Consumer Affordability in Tier-1, Tier-2 and Tier-3 Cities of India – An Empirical Study

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ABSTRACT

Majority of brick-and-mortar retailers in India assume that; (a) price/product/brand assortment must be differentiated among stores located in a different type of cities, (b) consumers cannot afford to purchase high-priced products/brands in tier-2 and tier-3 cities, (c) it is easier to sell high-priced products/brands to consumers in tier-1 cities. Such assumptions and misconceptions have resulted in increasing challenges concerning maintaining the retailer's original and principal price-positioning across different cities in India which could put consumers into a quandary. Brick-and-mortar retailers need to understand the importance of overall store image, overall store price image, target consumer group, and its implications on the overall store profitability and consumer perceptions. In this research, we have analyzed twelve months actual sales data by twenty price bands across tier-1, tier-2 and tier-3 city stores of a select retailer and drawn insights to recommend ideal price/product/brand assortment strategies for brick-and-mortar retailers in India across their stores present in tier-1, tier-2, and tier-3 cities.

Keywords: Brick-and-mortar store; Offline store; Physical store; Store Image; Price Image; Price-Positioning; Tier-1 City; Tier-2 City; Tier-3 City; Consumer Affordability

INTRODUCTION

India is one of the most sought-after countries for retailing opportunities globally, mainly because of (i) a higher population consisting of the relatively younger population and (ii) higher penetration of internet users. India is witnessing rapid expansion of national and international brands/companies into tier-2 and tier-3 cities such as Housing, Automobiles, IT, Banking and most importantly Retail Stores owing to; (i) exponential growth in the urbanization of tier-2

and tier-3 cities post-economic liberation, (ii) government's interest and plans for improving basic infrastructure at tier-2 and tier-3 cities, (iii) relatively cheaper real estate and most importantly (iv) steadily increasing disposable income level of consumers in tier-2 and tier-3 cities. In India cities that are part of tier-1 are Delhi and NCR, Kolkata, Mumbai, Chennai, Bengaluru, and Hyderabad; key cities that are part of tier-2 are like Agra, Ajmer, Aligarh, Amritsar, Asansol, Aurangabad, Bareilly, Bhavnagar, Bhiwandi, Bhopal, Bhubaneswar, Bikaner, Salem, Tiruchirappalli, Chandigarh, Coimbatore, Cuttack, Dehradun, Dhanbad, Erode, Gwalior, Durgapur, Faridabad, Firozabad, Ghaziabad, Gulbarga, Guntur, Guwahati, Hubli-Dharwad, Indore, Jabalpur, Jaipur, Jalandhar, Jammu, Jamnagar, Jamshedpur, Jhansi, Jodhpur, Kannur, Kakinada, Kochi, Kota, Kozhikode, Kurnool, Lucknow, Ludhiana, Madurai, Malappuram, Mathura, Mangalore, Meerut, Moradabad, Mysore, Nagpur, Nanded, Nashik, Nellore, Pune, Palakkad, Patna, Pondicherry, Raipur, Rajkot, Siliguri, Rajahmundry, Ranchi, Rourkela, Srinagar, Thrissur, Tirunelveli, Tirupur, Tiruvannamalai, Ujjain, Vadodara, Varanasi, Vellore, Vijayawada, Visakhapatnam, Vasai-Virar City, Warangal and New Mumbai; all other cities are part of tier-3. As per McKinsey Global Institute study [1], by the year 2030, urban agglomerations in India could lead to increase in the middle-class consumer segment by 3 times compared to the year 2010 which was at 22 million; people living in urban cities is expected to increase to 590 million and most important cities with more than one million population will increase to 68.

Store location/city type is one of the most important determinants for retailers as far as retail expansion is concerned. It is also important for national retailers to have a store presence in as many cities as possible to have a competitive advantage over competitors and unorganized local favorites. But, all the stores, all the locations, and all the cities in a particular country behave differently in terms of revenue and profits they generate for the retailer. One could argue that a brick-and-mortar retailer must open stores in cities which have enough consumer population and can afford the price/product/brand assortment of a particular retailer, but unfortunately, it is not that simple, it is truly complex as one could only get market intelligence reports on general consumer population and would not be possible for a retailer to get consumer affordability patterns who are their potential target group consumers. Retailer's national store image and overall store price image determines the cities they select for expansion concerning market reports they have on the general population of consumer and due to this what is usually happening is that most of the price/product/brand assortment of retailers if differentiated in tier-2 and tier-3 cities compared to tier-1 cities.

