AN EMPIRICAL ANALYSIS OF THE DETERMINANTS COMPETITIVE ADVANTAGE: The CASE OF NAZA MALL, ERBIL, IRAQ

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ABSTRACT

Hypermarkets (malls) have become one of the most salient familiar daily site of consumers in Erbil city, Iraq. The explosive growth of Malls and the intense competition among them has been one of the most important changes that have taken place in this city during the last 7 years. In this context, malls „managers have been engaged in searching for competitive advantage (CA) edges to attract these consumers, and increase their market share. This paper studies the competitive advantage of Naza Mall (NM), the most popular hypermarket in Erbil city. It identifies the variables (price and non-price) underlying the attractiveness of NM. Service, policy, price, convenience, general advantages and promotion are the variables that define the CA of NM. These variables in turn are function of 44 non -observable and qualitative, called factors. They are analyzed using Principle Components factor analysis technique, and supported by cross - tabulations. A questionnaire of 394 customers was conducted to test their relevancy. The results suggest that these six variables as function of the 44 factors lead to the CA for NM.

Key words : Hypermarkets, malls, Naza Mall, Competitive advantage, Factor analysis, survey, Erbil, Iraq, FRK, Service, price, policy convenience, general advantage, and promotion.

Introduction

The increasing number of retailers and the intense competition among them is one of the most noticeable economic changes that have taken place in the city of Erbil, Iraq. Availability of diversity of goods at retail outlets affected consumers' preferences and spending. Retailers are now under a big pressure as they seek to alter the dynamics of consumer's purchasing behavior to capture a larger share of the market and /or increase their profits. Thus, retailers of all sizes in Erbil are seeking new strategies of competition in the market place in order to attract more consumers.

Competitive advantage (CA) is defined as a position that a firm occupies over its competitors. It is some added values and/or advantages offered by a firm for its products or services than other competitors in the market place (Porter, 1985). In their quest for maximizing and sustaining above average return profits, maintaining or to gaining market share in long run firms are concerned with what other competitors might do or react to their actions. Consequently strategies are set up to outdo one another. Actions of one firm are based on rivals' behaviors through predicting the reaction of competitors. These strategies lead to uncertainty and unpredictable outcomes. Therefore, firms, while not renouncing comp letely on these strategies, would prefer alternative strategies to add value to customers in order to ensure getting CA. These strategies could be cost leadership and product differentiation (Porter, 1985), or an economic resource(s) (Barney, 1991). Service, information technology, human resources, appropriate and sustainable distinctive capabilities, and the core competencies of firm's internal characteristics such as management are some of the variables that firms emphasize to gain competitiveness. The alternative strategy was tested using in the case of Naza Mall in Erbil, Iraq[1].

This paper seeks

(1) to identify the critical variables (price and no n-price) that led to the success NM, and

(2) the extent to which these variables affect consumer's behaviors and preferences.

The task of this research is to test six selected economic and non-economic variables viz. Service, policy, price, convenience, general advantage, and promotion variables identified in the literature suggested by in different research papers, as some of the underlying determinants that lead to CA. Unlike other research studies this paper retained all six variables, which are function of 44 factors, are applied to the specific case of NM. Each variable consists of several factors that provide more related details. The paper specifically attempts:

[1] During the last decade, Kurdistan Regional Government (KRG) has adopted a market economy policy and confines its role as a referee in the market place and the private sector, which it has been strengthening and actively promoting. The last seven years saw KRG building infrastructure and providing economic incentives to private investors such as making available loans, land, and malls to businesspeople. The latter seized the opportunity to build modern large super markets (Malls) to meet consumers' demand for a variety of goods. Businesspeople are encouraged by KRG to open large supermarkets. Mazy Mall was the first modern mall established at 2001-02 in Duhok governorate. The other locations in Kurdistan have also witnessed similar economic changes such as, building such large supermarkets. Naza Mall (NM) opened its doors to showcase its variety of goods and services in Erbil in June, 2006. Soon after NM, New City Mall (NCM) followed suit on October 2006. Then other hypermarkets represented Team Mart, City Center, BRZ (Barzinji) and new ones are under construction. Competition among these hypermarkets is now at its peak. But NM and NCM have the lion's share of the market as they seem to be attracting most of the consumers despite their distant locations. The two hypermarkets have emerged as leaders, with NM being more successful in attracting customers than NCM.

