers, retailers, customers, regulatory bodies and policy makers for new insights and better regulation.

Keywords Retailing Ethics Brick and Mortar, Retailers, Stakeholders, Customers, Ethical Responsibilities

INTRODUCTION

Indian retail industry is one of the biggest industries with 12 million outlets and being the fifth most attractive emerging retail market despite the fact that it is highly fragmented and unorganised (Sharma & Sharma, 2014). However, in last few years, the process of change has started with traditional markets making way for new big retail outlets such as departmental stores, supermarkets and specialty stores. Although western-styled malls appear in metros and other big cities, offering the Indian consumer to a shopping experience of global standards, but the brick and mortar stores still have dominant retail market share. Retailers being last in the distribution chain are associated with various stakeholders (Fig. 1) such as customers, employees, suppliers, financiers, government agencies, media, and community at large (Sharma & Sharma, 2014; Fassin, 2009; Kaptein, 2008; Berman & Evans, 2007; Kujala, 2001; Whysall, 2000). The retailers have ethical obligations in their interaction with these stakeholders (Sharma & Sharma, 2012; Kurt and Hacioglu, 2010; Dubinsky, Natarajan, & Huang, 2004; Whysall, 2000) as they are being the last component in supply chain and logistics. It is a fact that all stakeholders have expectations from retailers and they too are obliged to fulfil these expectations in an ethical manner (Sharma & Sharma, 2014; Sarma, 2007; Whysall, 2000). Among these stakeholders, the customers always expect genuine quality products with reasonable prices and adequate after

sales services while the employees want to have adequate compensation for the job with proper working conditions, job safety, and security along with other non-monetary rewards. The suppliers require immediate and whole payment of their dues on purchases made by retailers while the government expect abidance of rules/laws and contribution in the form of taxes as well (Sharma & Sharma, 2014; Lavorata & Pontier, 2005). In fact, nowadays it is witnessed that the unethical practices in various firms have increased as publicised by media thus, making sensitive retailers as well. This requires retailers to possess ethical virtues for managing better retail business (Kumar & Barani, 2012). Retailers need to observe ethical standards in their decision making, particularly while confronting situations not covered under law (Sarma, 2007; Lavorata & Pontier, 2005; Dubinsky *et al.*, 2004). It is a fact that retailers dealing with stakeholders ethically, in turn, enhance their turnover, profitability and image of their retail outlets. On the contrary, unethical retail practices lead to customer dissatisfaction, switching to other stores, less sales, profit and bad image of the retail stores. It is thus, necessary to study the ethical behaviour of retailers in terms of their dealings with various stakeholders (Fassin, 2009) for formulating an appropriate strategic action plan so that retailing practices are further improved, maintained and monitored for sustainable and long term profits within framework of ethical values.

The various ethical responsibilities of brick and mortar retailers towards various stakeholders are listed in Table 1.

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Table 1: Ethical Responsibilities of Retailers towards Stakeholders

Type of Stakeholder	Ethical Responsibilities
In relation with consumers	Provide the goods demanded by the customers.
	No adulteration of goods.
	Safe and proper packaging.
	Inform consumers about product usage.
	Repair/ replace the products within warranty/guarantee period.
	Charge the printed price.
	Charge prescribed VAT rates on different products.
	Fair advertising and sales promotion.
	Avoid giving preference to certain customers.
	Issuance of bills on purchases made by customers.
	Furnish the needed information to customers.
	Treat all customers equally.
	Helping customer in choice making.
	Priority to customer satisfaction than to sales and profit.
	Truthful in dealing with customers.
	Protect customer rights.
Fair in dealing with your customers.	
In relation with salesmen/ employees	Treat all employees equally.
	Handle employees' complaints immediately.
	Employees are paid for overtime work.
	Helping employees as and when needed.
	Protect employees' rights.
In relation with suppliers	Provide the needed information to your suppliers.
	Deal truthfully with suppliers.
	Pay the bills on proper time.
	Follow the terms and conditions of suppliers.
	Build long term relations with your suppliers.
	Give due respect to your suppliers.
	Help suppliers as and when needed.
	Focus own and suppliers' interest.
	Return expiry dated products to your suppliers
Fair dealings with your supplier.	