LITERATURE REVIEW

Lindquist (1974) [2], was the first to list the key components of the store image construct. Based on past studies Lindquist listed eight component of store image construct viz., (i) merchandise, (ii) clientele, (iii) physical facilities, (iv) convenience, (v) promotion, (vi) store atmosphere, (vii) institutional factors and (viii) post-transactional satisfaction. Hirschman et, al. (1978) [3] have later confirmed that the basic attributes of store image construct as listed by Lindquist in 1974 remain unchanged. Ghosh (1994) [4], through his studies, was able to add few more attributes to store image constructs such as ix) customer service, x) personal selling and xi) sales incentive programs. Omar (1999) [5], argues that these factors together influence the overall store image in consumer's mind only when the consumers have experienced these factors through actual shopping. There have been many studies confirming a positive correlation between store layout and consumer loyalty (Mazursky and Jacoby (1986) [6], Osman (1993) [7], and Lassk (2000) [8]. As per Newman and Cullen (2002) [9], consumer's perception of store image varies with store layout. Consumers shopping at different store formats having different store layouts create their perception of store image in their minds. Newman (2003) [10], extends this study and recommends bricks-and-mortar retailers to align their store layout design keeping their target consumers in mind rather than adopting standard layout designs. Lilien et, al. (1995) [11], argues that retailers need to consider various location-specific factors while planning for expansion such as (a) attractiveness of the market, (b) number of stores to be opened per market, (c) store locations and (d) ideal store size for each of these stores. In this study, they indicate that every store needs to have size optimal for the location and market it is present rather a standard size being adopted across all the stores of a particular retailing format. In all these studies nowhere, researchers recommend retailers to adopt different price level of merchandise for different locations of stores.

Rosenbloom (1983) [12], argues that a retailer having a unique store image and using this unique store image as one of the key promotional and marketing/advertising propositions can yield competitive advantage and it is important to note that copying a complex store image is a difficult task for competitors. Supporting Rosenbloom’s study, Amirani and Gates (1993) [13] in their research have concluded that one of the most important determinants of retailer success is store image. Backer et al. (1992) [14] recommend retailers to clearly understand various environmental factors relating to store image influencing their target consumers. It is very important to design strategies relating to the store image in a specific location concerning retailers target consumers in that particular environment. As per Sinha and Banerjee (2004)

[15], the majority of retailers design strategies relating to specific locations based on the consumer behavior pattern and knowledge available in the general market in the specific location which is also based on general consumer population. These strategies lead retailers to align most of the store image attributes to the general consumer population and hence they might fail to maintain their principal brand/store-image standard across various locations or geographies. Retailer's store success and consumer loyalty are majorly influenced by store image along with store positioning and product-price differentiation concerning the market. Retailers could use such store image attributes to promote and advertise their positioning in the consumer's mind (Day and Wensley (1988) [16], Ellis, and Kelly (1992) [17]). Nystrom (1970) [18] was the earliest to define price image as "buyer attitude towards a price on the assortment level". Hoch et, al. (1995) [19] finds that the zone-level pricing among stores at different locations belonging to the same retailer is mainly motivated by price discrimination. As per Desai and Talukdar (2003) [20], overall store price image is developed in consumer's minds by combining general price perceptions concerning individual product/brand available in a retail store. As per Stole (2007) [21], multi-location retailers can continue to have differential pricing strategies for different locations and geographies but at the same time, they need to clearly understand that this differential pricing strategy has an impact on both overall store profitability and consumer welfare.

Despite empirical, theoretical and descriptive literature available on overall store image and overall price store image, we were not able to find literature connecting these two constructs and we could not find a theory/framework with which we can answer our research questions such as (a) should we believe that the existing price/product/brand assortment differentiation among stores spread across different city types is an appropriate retailing strategy?, (b) should we believe that the existing price/product/brand assortment differentiation strategy is delivering optimal store revenue and profit?, (c) should we believe that this differentiation strategy is aligned to retailer's target consumers? or (d) is it a misconception among retailers that consumers affordability varies by city type and does that apply to the retailer or it is based on general consumer population behavior pattern in a specific city?. Thus, we decided to understand select retailer's existing price/product/brand assortment strategy among their stores spread across different type of cities in a country, empirically evaluate the actual sales data concerning city type and different price bands thereby drawing insights to recommend brick-and-mortar retailers the right strategy for price/product/brand assortment among their stores located in a different type of cities in a particular country.