- To identify untested variables or sources that lead to CA for NM.
- To provide better understanding for all stakeholders (private investors, government, customers and owners), about important aspects in hypermarkets such as, customers' needs, behavior, demand, preference, openness, purchasing power, working hours, age, gender, and income.
- To offer a guide to policy makers and would be investors in this industry
- To improve competition in the industry
- To also offers solutions to declining hypermarkets

The rest of this paper reviews the literature in section 2, whilst section 3 delineates the methodology and data sources used, and section 4 presents the results and analysis. Finally section 5 offers a summary, limitation and further researches.

Literature Review

The theories of competition and competitive advantage concepts have received a great deal of interest among economists. Whilst Porter‟s research (Porter, 1985, 1983) is widely viewed as a pioneering work in the field of CA, the intensely sought promotion of competition, in all sectors of the economy including malls, by public policy makers around the world has stimulated a vast array of academic work around these topics and competitive advantage. Porter (Porter, 1985) theorized that a firms strategy may either be based on cost leadership or differentiation. In a cost leadership strategy a firms strategy, a firm strives to provide the same product as its competitors with lower *prices.* The role of price was also emphasized by Gregory, Robertas and Sigitas (2009), and Monteiro, Farina and Maes (2008). Whilst a differentiation strategy hypothesis *Policy* that a firm will provide a variety of products with higher quality and higher cost. This strategy was also stressed by Messner and Korkmaz (2008) reporting that competition model in Turkey was based on cost and quality, and Gauzente and Ranchhod (2002) when introducing his seven criteria including security and choice. Porter (1985) also emphasized the role of *convenience*-promotion, which he termed marketing and sales activities as one of factor of competitive advantage. Shetty, Gopalan, and Hishamuddiin (2008) studied direct internet and e-business opportunity respectively as a source of competitive advantage along with Ganzent and Ranhold (2002) marketing, Carlo (1997) general advantages emphasizing technology and physical asset, while Burt & Carralero-Encinas (2000) that the store image plays

an important role in competitive positioning. Services introduced by Porter(Porter, (1985) as one of the five primary activity categories of the value chain. This theme was taken by many other researchers such as Stabell and Fjeldtad (1998), Barney (1991), Ofek & Sarvary (2001). Gauzent and Ranhod (2002) also cited access as a source of CA.

Less prevalent amongst these studies in this literature are therefore studies which explore all variables at once (price, policy, promotion, general advantages, service and convenience for any any particular firm or subsector, least of all in the case of a developing economy context. This paper aims at filling this gap.

Methodology and Data Sources

Factor Analysis

It is hypothesized that, the hypermarket, Naza Mall's competitive advantage depends on 6 identified and selected from the literature review variables. Each one of these aforementioned variables are in turn a function of a set of measured and qualitative unobservable variables, F_i, $i = 1,\ldots,44$ and defined below. The fact that these variables are unobservable disqualifies regression and other methods. Factor analysis seems to be the method of predilection to use in analyzing this type of problems. To be specific, this study makes use of the Principal Component Factor Analysis, which is a form of exploratory data analysis, used to either reduce the number of variables in a model or to identify relationship among variables. In other words, when the number of variables is too high, Principles Components Analysis could reduce it to a smaller number that essentially provides the same information, called data reduction. The other use is to examine the correlation among variables and to what extent each variable correlates with others (Goldberg, 1994).

Methodology

The research, grounded in Porter‟s theory, is an exploratory research. It uses both qualitative and quantitative data collection techniques and analysis procedures. Qualitative research takes the form of a structural interview with Naza Mall‟s Manager (Jonker, 2003). The interview comprised 22 questions, which formed the basis of a classification that is used in this research. Whilst the quantitative approach, a survey questionnaire consists of collecting primary data using a random sample on customers of Naza Mall (NM). The questionnaire has 44

questions[2] for six variables (low cost, quality, service, knowledge management, information technology, strategic planning and innovation). Two other separate questions were included viz. (1) "*what do you like more about NM*" and (2) "*approximately how many times did you shop in NM during the last six months*"..