Type of Stakeholder	Ethical Responsibilities
In relation with competitors	Follow the rules of fair play with your competitors.
	Never criticise your competitor.
	Readily cooperate with competitors.
	Don't hire the employees of competitors.
	Give respect to your competitors.
In relation with government	Comply with the legal rules and regulations.
	Provide the needed information to authorities
	No bribe to governmental officials.
	Fill the tax return on time.
In relation with financiers	Pay the actual rates of tax.
	Cooperate with your financiers.
	Needed information to your financiers.
	Pay interest at agreed rate.
	Pay the loan on maturity date.
In relation with community	Respect to financiers.
	Try to protect the environment.
	Don't employ minors in store.
	Due respect to children and women.
Participate in trade exhibitions.	

LITERATURE REVIEW

In the extant literature, only a few researchers have focused on retailing ethics (Sharma & Sharma, 2014; Kurt & Hacıoglu, 2010; Sarma, 2007; Lavorata & Pontier, 2005; Dubinsky et al., 2004; Whysall, 2000; Deshpande, 1997; Levy & Dubinsky, 1983; Dornoff & Tankersley, 1976). The early attempt was made by Dornoff and Tankersley (1976) who investigated various aspects of CSR in retailing followed by Levy and Dubinsky (1983) and Dubinsky and Levy (1985) who examined the perception of retail sales personnel about retailing ethics. Further, Norris and Gifford (1988) and Burns and Bready (1996) examined the perception of retail store managers as well as retail students about ethical retail practices. A significant contribution in retailing ethics has been made by Whysall (1998) who described ethical relationship in retailing retailers must be aware about the ethical virtues involving justice, equity, honesty, integrity, and respect to all stakeholders. Afterwards Abratt, Bendixen, and Drop (1999) also explored the ethical beliefs of executives, managers, and salespeople and suggested that retailers must formulate ethical policies and procedures for their salespeople. In another attempt, Whysall (2000) presented a framework of stakeholders in retailing and discussed the significance of

these stakeholders by citing several ethical issues in retailing to demonstrate the benefits that accrue from applying a stakeholder approach. The study conducted by Dubinsky et al. (2004) investigated the relationship between retail salespersons' moral philosophy (idealism and relativism) and their perceptions about ethically troublesome situations followed by Lavorata and Pontier (2005) who applied 'ethical assessment criteria' for analysing the traditional retailers' ethical actions. In addition, Román and Luis Munuera (2005) highlighted several key determinants and consequences of ethical behaviour of salespeople. Moreover, Román and Ruiz (2005) observed ethical behaviour of retail salespersons affecting the quality of relationships with consumers. While, Sarma (2007) found salespeople facing ethical dilemmas as retailers had not formulated clear policies and code of ethics for guidance. The study by Román and Cuestas (2008) measured the perceptions of consumers regarding online retailers' ethics and its relationship with consumers' general internet expertise and word of mouth. In an empirical investigation, Sharma & Sharma (2009) found legal norms and ethical values as moderate among Indian retailers and viewed highly educated and senior in

age retailers behaving more ethically than their low educated and younger counterparts. In another attempt, Sharma & Sharma (2011) found customers perceiving retailers as respectful, polite and giving due recognition but to some extent they compromise with some issues like truthfulness, openness and responsiveness. In addition, Sharma & Sharma (2012) found retailers dealing in shopping goods as moderate in observing legal norms and ethical values and recommended an active role of regulatory bodies in terms of more awareness, stringent punishment to law breakers and unethical acts need to be publicised. In another attempt, Sharma & Sharma (2013) opined manufacturers viewing retailers as unethical in terms of payments of bills on time and Sharma & Sharma (2014) found positive and significant impact of retailing ethics on customer satisfaction. It is evident from the extant literature that most of the studies conducted so far on retailing ethics are conceptual in nature and even those who studied empirically; examined the perception of salespeople, students, customers and retail managers. The present study bridges the gap in the literature by examining ethical responsibilities of retailers in brick and mortar retailers.