OBJECTIVES

Key objectives of this research were to;

(a) understand the variance in bills and revenue contribution by each price band among tier-1, tier-2, and tier-3 cities for a select retailer across different types of cities,
(b) draw insights from the analysis.

METHODOLOGY

Stage I: One of the organized brick-and-mortar retailers in India was selected who is having stores all over India across, (a) mall stores, (b) high-street stores, (c) neighborhood stores, (d) tier 1, 2 and 3 cities, (e) offering multiple-categories and multiple-brands serving different consumer life-stage needs at mid to high price positioning catering to pregnant women, new moms, babies, infants and kids up to 8 years.

Stage II: SKU wise, store wise and city type-wise actual sales data of twelve months was collected.

Stage III: Exploratory open-ended direct interview was conducted with randomly selected (convenience sampling) employees belonging to select retailer representing all the departments and functions to understand their perspective and attitude towards variance in contribution to bills and revenue of each price bands among their stores spread across tier-1, tier-2 and tier-3 cities.

Stage IV: Secondary data collected from previous sales records were analyzed using appropriate statistical methods.

Stage V: In this stage, insights and inferences from the research findings were used to propose a way forward for brick-and-mortar retailers to enable them to decide on the ideal strategy for retailers on price/product/brand assortment among all their stores spread across different tier cities.

KEY FINDINGS AND INSIGHTS

Before the empirical study, we were able to collect qualitative insights through mystery shopping and conduct open-ended direct interviews with employees representing all the departments and functions of the select retailer. Key insights from the qualitative survey indicate that the retailer strongly believes; (a) consumers in smaller cities cannot afford to buy high-priced products/brands, (b) stores cannot afford to increase the stock level of high-priced products/brands for tier3 cities, (c) high-priced products/brands move faster in tier1 city stores,

(d) sales personnel are trained to showcase lower-priced product/brands to consumers in tier3 city stores, (e) stores other than tier1 city generate lesser revenue, (f) consumer awareness concerning premium brands/products is poor, (g) selling high-priced products/brands in tier1 cities is easier, (h) few consumers in tier-2 and tier-3 cities even if they intended to buy high-priced products/brands they usually expect the higher discount level and most importantly, (i) it requires a lot of efforts to pitch a high-priced product/brand to consumers in tier-2 and tier-3 city stores.

Table 1: Percentage variance in the contribution of each price band to overall store bills among different types of cities.

Price Band	Variance in Contribution to Total Bills					
	T1 Vs. T2	T1 Vs. T3	T2 Vs. T1	T2 Vs. T3	T3 Vs. T1	T3 Vs. T2
Up to 99	10.82%	1.74%	-12.13%	-10.18%	-1.77%	9.24%
100 to 199	4.89%	7.45%	-5.14%	2.69%	-8.05%	-2.77%
200 to 299	2.70%	7.61%	-2.78%	5.04%	-8.24%	-5.31%
300 to 399	-2.50%	3.35%	2.44%	5.70%	-3.46%	-6.05%
400 to 499	-2.20%	3.93%	2.16%	6.00%	-4.09%	-6.39%
500 to 599	6.27%	-1.37%	-6.69%	-8.16%	1.36%	7.54%
600 to 699	8.62%	-1.48%	-9.44%	-11.05%	1.45%	9.95%
700 to 799	3.20%	-9.91%	-3.30%	-13.55%	9.02%	11.93%
800 to 899	10.21%	6.76%	-11.37%	-3.84%	-7.25%	3.70%
900 to 999	-5.53%	-12.47%	5.24%	-6.58%	11.09%	6.17%
1000 to 1499	-6.28%	-5.06%	5.91%	1.15%	4.81%	-1.17%
1500 to 1999	-12.27%	-18.82%	10.93%	-5.83%	15.84%	5.51%
2000 to 2999	-19.07%	-3.00%	16.02%	13.50%	2.91%	-15.61%
3000 to 3999	-18.50%	-21.27%	15.61%	-2.34%	17.54%	2.29%
4000 to 4999	-27.78%	-29.16%	21.74%	-1.08%	22.58%	1.07%
5000 to 7499	-14.26%	1.60%	12.48%	13.88%	-1.62%	-16.12%
7500 to 9999	-40.35%	-20.77%	28.75%	13.95%	17.20%	-16.21%
10000 to 14999	3.35%	27.67%	-3.46%	25.17%	-38.26%	-33.63%
15000 to 19999	-1.31%	-32.58%	1.29%	-30.87%	24.57%	23.59%
Above 20000	-95.23%	-43.16%	48.78%	26.67%	30.15%	-36.37%