Pilot Study

A pilot study was conducted on a small group of graduated students and colleagues. Changes in the structure of the questions are made in order to provide better understanding and consequently better analyses that led to a drafted final version of the questionnaire of 51 questions instead of 55 that were initially included.

Description of the Case Study

NM was selected for testing its competitive advantage because it was the first established hypermarket in the Erbil city and has remained to this date by far the most popular hypermarket.

Sample

Though only 384 responses are required, the research has a sample size of 394[3]. This rate is assumed to be a 100% response rate[4].

Data Collection

[2] Retained after the pilot study (55 questions were envisaged prior to the pilot study).

[3] This research is conducted on a sample obtained from Erbil city that counts 2 019 688 inhabitants (Ministry of Planning, 2007). For a such population the required minimum sample size is given by the following formulae:

N = (%p) (%q) [%Z/e]

Where, N is the minimum sample size required, %p is the proportion belonging to specified category, % q is the proportion not belonging to specified category, Z is the value corresponding to the level of confidence interval required (95%), % e is the margin of error required (5%).

Assuming that 50% of the sample have specified attributes Hence,

N = (50) (50)[1.96/5] = 384.16 the minimum sample size required

given the total population in the center of Erbil was (1211812.8) citizens Therefore the adjusted sample size is:

N=384.16/ [1+ (384.16/1211812.8)] =384.3

[4] Saunders, Lewis & Thornhill (2007)

Data originate from two sources:

(1) A quantitative which consists of a survey questionnaire randomly conducted on 394 NM‟s customers in Erbil Centre. With respect to the first source, frequent visits were undertaken to NM. A random sample of 435 was distributed but 41 were incomplete and thrown out. Only those customers who have made shopping on a regular basis from NM were surveyed. In addition, in the questionnaire 51 variables are classified under six variables.

(2) A structured interview with the Manager that consist of 22 questions. Furthermore, two more questions were included in the questionnaire.

Instrument

A five point Likert scale is used ranging from "strongly agree = 5" to "strongly disagree = 1". 394 surveys questionnaires were available for analysis. Every completed response in the data was coded and fed to excel format. Then, these data were keyed into the SPSS software program (Statistical Package for Social Science Version 17) for analysis. These data were then used as inputs for Principal Component Factor Analysis

FACTOR ANALYSIS RESULTS AND ANALYSIS

This section presents the statistical model represented by the six variables. A description of the variables service, policy, price, convenience, general advantage and promotion, are shown. Descriptive statistic, reliabilities, correlations are made for variables, variables and demographic data, and the hypotheses are tested in this chapter. Furthermore, factor analysis techniques supported by cross-tabulation of different items in this study are conducted adding more detailes that for further details that strengthen the analyses.

The Study: Variables (dimensions) described

The variables are defined as follows:

- **Variable One** labeled **Service** comprises eight variables viz. staff's carrying and wrapping groceries for customers, staff's knowledge, friendliness, help, complaints, NM's cash registers, and provision of extra services. They are related to NM's administration and staff service.
- **Variable Two** labeled **Policy** consists of ten variables viz. atmosphere in NM, products,

working hours, expired date of products, quality of product, parking, type of brands, and cleanliness, luminosity in NM This policy (usually viewed as a strategy) may enhance the competitiveness of a supermarket. The variables of this factor are of great influence on customers' attitude and behavior. Policy in intended to capture the strategy of the hypermarket.