Fig. 1: Stakeholders in Retailing

HYPOTHESES AND OBJECTIVES

Hypotheses

H1: Moderate level ethical values are followed by bricks and mortar retailers.

H2: There is no significant difference regarding ethical responsibilities among retailers belonging to different retail outlets.

Objectives

- To explore ethical responsibilities of bricks and mortar retailers.
- To find out the extent of ethical responsibilities of retailers towards various stakeholders.
- To examine type of store wise differences in ethical orientations of retailers.

RESEARCH METHOD

Instrument

The data were collected through a specifically developed schedule (Fig. 1) on the basis of the available literature (Kaptein, 2008; Sarma, 2007; Lavorata & Pontier, 2005; Dubinsky *et al.*, 2004; Kujala, 2001; Whysall, 2000) and discussions with experts in the related fields of study. It comprised some items of general demographic nature with 52 items based on 5-point Likert scale ranging from strongly agree (5) to strongly disagree (1) (Malhotra, 2008, p. 274). The schedule consisted of seven dimensions pertaining to the ethical responsibilities of retailers towards consumers (17 items), employees (5 items), suppliers (10 items), competitors (5 items), government (5 items), financiers (5 items), and community (5 items).

Data

The primary data were collected from 200 retailers from a locality of an Indian northern state. A total of 250 bricks and mortar retailers dealing in various kinds of products were

contacted through referral sampling and out of whom, 200 responded with a response rate of 80%. The demographic and some general information comprised age, qualification, experience, type of retail store, number of employees, and their performance in terms of sales and profit. The age of the respondents has been categorised into three groups, viz., below average, average, and above average age retailers. The average age of the respondents came to be as 40 years through arithmetic mean. About 55% of the total respondents are having below average age. About 57% of them have graduation and above qualification and majority of these retailers (81%) have less than three employees. The respondents have different kinds of stores like garments (24%), general stores (19%), electronics (12%), provisional stores (10%), and others (35%). The average monthly sales of the respondents came to be ₹ 5,00,000 and mainstream of the respondents (81%) have below average sales per month. The average profit per month is found to be ₹ 50,000 and majority of the respondents (80%) have below average profit per month because these retail outlets are small and they have a lot of competition among themselves in the area. About half of the respondents have one to ten years of experience of retail business and about 47% of them have membership with retail associations like Federation of Retailers' Association (Table 2).

Table 2: Demographic Profile of Retailers

Variables	N	%	Variables	N	%
Age			Sales		
Below average	109	55	Below average	137	81
Average	10	05	Average	06	03
Above average	81	40	Above average	27	16
Qualification:			Profit		
Matriculate	47	23	Below average	134	80
Under graduate	40	20	Average	14	08
Graduate and above	113	57	Above average	21	12
Type of Stores			Experience		
Garments	47	24	0-10	103	52
General store	39	19	11-20	49	25
Electronic	25	12	21-30	35	17
Provisional store	20	10	Above 30	13	06
Others	69	35	Membership of Retailers' Federations		
Employees			Yes	93	47
Below 3	161	81	No	107	53
Above 3	39	19			

Reliability and Validity

The Cronbach alpha values prove the reliability of the data as it came to be above .6 (Malhotra, 2008) in most of the factors (Table 5). The content validity has been duly

assessed by reviewing the literature and discussions with the experts and researchers working on similar topics. The construct validity, which measures the extent to which a single scale measures the same construct, has been examined through factor analysis on the basis of principal component

analysis carried on all items in each scale to determine whether or not they load on a single scale. The Eigen values of all the factors were greater than one, indicating strong construct validity (Table 5). The convergent validity

has been determined through correlation of variables with the construct (Malhotra, 2008, p. 286) and in most of the cases, the correlation coefficients were above .5. In addition, discriminant validity has also been proved as the correlation coefficients between constructs were less than .3 (Table 3).