T1 = Tier 1 Cities; T2 = Tier 2 Cities; T3 = Tier 3 Cities

Tables 1, 2, 3, and 4 indicate that the percentage variance in the contribution of twenty different price bands among tier-1, tier-2, and tier-3 cities across (a) bills/invoices being generated by stores, (b) quantity sold by stores, (c) revenue by stores, and (d) earnings generated by stores are not consistently distributed. For instance, the price band INR 1,000 to INR 1,499 which contributes highest to overall store revenue and earnings does not vary significantly among different tier cities. Significant variance is found only in price band INR 10,000 to INR 14,999 wherein tier-3 city stores contribution to overall store revenue is 57.16 percent lesser than tier1 and 42.27 percent lesser than tier2 city stores, but it is also important to note that the revenue contribution from this price band is just 1.71 percentage points lesser than tier-1 cities and 1.26 percentage points lesser than tier-2 cities which is not a significant as far as the price band's

revenue contribution to overall store's revenue is concerned. Interestingly over 80 percent of revenue contribution and over 95 percent bills contribution across tier-1, tier-2, tier-3 cities is found in below INR 3999 price bands without significant variance among cities.

Table 2: Percentage variance in the contribution of each price band to overall store quantity sale among different types of cities.

Price Band	Variance in Contribution to Total Quantity Sale					
	T1 Vs. T2	T1 Vs. T3	T2 Vs. T1	T2 Vs. T3	T3 Vs. T1	T3 Vs. T2
Up to 99	-1.87%	-9.65%	1.83%	-7.64%	8.80%	7.10%
100 to 199	6.18%	-0.25%	-6.59%	-6.85%	0.25%	6.41%
200 to 299	2.87%	5.45%	-2.95%	2.66%	-5.76%	-2.73%
300 to 399	-2.66%	1.17%	2.59%	3.73%	-1.18%	-3.87%
400 to 499	-0.52%	3.71%	0.52%	4.21%	-3.85%	-4.39%
500 to 599	3.10%	-2.56%	-3.20%	-5.85%	2.50%	5.52%
600 to 699	5.46%	-2.86%	-5.78%	-8.80%	2.78%	8.09%
700 to 799	2.09%	-5.02%	-2.13%	-7.26%	4.78%	6.76%
800 to 899	5.38%	9.06%	-5.68%	3.89%	-9.96%	-4.05%
900 to 999	-7.94%	-8.01%	7.36%	-0.07%	7.42%	0.07%
1000 to 1499	-7.43%	-0.30%	6.91%	6.64%	0.30%	-7.11%
1500 to 1999	-14.73%	-8.77%	12.84%	5.19%	8.07%	-5.48%
2000 to 2999	-15.91%	3.43%	13.73%	16.69%	-3.56%	-20.03%
3000 to 3999	-10.88%	-7.14%	9.81%	3.37%	6.67%	-3.49%
4000 to 4999	-19.08%	-14.89%	16.02%	3.51%	12.96%	-3.64%
5000 to 7499	-5.62%	14.13%	5.32%	18.70%	-16.46%	-23.00%
7500 to 9999	-15.77%	7.04%	13.62%	19.70%	-7.58%	-24.54%
10000 to 14999	7.04%	38.03%	-7.57%	33.33%	-61.36%	-50.00%
15000 to 19999	-2.65%	-5.29%	2.58%	-2.58%	5.03%	2.51%
Above 20000	-62.10%	-20.45%	38.31%	25.70%	16.97%	-34.59%

T1 = Tier 1 Cities; T2 = Tier 2 Cities; T3 = Tier 3 Cities

Table 3: Percentage variance in the contribution of each price band to overall store revenue among different types of cities.