- **Variable Three** labeled **Prices** consisted of six variables viz. ability to negotiate, finding many items on sale, finding competitive price, discounts, returned and refund policy. One of the most important variables that can influence customer is price. Porter (1985) has referred to price as a key of gaining CA. This factor is intended to capture a variety of situations envisaged by a customer.
- **Variable Four** labeled **Convenience** contains six viz. NM location, transformation, finding items, time absorption, spaces, and layout. This factor captures essential information regarding NM.
- **Variable Five** labeled **General Advantages** contains eight variables viz. NM's appearance and look, equipment, atmosphere, entertainment area; staff's acquainted with different languages, management, changing currencies and impulsiveness. This factor is a multi-dimensional.
- **Variable six** is labeled as **Promotion contains six** viz. advertising, word of mouth, selection of new products, supermarket layout and products display, billboards, and timely response**.**

Results

Reliabilities and Correlations

- **Reliabilities**

The computed values of Cronbach's alpha for two thirds and the other one third of the completed surveys are respectively 0.935 and 0.894. These values are both high, which indicate good internal consistency of data collection due to the small differences between them.

The analyses are conducted in several stages; Table 1-2 shows that the reliability is 0.894 computed for the six variables service, policy, price, convenience, general advantage, and promotion. In addition, Table indicates a Cronbach's alpha 0.935 computed for the entire variables in the questionnaire. This is significantly high enough to justify the validity for overall

44 variables.

Table 1-2. Reliability of Variables and Variables Statistics

Cronbach's Alpha		**Number of Items**
Reliability of Variables Statistics	Reliability of Variables Statistics	
0.894		6
	0.935	44

Prior to factor analysis, factorability is established, Table 3 indicates the Bartlett‟s test of sphericity. It examines the hypothesis that the variables are uncorrelated in the population. Put differently, the population matrix is an identity matrix; each variable correlates perfectly with itself (r=1) but has no correlation with the other variables (r = 0). The null hypothesis is rejected reflecting the significance of the 44 variables. The Kaiser-Meyer Olkin (KML) measure of sampling adequacy is estimate to be quite high 0.89.

Table 3. KMO and Bartlett‟s Test for Factorability

KAISER – Meyer – Olkin Measure of Sampling Adequacy 0.89		
Bartlett‟s Test of Sphericity	Approx. Chi-Square	1330.583
	Degrees of freedom	15
	Significance	0.00

Table 4 reports descriptive statistics on the six variables. Factor One labeled Service comprises eight factors and accounts 28% of the total variance; factor two labeled Policy consists of ten factors and accounts 31% of the total variance; variable three labeled Price consists of six factors and accounts 25% of the total variance; variable four labeled Convenience contains six factors and accounts 18% of the total variance; variable five labeled General Advantages contains eight factors and accounts 27% of the total variance; and finally, variable six labeled Promotion comprises six factors and accounts 19% of the total variance.

Table 4. Descriptive Statistics of Variables

	N	Mean	Variance
Service	394	20.6929	28.600
Policy	394	22.6472	31.242
Price	394	18.3325	25.383
Convenience	394	14.1980	18.984
General Advantage	394	18.8299	27.795
Promotion	394	14.9086	19.055
Valid N (list wise)	394		

Correlations

Correlations of Variables

Hypotheses

H_0 = Service, policy, price, convenience, general advantages and promotion variables lead to competitive advantage of Naza Mall

H_a= Service, policy, price, convenience, general advantages and promotion variables don't lead to competitive advantage of Naza Mall

Table 5 shows that the all variables are positively correlated. The correlations among service, policy, price, convenience, general advantage and promotion variables are all highly significant at P-value less than 0.01. Accordingly, since the six variables are highly significant. That is, the six variables lead to competitive advantage in Naza Mall.

Table 5. Correlations of Variables

	Service	Policy	Price	Convenience	General Advantage	Promotion
Service	**1**	0.626**	0.528**	0.519**	0.552**	0.626**
Policy	0.626**	**1**	0.533**	0.630**	0.690**	1
Price	0.528**	0.533**	**1**	0.481**	0.559**	0.533**
Convenience	0.519**	0.630**	0.481**	**1**	0.687**	0.630**
General Advantage	0.552**	0.690**	0.559**	0.687**	**1**	0.690**
Pro motion	0.530**	0.621**	0.483**	0.638**	0.764**	**1**

**Significance at the 0.01 level (2-tailed).

Correlations of Demographic Data

Table 6 provides correlation the demographic data. All of the demographic variables are positively correlated. The correlations are highly significant amongst most of the variables. For example, Age is highly significant with all other demographic variables; gender, civil status, education level, and income group.