Table 3: Inter Correlations in Factors

Factors	1	2	3	4	5	6	7	8	9	
1. Financers	1									
2. Employees	.161	1								
3. Legal Regulation	.082	.217**	1							
4. Customer	.165	.104	.097	1						
5. Taxation	.083	.318**	-.069	.135	1					
6. Competitors	.075	.037	.112	.063	.180*	1				
7. Community	.182*	.106	.241**	.281**	.054	.141*	1			
8. Suppliers	.138	-.008	-.023	.185**	.053	.151*	.067	1		
9. Product Quality	.228*	-.028	.126	-.076	.027	.079	.134	-.031	1	
10. Services	-.013	-.028	-.002	.137	.059	.078	.118	.064	.058	1

** Correlation is significant at the 0.01 level (2-tailed)

* Correlation is significant at the 0.05 level (2-tailed)

ANALYSIS & RESULTS

The technique of exploratory factor analysis has been used through Statistical Package for Social Sciences (SPSS, 17 version) with principal component analysis along with varimax rotation for summarisation of the total data into

minimum meaningful factors (Hair *et al.*, 2009). As stated earlier, the schedule comprised of 52 items (8 of general information) and after applying factor analysis 31 items got emerged into 10 factors with 70.39% variance explained (Table 4).

Table 4: Process of Data Reduction

Rounds	Variance Explained	Items Emerged	No of Factors Extracted	Iterations	No of Items Deleted	KMO	
1	68.849	51	17	21	13	.681	2175.19
2	69.754	38	13	13	5	.687	1743.36
3	73.396	33	12	09	2	.705	1644.86
4	70.386	31	10	09	-	.716	1605.57

The ten factors are F1 (Financers), F2 (Employees), F3 (Legal Regulations), F4 (Customers), F5 (Taxation), F6 (Competitors), F7 (Community), F8 (Suppliers), F9 (Product Quality), and F10 (Services) as shown in Table 5.

The various factors explored through EFA are elaborated as under:

ETHICAL RESPONSIBILITY TOWARDS FINANCERS

Retailers procure funds either from banks and other financial institutions for setting up their retail stores and purchasing the merchandise. They are liable to the financers in terms of interest, accurate information, co-operation and the return of

principal amount on the date of maturity (Sharma & Sharma, 2014). This factor composed of five items, viz., 'cooperate with financers', 'information to financers', 'interest at agreed rate', 'loan on maturity date', and 'respect to financers'. The mean score of this factor (3.84) indicates above average ethical values being observed by retailers in relation with financers. The mean values of the items under this factor range from 3.79 to 3.94. About 68% of the total retailers were found to be ethical while dealing with their financers as they give due respect (3.80) and needed information to them (3.79). About the same number of respondents are found paying interest on loans taken by them for the establishment and reconstruction of their retail stores at agreed rate (3.83) and also returning the loan on the maturity date (3.79).

Ethical Responsibility Towards Employees

This factor has five items, viz., ‘treating all employees equally’, ‘handling employees’ complaints’, ‘paying for overtime work’, ‘helping employees when needed’, and ‘protecting employee rights’. The overall mean of the factor (4.02) with 11.34% variance explained, indicates retailers as ethical in dealing with their employees (salesmen). The mean values of the items under this factor range from 3.87 to 4.30. Majority of the retailers (85%) were found treating their employees equally without any biasness. The employees want equality and justice in terms of workload and remuneration, the absence of which leads to annoyance and jealousy towards peers and the owner (4.30) (Dubinsky *et al.*, 2004; Sharma & Sharma, 2011). About the same number of respondents were found handling employees’ complaints immediately and helping employees as required that they can work with customers without any dilemma (3.97). About 86% of the retailers shared that employees getting extra money for overtime work (4.00) every day and for working on holidays (Sunday) and employee rights as employee also being protected to a large extent (3.95).