Price Band	Variance in Contribution to Total Revenue					
	T1 Vs. T2	T1 Vs. T3	T2 Vs. T1	T2 Vs. T3	T3 Vs. T1	T3 Vs. T2
Up to 99	0.16%	-9.65%	-0.16%	-13.03%	11.39%	11.53%
100 to 199	10.10%	-0.25%	-11.24%	-11.68%	0.40%	10.46%
200 to 299	6.12%	5.45%	-6.52%	-2.48%	-3.94%	2.42%
300 to 399	0.35%	1.17%	-0.36%	-0.64%	0.28%	0.63%
400 to 499	2.76%	3.71%	-2.83%	-0.64%	-2.18%	0.63%
500 to 599	6.25%	-2.56%	-6.66%	-10.98%	3.89%	9.89%
600 to 699	8.41%	-2.86%	-9.18%	-13.67%	3.95%	12.03%
700 to 799	5.11%	-5.02%	-5.39%	-12.40%	6.24%	11.03%
800 to 899	8.96%	9.06%	-9.84%	-0.87%	-8.89%	0.86%
900 to 999	-3.60%	-8.01%	3.48%	-5.10%	8.16%	4.86%
1000 to 1499	-3.60%	-0.30%	3.47%	2.48%	1.01%	-2.55%
1500 to 1999	-10.07%	-8.77%	9.15%	-0.30%	9.43%	0.30%
2000 to 2999	-11.40%	3.43%	10.23%	12.06%	-2.08%	-13.71%
3000 to 3999	-6.84%	-7.14%	6.40%	-1.33%	7.63%	1.31%
4000 to 4999	-14.14%	-14.89%	12.39%	-1.28%	13.50%	1.27%
5000 to 7499	-1.68%	14.13%	1.65%	13.31%	-13.45%	-15.35%
7500 to 9999	-11.05%	7.04%	9.95%	15.57%	-6.66%	-18.44%
10000 to 14999	9.48%	38.03%	-10.47%	29.71%	-57.16%	-42.27%
15000 to 19999	-1.13%	-5.29%	1.12%	-8.39%	8.77%	7.74%
Above 20000	-25.36%	-20.45%	20.23%	16.29%	4.70%	-19.47%

T1 = Tier 1 Cities; T2 = Tier 2 Cities; T3 = Tier 3 Cities

Table 4: Percentage variance in the contribution of each price band to overall store earnings among different types of cities.

Price Band	Variance in Contribution to Total Earnings					
	T1 Vs. T2	T1 Vs. T3	T2 Vs. T1	T2 Vs. T3	T3 Vs. T1	T3 Vs. T2
Up to 99	-2.95%	14.33%	2.86%	16.78%	-16.73%	-20.16%
100 to 199	11.84%	-4.92%	-13.43%	-19.01%	4.69%	15.97%
200 to 299	11.20%	5.63%	-12.61%	-6.27%	-5.97%	5.90%
300 to 399	4.31%	-0.95%	-4.51%	-5.50%	0.94%	5.21%
400 to 499	5.83%	2.16%	-6.19%	-3.89%	-2.21%	3.75%
500 to 599	6.59%	2.22%	-7.05%	-4.68%	-2.27%	4.47%
600 to 699	-5.52%	-11.91%	5.23%	-6.06%	10.64%	5.71%
700 to 799	6.07%	-0.48%	-6.46%	-6.97%	0.48%	6.52%
800 to 899	9.67%	8.68%	-10.71%	-1.10%	-9.50%	1.09%
900 to 999	0.45%	-3.67%	-0.45%	-4.13%	3.54%	3.97%
1000 to 1499	-3.87%	7.00%	3.72%	10.46%	-7.52%	-11.68%
1500 to 1999	-5.40%	-7.16%	5.12%	-1.67%	6.68%	1.65%
2000 to 2999	-12.45%	0.73%	11.07%	11.72%	-0.74%	-13.28%
3000 to 3999	-8.09%	-9.16%	7.48%	-0.99%	8.39%	0.98%
4000 to 4999	-22.94%	-27.43%	18.66%	-3.66%	21.53%	3.53%
5000 to 7499	-7.70%	11.92%	7.15%	18.22%	-13.54%	-22.28%
7500 to 9999	-17.40%	-4.48%	14.82%	11.00%	4.29%	-12.36%
10000 to 14999	5.32%	37.74%	-5.62%	34.24%	-60.62%	-52.07%
15000 to 19999	-10.13%	-42.72%	9.20%	-29.59%	29.93%	22.83%
Above 20000	15.08%	3.07%	-17.76%	-14.15%	-3.17%	12.39%