Table 6. Correlations of Demographic Data

		Age	Gender	Civil Status	Education level	Income group
Age	Pearson correlation	1	.154**	0.487**	0.301**	0.555**
Gender	Pearson correlation	0.154**	1	0.027	0.053	0.153**
Civil Status	Pearson correlation	0.487**	0.027	1	0.088	0.322**
Education Level	Pearson correlation	0.301**	0.053	0.088	1	0.284**
Income group	Pearson correlation	0.555**	0.153**	0.322**	0.284**	1

** α-level = 0.01, 2-tailed.

Factor Analysis

- **Communalities**

Table 7 indicates the proportion of variance that can be explained by each variable. All the six variables extract high proportions of variance. However, factor three "Price Variables" extracts the highest proportion, which is (0.997). It is followed by factor one "Service Variables" that extracts (0.936) variance and "General Advantage" (0.840).

Table 7. Communalities

	Initial	**Extraction**
Service Variables	1.000	0.936
Policy Variables	1.000	0.757
Price Variables	1.000	0.997
Convenience Variables	1.000	0.737
General Advantage Variables	1.000	0.840
Pro motion Variables	1.000	0.802

Following the Kaiser‟s rule three variables are retained. Therefore, table 8 shows the loading on these three variables only. Where, loading matrix means the correlation between the variables and components. All six variables are loading positively and very high on the first component. Note that components two and three are poorly loaded on by the variables. This means that the first component highly reflects customers' interest.

Table 8. Component Matrix

	Components		
	1 (Service)	2 (Price)	3 (General Advantage)
General Advantage	0.881		
Policy	0.846		
Promotion	0.835	0.312	
Convenience	0.816		
Service	0.764	0.370	0. 464
Price	0.724	0.515	0.456

Table 9. Rotated Component Matrix

	Components		
	1	2	3
Promotion	0.843		
General Advantage	0.825		0.302
Convenience	0.791.		
Policy	0.598		
Service		0.592	
Price		0.896	0.920

Table 9 indicates the first four variables namely general advantage, policy, promotion, convenience and Service variables load strongly on component one. The variable Service loads moderately on component two and three. Finally, price variable loads moderately on components 2 and 3.

Extraction and Rotation of Variables

There are three variables retained[5] Table 10 indicates the extraction sums of squared loadings, the values in this panel of the table are calculated in the same way as the values in the left panel, except that here the values are based on the common variance. The values in this panel of the table are always lower than the values in the left panel of the table because they are based on the common variance which is always smaller than the total variance. The values in this column (extraction column) show the proportion of each variable's variance that can be explained by the retained variables. Variables with high values are well represented in the common factor space, while variables with low values are not well represented.

[5] Kaiser suggested three variables as mentioned earlier.

Concerning the rotation sums of squared loadings, the distribution of the variance after the varimax rotation is represented. Varimax rotation tries to maximize variance of each factor. For this the total amount of variance accounted for is redistributed over three variables. It seeks to find the real initial solutions of the components. Taking the first three variables in the rotation sum of squared loadings the cumulative variance counts for 84% of the total solutions variance.

Table 10. Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total % of cumulative variance%			Total % of cumulative variance %			Total % of cumulative variance %		
1	3.962	66.0272	66.0272	3.9622	66.027	66.027	2.5322	42.208	42.208
2	0.619	10.320	76.346	0.619	10.320	76.346	1.4233	23.713	65.920
3	0.488	8.137	84.483	0.488	8.137	84.483	1.1144	18.563	84.483
4	0.377	6.283	90.766						
5	0.337	5.612	96.379						
6	0.217	3.621	100.000						

Screen plot

The screen plot graphs the Eigen- value against the variable number; the values in the first two columns of table 9 immediately above. The below screen plot (figure 1) starts from the first eigenvalue (the one that explains the highest variance) to the last Eigenvalue. There is a big difference between the variance of the first variable and the second variable. Starting from second variable, the line is almost flat, meaning that each variable is accounting for smaller and smaller amounts of the total variance. This could be interpreted as following: First, people are mostly interested in service; second, other variables such as policy, price, convenience, and promotion are less important for customers as the results suggest. It is surprising that people are not interested in price. But, this may suggest that people's incomes level referring to table 12) is high enough to look for higher quality and differentiation than prices.