Ethical Responsibility Towards Government

This factor contains four items, viz., ‘needed information to suppliers’, ‘rules of fair play with competitors’, ‘following legal rules and regulations’, and ‘protecting the environment’. The overall factorial mean on five-point Likert scale is 4.47. The factor loadings and mean values of items under this factor range from .795 to .662 and 4.61 to 4.88 respectively (Table 5). Majority of the respondents (99%) were found providing the information to the suppliers/ wholesalers (4.74) and about 97% of them expressed their compliance to legal norms framed by the government (4.74). About the same number of respondents shared that they act fairly with their competitors and never do any harm to them by negative word of mouth (4.61). Various types of taxes are levied by the government for generating the public revenue from individuals and business firms (Sharma, 2015). The retailers too are required to fill up the tax return and pay the taxes honestly on time. This factor consists of two items, viz., ‘filling the tax return on time’ and ‘paying the actual rate of tax’ (Lavorata & Pontier, 2005; Sharma & Sharma, 2009). The factor has mean score of 4.13 with 6.23% of variance explained and Eigen value of 1.91. The commonalities of both items were found to be .92 and .93, much higher than standard value of 0.50. About 85% of the total respondents are filling the tax return on time (4.24) and paying the actual rate of tax (4.01) (Table 5).

Ethical Responsibility Towards Customers

Retailers are in direct link as front line managers with customers and their dealings with them, are ethical resulting

to sustainable consumer satisfaction, loyalty and better business performance. This factor encompasses four items, viz., ‘needed information to consumers’, ‘treating all consumers equally’, ‘helping customers in making choices’, and ‘truthfulness with customers’. The overall mean of this factor (4.18) depicts retailers’ ethical dealings with customers as they supply timely information regarding the different brands of products available in their retail stores. Majority of the respondents found providing the needed information to the customers about the products (4.18) and at the same time helping them in purchasing decisions (4.17). Customers seek information from retailers about many aspects and also need some help in making choice for the product. About 98% of them are found treating all customers equally irrespective of their gender, age, caste, religion, and income (4.22). The present customer expects quality products at reasonable price. He also wants products to be safe, unadulterated and hygienic. This factor encompasses two items, viz., ‘no adulteration of goods’, and ‘return of outdated products’. The factorial mean score (3.02) indicates just nominal satisfaction about adulteration from viewpoint of retailers as most of the products are packed by the suppliers and retailer’s job is to sell them. This can be possible in case of food items which are packed by retailers like pulses, rice etc. To supplement this, about 81% of the total respondents do not sell outdated products to customers because it tarnishes the image of their retail store and they do return the outdated products to their suppliers (3.98). Retailers, particularly dealing in specialty products like electronic goods, give after sales services to consumers for making them comfortable and familiar with the retail store (Sharma & Sharma, 2014). Two items, viz., ‘supplying demanded goods’ and ‘repairing/ replacing the products during the period of warrantee / guarantee’ constitute the last factor. The factorial mean (4.41) with 3.52% variance explained and Eigen value (1.02) indicate retailers in Jammu city providing the demanded goods to the customers with adequate after sale services (Table 5). About 98% of the respondents provide variety of products of different brands (4.75) and thus, fulfill the demands of the customers. Moreover, about the same percentage of respondents dealing in specialty products give after sales services to the customers (4.08) as it helps them in attracting new customers and retaining the existing ones (Sarma, 2007; Sharma & Sharma, 2009).

Ethical Responsibility Towards Competitors

The retail sector has been becoming more competitive day by day due to the change in structure and size of retail stores from traditional family run stores to departmental stores, multiple shops, companies’ franchises of garments such as Allen Cooper, Yougal Sons, Priknit, Outlaw etc. In fact, the organised retailing like shopping malls has been in evolutionary stage in Jammu city and retailers having less competition from the big retail players like Wal Mart, Reliance etc. This factor has three items, namely, ‘never criticise competitor’, ‘not hiring the employees of

competitors', and 'respecting competitors'. Majority of the retailers are giving due respect to their competitors (4.12) and not berating their competitors with customers (4.04) (Kaptein, 2008).

Ethical Responsibility Towards Community

Besides other stakeholders, the retailers have also ethical responsibilities towards community. This factor constitutes

two items, viz., 'no child labour', and 'respect to children and women employees'. The factorial mean is 4.43 with 5.36% of variance explained. The commonalities of both items are above .50 (.83 and .84) and Eigen value is also greater than one (1.35). Majority (99%) of the respondents do not have child labour in their retail stores (4.38). As it is illegal and unethical to employ the children below the age of 14 years and they are being charged with heavy fine and imprisonment, if they employ the children under the age of 14 years. In addition to this, retailers also give due respect to the women employees (4.47).

Table 5: Factorial Profile of Ethical Retail Practices

Variables	M*	SD	FL	C	EV	VE	
F1 Financers	3.83	.06			5.150	13.772	.948
Cooperate with financers	3.94	.76	.852	.762			
Information to financers	3.79	.60	.905	.838			
Interest at agreed rate	3.83	.68	.918	.860			
Loan on maturity date	3.79	.62	.934	.885			
Respect to financers	3.80	.64	.926	.875			
F2 Employees	4.02	.16			3.348	11.342	.858
Treating all employees equally	4.30	.71	.676	.685			
Handling employees' complaints	3.97	.51	.839	.752			
Paying for overtime work	3.87	.69	.708	.560			
Helping employees when needed	4.00	.53	.888	.840			
Protecting employees' rights	3.95	.47	.917	.879			
F3 Legal Regulations	4.74	.11			2.674	8.425	.735
Needed information to suppliers	4.74	.46	.795	.674			
Rules of fair play with competitors	4.61	.50	.663	.562			
Follow legal rules and regulations	4.74	.50	.762	.637			
Protect the environment	4.88	.33	.762	.549			
F4 Customers	4.18	.03			2.579	7.564	.739
Needed information to consumers	4.18	.42	.688	.617			
Treating all consumers equally	4.22	.53	.747	.641			
Helping in choice making	4.17	.39	.724	.691			
Truth with consumers	4.15	.43	.727	.594			
F5 Taxation	4.13	.16			1.906	6.227	.937
Filling the tax return on time	4.24	1.30	.939	.915			
Paying the actual rates of tax	4.01	1.14	.921	.930			
F6 Competitors	4.07	.04			1.489	5.585	.600
Never criticising competitor	4.04	.51	.643	.574			
Hiring the employees of competitors	4.06	.44	.726	.646			
Respecting competitors	4.12	.34	.742	.644			
F7 No Child Labour	4.43	.06			1.350	5.363	.755
No child labour	4.38	.55	.832	.778			
Respecting children and women	4.47	.51	.841	.781			
F8 Suppliers	4.14	.35			1.172	4.341	.601
Help suppliers as and when needed	4.16	.46	.726	.630			
Fair in dealings with supplier	4.11	.31	.788	.720			
F9 Product Quality	3.50	.68			1.134	4.252	.615
No adulteration of goods	3.02	.79	.682	.550			
Return expiry dated products	3.98	.80	.619	.491			
F10 Services	4.41	.47			1.017	3.516	.611
Supplying demanded goods	4.75	.47	.603	.644			
Repair / replace the products	4.08	.80	.678	.616			
Grand Mean, S D and VE	4.14	.37				70.386	

*M= Mean, SD= Standard Deviation, FL= Factor Loadings, C= Commonalities, EV=Eigen values and VE= Variance Explained and CA = Cronbach Alpha

Ethical Responsibility Towards Suppliers

Retailers purchase the merchandise from wholesalers and sometimes even from manufacturers. But it was found during the survey that in Jammu city most of the retailers buy their merchandise from wholesalers only. Retailers' relations with their suppliers are based upon cooperation, trust, commitment, and promise keeping. The retailers need to be ethical in their dealings with suppliers. This factor consists of items like, 'helping suppliers as and when needed' and 'fair in dealings with suppliers'. About 95% of the total respondents were found fair in dealing with their suppliers (4.11) as they furnish the needed information to suppliers about consumers' demands of different brands of products and also assist them by making immediate cash payments for the products purchased by them (Sharma, 2015).

Table 6: Ethical Responsibilities of Retailers (One sample t- test)

Retailing Ethics	N	Mean	Standard Deviation	Mean Difference	t- value	Sig.
	200	4.06	0.30	1.06	50.87	.000

H2: There is no significant difference in retailers belonging to different types of retail outlets.