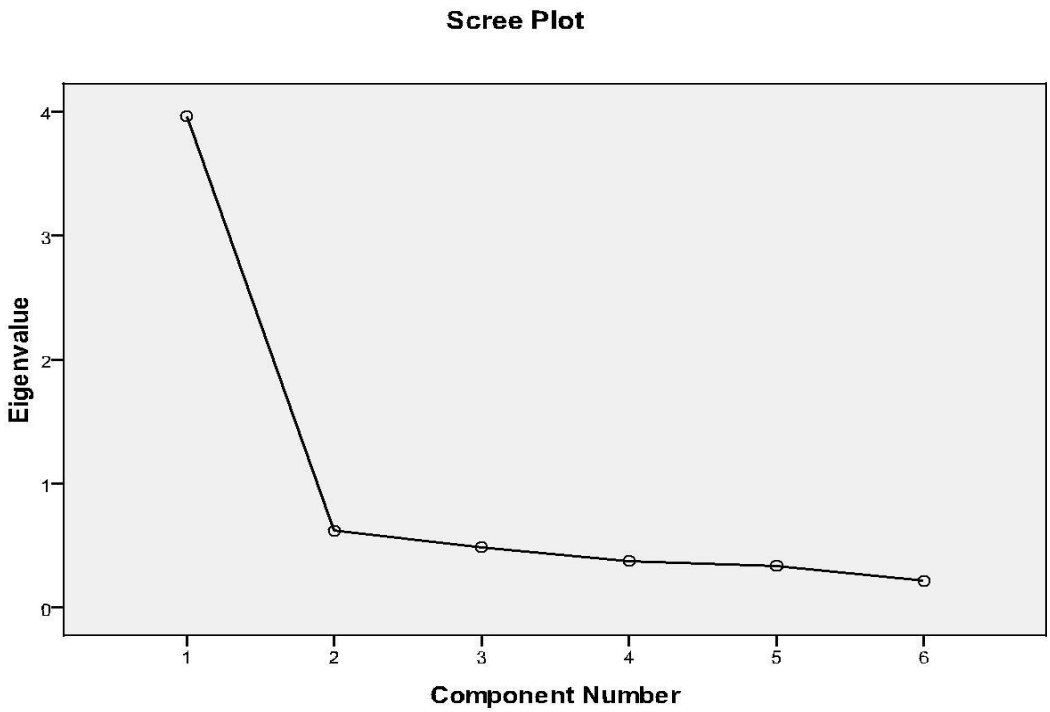

Figure 1. Screen Plot.

Cross-tabulations

- **Number of Shopping and Age Cross-tabulation**

The main purpose of cross-tabulation is to test for loyalty through number of shopping visits. Table 11 indicates that despite the difference in the number of shopping (ranging from zero and 180 times), 53% is the highest rate for both genders who are 20-30 years old visiting NM counts.

While other age groups were much lower than this rate. They are 25.1%, 13.2%, 4.3% , and 0.5% of the than 20 years old, 30-40 years old, 40-50 years old, 50-60 years and above 60 years old shoppers respectively. These results suggest that 20-30 years old age group is more likely to favor variety of goods, services, quality, differentiation, and entertainment unlike other age groups. Visitors aged less than 20 years old are not independent financially. The latter visits NM to spend their limited income and hang out with their friends. 30 years old shoppers seem to do their shopping for daily items nearer mini-markets and traditional markets except for certain products. The existence and closeness of mini-markets relieve shoppers from resorting to do long distance and wasting time. The price differential for those items does not justify their investment in time and transportation cost. Traditional markets serve other categories of shoppers who are looking for real cheap items. Sixty years old shoppers avoid malls all together as they are rigid to adjust to modern retailing, apprehend

the distance and stairs in the mall, not to mention that they are discouraged by the prices.