To find out the difference in retailers belonging to different types of retail outlets, one-way ANOVA has been performed. The respondents are classified into five categories on the basis of type of retail stores, viz., garments (24%), general store (19%), electronics (12%), provisional (10%), and others (35%) (Table 2). ANOVA indicates insignificant

TESTING OF HYPOTHESES

H1: Moderate level ethical values are followed by brick and mortar retailers.

For testing this hypothesis, one sample t-test has been applied. Since the data has been based on five-point Likert scale and to test this hypothesis a test value is required and thus, 3 being the average, has been fixed as test value representing hypothetical population mean. The one sample t-test reveals significant difference between the actual mean and test value or hypothetical population mean ($t = 50.87$ Sig. = .000, Table 6). Thus, the hypothesis is rejected. It indicates that retailers perceive themselves as more ethically responsible towards various stakeholders (Yang, Lin, Chandrees, & Chao, 2009).

mean differences among the retailers having different kinds of stores ($F = 1.426$ Sig. = .227) Further, individual factor wise analysis also discloses no significant mean differences in eight factors, viz. F1 (Sig. = .539), F3 (.169), F4 (.780), F6 (.950), F7 (.729), F8 (.468), F9 (.801), and F10 (.894). Barely two factors viz. F2 (.005) and F5 (.011) have significant mean difference regarding the perceptions of ethical retail practices among retailers with different type of stores (Tables 7 and 8). Thus, the second hypothesis is accepted.

Table 7: Type of Retail Store Wise Factorial Mean Values

Factors	Type of Retail Store				
	Garments N=47	General N=39	Electronics N=25	Provisional N=20	Others N=69
F1	3.71	3.80	4.04	3.90	3.81
F2	4.13	3.77	4.20	3.83	4.06
F3	4.68	4.77	4.69	4.66	4.81
F4	4.21	4.12	4.20	4.19	4.17
F5	4.35	3.72	4.46	3.60	4.22
F6	4.09	4.09	4.08	4.05	4.05
F7	4.44	4.44	4.30	4.43	4.46
F8	4.14	4.21	4.16	4.08	4.10
F9	3.45	3.60	3.50	3.45	3.49
F10	4.40	4.40	4.34	4.43	4.45
Overall	4.18	4.11	4.20	4.08	4.18

Table 8: Type of Store Wise Ethical Difference (ANOVA)

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
F1	Between groups	1.153	4	.288	.783	.539
	Within groups	43.102	117	.368		
	Total	44.256	121			
F2	Between groups	3.337	4	.834	3.849	.005
	Within groups	31.867	147	.217		
	Total	35.204	151			
F3	Between groups	.730	4	.183	1.627	.169
	Within groups	21.875	195	.112		
	Total	22.605	199			
F4	Between groups	.197	4	.049	.439	.780
	Within groups	21.902	195	.112		
	Total	22.100	199			
F5	Between groups	17.866	4	4.466	3.345	.011
	Within groups	260.383	195	1.335		
	Total	278.249	199			
F6	Between groups	.074	4	.018	.178	.950
	Within groups	20.184	195	.104		
	Total	20.258	199			
F7	Between groups	.470	4	.117	.510	.729
	Within groups	44.905	195	.230		
	Total	45.375	199			
F8	Between groups	.358	4	.089	.894	.468
	Within groups	19.497	195	.100		
	Total	19.855	199			
F9	Between groups	.606	4	.152	.410	.801
	Within groups	72.142	195	.370		
	Total	72.749	199			
F10	Between groups	.240	4	.060	.275	.894
	Within groups	42.479	195	.218		
	Total	42.719	199			
AGRF	Between groups	.304	4	.076	1.426	.227
	Within groups	10.408	195	.053		
	Total	10.713	199			

CONCLUSIONS, IMPLICATIONS, AND FUTURE RESEARCH

The above average overall mean score indicates retailers as ethical in their dealings with different stakeholders such as financiers, employees, customers, suppliers, competitors, government. Ethics in retailing can be enhanced by preparing ethical code of conduct for retailers and more conscious role of consumer and social organisations including media and regulatory bodies as well. Since retailers are ethical in their dealings with their financiers as they give due respect and

the needed information to them, pay interest on loans taken by them for the establishment of retail stores at agreed rate and also returning the principal amount on maturity lead to sound relations with financiers. Further, retailers treat their employees fairly and equally along with handling their complaints immediately and helping employees when required improve employees' morale, productivity and loyalty, In addition, retailers maintain their compliance to legal norms framed by the government for regulating the retail market which increase their creditworthiness and image in the eyes of all stakeholders (Sharma & Sharma, 2014)

while retailers' fair treatment to all customers irrespective of gender, age, caste, religion, and income makes customer more satisfied and loyal to retail outlets. Retailers claim of filling the tax return on time and paying the actual amount of tax makes the transparency and accountability. The retailers are less truthful. They should try to speak truth with the stakeholders, as truthfulness pays in the long run in terms of customers' trust, satisfaction and loyalty to the retail stores.

In fact, retailers claim that they make every effort to make sure that their retail practices meet the expectations of all the stakeholders in an ethical manner. The regulatory bodies, consumer organisations and government agencies should become more active while regulating the retailing practices. Those responsible for illegal activities should be punished and the same should be publicised, so that it proves to be deterrent to others as well. The loopholes in the existing laws coming in the way of fair retailing transactions need to be plugged immediately. The Food Safety and Standards Act, 2006 (FSSA) has been implemented all over India including J&K. All retailers need to understand its provisions. The concerned agencies are required to make the retailers aware of consumers and employee rights and consequences, if the same are violated. Moreover, consumers and employees ought to be sensitised about their own rights. Consumer organisations should play their role significantly by awakening the general public and protecting consumers.

Most of the big business houses or their associations have framed code of ethics for guiding their members. The present study finds that retailers' associations have not yet prepared the ethical code for their members. In fact, retailers' associations are formed to protect the interest of their members, yet they cannot ignore the unethical retail practices by their members. Retailers' associations need to evolve a code of ethics for their own members for strengthening ethical retail practices much more effectively by these associations on the lines of American Marketing Association.

The suppliers in retailing viz., wholesalers and manufacturers complained that retailers do not make payments on time and of exact amount. The wholesalers have been facing a serious problem of payment of bills by the retailers as they have to make immediate payments to manufacturers. The retailers should make payments on time and of exact amount to the wholesalers and manufacturers so that they can meet their obligations to their suppliers and ensure the regular supply of goods in the market. Wholesalers opined that retailers are loyal only if they give them credit for longer period, otherwise they shift to other wholesalers. The retailers should build long term relations with their suppliers who may assist them financially or in some other forms of gifts and services. Further, retailers do not prepare proper books of accounts, particularly who deal in convenience goods. They should prepare proper books of accounts in prescribed

format and get audited by the chartered accountant so that authentic information can be furnished to the regulatory bodies. In fact, taxation authorities shared that retailers do not disclose actual sales and profits to them and thus, manipulate the figures of sales and profit very tactfully to evade tax. But, it is unethical on the part of retailers to do so because the non-payment of tax not only illegal and unethical but also causes serious problems of socio economic development of the society. The taxation authorities should identify those retailers who evade taxes and, with the help of media, publicise their names. The retailers' associations should develop a feeling of civic consciousness among their members that payment of taxes contributes to the national exchequer as public revenue and comes back to them in the form of public expenditure for the welfare of all. The retailers' associations and other regulatory bodies should conduct more seminars, workshops, and ethical awareness programmes to make retailers more ethical. In fact, the retailers and their sales people need to undergo some orientation training programmes to understand customer focused retail business and ethical operations for their own long term and sustainable benefits and also for the benefit of the society as a whole. The future research should be more exhaustive and broader in terms of its academic and geographic scope. Big retailers can be contacted and country based comparisons can be made regarding ethical behaviour of big retailers towards their stakeholders. A comparative study among the differences in the perceptions of various stakeholders such as customers, employees, suppliers and regulatory bodies can be more effective and comprehensive.

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