Table 11 Number of Shopping and Age cross-tabulation

Age in years								
Number of shopping		Less than 20	20-30	30-40	40-50	50-60	More than 60	Total
1 - 6	Count	85	180	47	17	15	2	346
	%	*24.57*	*52.02*	*13.57*	*4.91*	*4.33*	*0. 6*	*100.0*
8 -11	Count	2	14	4	0	0	0	20
	%	*10*	*70*	*20*	*0*	*0*	*0*	*100.0*
15 - 18	Count	3	6	7	1	0	0	17
	%	*17.64*	*35.29*	*41.19*	*5.88*	*0*	*0*	*100.0*
24	Count	6	7	1	0	0	0	14`
	%	*42.86*	*50*	*7.14*	*0*	*0*	*0*	*100.0*
31	Count	1	0	0	0	0	0	1
	%	*100*	*0*	*0*	*00*	*0*	*0*	*100.0%*
41	Count	3	1	0	0	0	0	4
	%	*0.75*	*0.25*	*0*	*0*	*0*		*100.0*
53 -180	Count	3	5	0	0	0	0	8
%	*%*	*37.5*	*62.5*	*0*	*0*	*0*	*0*	*100.0*
Total	Count	99	209	52	17	15	2	394
	%	*25.13*	*53.05*	*13.2*	*4.31*	*3.81*	*0.5*	*100.0*

Number of Shopping and Gender Cross -tabulation

The results of this cross tabulation, Table 12, have shown that numbers of female shoppers in NM were greater than male shoppers were (55.3%) female and (44.4%) male of total respectively. This result was expected because in general female shoppers are more concerned about cosmetics, food stuffs, household stuffs and clothes than male shoppers.

- **the Cross tabulation of Number of Shopping and Income**

Table 13 displays the statistical results that the highest rate of frequent visitors is categorized under the first group of income; less than 250000 Iraqi dinars and they comprises 35.3%. The second income groups, 250000-500000 Iraqi dinars, comprises 27.2% of visitors, and 23.1% of visitors' income group is 500000-1000000 Iraqi dinar. One more time Income is not significantly affect customers. Proportions of visitors have a hierarchal sequence, from 35% to 27% to 23%; from the lowest income group to the higher income group. Younger visitors are; less than 20 years old those who have the lowest income. Hence, the results ensure that younger groups are the most often visitors to NM than older groups who have higher income.

Table 12 Number of shopping and Gender Cross tabulation

Number of shopping (count and percentage)		Gender		
		Females	M ales	Total
1 – 6	Count	202	144	346
	%	*58.38*	*41.62*	*100*
8 -11	Count	9	11	20
	%	*45*	*55*	*100*
15- 18	Count	4	10	14
	%	*28.57*	*71.43*	*100*
20 – 24	Count	1	3	4
	%	*25*	*75*	*100*
31	Count	1	1	2
	%	*50*	*50*	*100*
41	Count	1	1	2
	%	*50*	*50*	*100*
53 -180	Count	1	5	6
%	*%*	*16.67*	*83.33*	*100*
Total	Count	219	175	394
	%	*55.58*	*44.42*	*100*

Table 13 Number of Shopping and Age Income (Iraqi Dinars) Cross-tabulation

Number of shopping In Naza Mall		Less than 250000	250000 – 500000	500000 – 1000000	1000000 - 1500000	> 1500000	Total
1 - 6	Count	122	96	75	33	20	346
	%	*35.26*	*27.75*	*21.68*	*9.54*	*5.77*	*100.0*
8 -11	Count	6	5	7	1	1	20
	%	*30*	*25*	*35*	*5*	*5*	*100.0*
15 - 18	Count	5	2	6	0	0	13
	%	*38.46*	*15.38*	*46.15*	*0*	*0*	*100.0*
20 - 24	Count	3	1	0	0	0	4
	%	*75*	*25*	*0*	*0*	*0*	*100.0*
31	Count	1	0	0	0	0	1
	%	*100*	*0*	*0*	*0*	*0*	*100.0*
41	Count	0	0	1	0	0	1
	%	*0*	*0*	*100*	*0*	*0*	*100.0*
53 - 180	Count	3	2	3	1	0	9
%	*%*	*33.33*	*22.22*	*33.33*	*22,22*		*100.0*
Total	Count	140	106	92	35	21	394
	%	*35.53*	*26.90*	*23.35*	*8.88*	*5.34*	

Analysis of the added question "what do you like more about NM": It is found that 102 of the respondents out of 394 were not specify, 91 were fascinated by clothing and cosmetic

products, 61 were attracted by NM building and its décor, 27 are attracted by miscellaneous items. The remainder the customers had varied interests.

Analysis of the Structured Interview for Manager

The administration manager of NM (2010) indicates that NM is established in 2006. It is not a division or subsidiary of any other company. NM employs 150 employees below the age of 40 years of which 100 and 50 men and women respectively. NM advertises its products in special magazines, newspapers, trade magazines, local radio and television. In addition, each year it offers substantial discounts during Ramadan – Fasting month for Muslims - and the commemoration of NM's opening date. NM also organizes a lottery event offering a car as a first prize to customers whose purchase amount at least 25 000 Iraqi dinars (slightly above USD) during these two events. Other prizes consist of 100 electric appliances to participants. The characteristics that make NM more attractive or superior than other rivals are that they adopt Porter's strategy focusing on lower prices and differentiation.

NM's Management does not have a long term strategy. They rely on a very short term stragegy based on their rivals' action in the marketplace. The major sources of competitive advantage NM have over its competitors are new products, quality of products, lower prices, quality of management, and convenient working hours.

NM's manager, ranks costing, flexibility, promotion, management, allocating resources (e.g., technology, quality), distribution of products, and monitoring other competitors, as extremely important aspects. Furthermore, he ranks pricing, advertisement, source of product (suppliers) as less important items. Furthermore, NM‟s Manager estimated his daily customers were between 1500 – 2000 in 2010.

Conclusion

This section includes the summary of statistical results, analyses, and limitations and further researches.

Summary

The qualitative method consists of a structured interview with NM's managers. While the quantitative statistical results show that the six selected variables are highly significant. On the

one hand, the structured interview with NM‟s Manager confirms that the stated variables are the main reasons behind CA of NM. Hence, the first objective of this research is attained. On the other hand, demographic data viz. Age, gender, level of education, civil statues and income, are all highly significant as well. It means that service variables are more likely to be accounted for the highest variance than the other variables. In other words, service variables attract customers' attention and interest more than the rest variables. Younger customers (20-30 years old) are the most frequent shoppers in NM who are look for variety, quality, differentiation and entertainment versus less shopping of older ages. The number of female shoppers exceeds the number of male shoppers. Female shoppers may be more attracted to cosmetics, clothes, and household items. Income has no significant impact on customers since the higher proportion of lower income groups are the most frequent shoppers in NM. Older shoppers are mostly contented about shopping in nearest mini- markets getting the needed goods with the same or small difference in prices. Moreover, traditional markets are a good alternative for older people since goods there are noticeably cheaper. NM offers more varieties of goods, services, brands and differentiation over mini- markets. Income is found to be statistically insignificantly related to number of shopping. That is because the level of income (GDP per capita) for people is high; referring that high quality and differentiation is highly required by customers. This is precisely the strategy adopted by NM as the manager of NM indicates. In short, the statistical results of the two questionnaires; for customers and NM's manager structured interview are convergent. The second objective is attained, where these variables are strongly influencing customers' preferences and behaviors as the above results and analyses show.

Further Research

Based on this study the following recommendation may be in order:

1. Service, policy, price, convenience, general advantage, and promotion variables play a key role in securing CA to malls may be extended to other areas of the region.
2. Building design of malls and their locations matter a to shoppers. Not only they contribute to the profitability of the business, they also represent a space for relaxation for shoppers who usually do their shopping with family and friends.

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