T1 = Tier 1 Cities; T2 = Tier 2 Cities; T3 = Tier 3 Cities

Based on statistical significance t-test across sixty different pairs on twenty price band's contribution to overall bills being generated by tier-1, tier-2, and tier-3 city stores as shown in tables 5 to 24; (i) pair 1 – tier-1 city stores and tier-2 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR 10,000 to INR 14,999 and INR 15,000 to INR 19,999; (ii) pair 2 – tier1 city stores and tier3 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR 1,000 to INR 1,499, INR 3,000 to INR 3,999, and INR 4,000 to INR 4,999; (iii) pair 3 – tier2 city stores and tier-3 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR Up to 100, INR 500 to INR 599, INR 600 to 699, and INR 5,000 to INR 7,499. These findings indicate that over 90 percent of pairs have shown a significant correlation without any significant sig. 2-tailed values as far as invoices/bills are concerned.

Table 5: Correlation and significance level for price band up to INR 100 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
Up to 100	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.239	2.870	35	0.007
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.123	-2.219	35	0.033
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.461	1.033	35	0.309
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.755	-1.244	35	0.222
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.457	-5.802	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.742	-5.263	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.745	0.109	35	0.914
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.471	-6.649	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.722	-7.011	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.762	-0.177	35	0.861
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.928	1.384	35	0.175
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.922	1.143	35	0.261

Table 6: Correlation and significance level for price band INR 100 to INR 199 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
100 to 199	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.825	8.779	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.906	5.973	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.878	15.232	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.893	11.288	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.961	-0.425	35	0.674
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.884	-7.216	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.713	11.841	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.949	-0.884	35	0.383
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.645	-9.561	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.803	9.128	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.961	-8.410	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.831	-13.792	35	0.000

Table 7: Correlation and significance level for price band INR 200 to INR 299 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
200 to 299	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.633	3.710	35	0.001
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.355	5.477	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.820	18.171	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.834	5.502	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.899	14.656	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.878	5.709	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.929	11.098	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.944	10.540	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.911	-3.977	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.838	15.202	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.854	7.616	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.792	-6.234	35	0.000

Table 8: Correlation and significance level for price band INR 300 to INR 399 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
300 to 399	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.903	-3.258	35	0.002
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.715	5.047	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.745	3.950	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.954	-4.586	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.932	1.924	35	0.063
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.926	5.506	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.941	0.387	35	0.701
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.932	-0.467	35	0.644
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.944	-0.797	35	0.431
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.964	5.064	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.921	-1.285	35	0.207
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.914	-5.621	35	0.000

Table 9: Correlation and significance level for price band INR 400 to INR 499 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
400 to 499	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.746	-2.667	35	0.011
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.848	7.709	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.847	4.590	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.913	-1.018	35	0.316
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.937	6.942	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.859	6.046	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.809	2.771	35	0.009
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.970	3.600	35	0.001
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.822	-0.629	35	0.533
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.732	4.431	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.980	3.596	35	0.001
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.796	-3.067	35	0.004

Table 10: Correlation and significance level for price band INR 500 to INR 599 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
500 to 599	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.694	11.031	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.584	-6.291	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.463	-1.039	35	0.306
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.923	5.539	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.919	-2.304	35	0.027
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.924	-5.408	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.961	10.025	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.941	-3.505	35	0.001
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.926	-10.630	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.925	8.833	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.865	1.504	35	0.142
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.792	-2.824	35	0.008

Table 11: Correlation and significance level for price band INR 600 to INR 699 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
600 to 699	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.585	5.465	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.906	-11.451	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.612	-0.879	35	0.385
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.879	5.359	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.803	-2.079	35	0.045
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.952	-11.894	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.813	6.016	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.780	-2.798	35	0.008
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.964	-19.640	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.953	-5.145	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.969	-9.600	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.979	-6.240	35	0.000

Table 12: Correlation and significance level for price band INR 700 to INR 799 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
700 to 799	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.897	3.879	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.765	-9.649	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.870	-9.637	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.890	2.465	35	0.019
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.915	-6.124	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.902	-7.753	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.743	4.570	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.903	-7.837	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.724	-8.773	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.918	5.628	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.972	-0.438	35	0.664
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.922	-4.416	35	0.000

Table 13: Correlation and significance level for price band INR 800 to INR 899 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
800 to 899	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.670	8.497	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.627	-2.793	35	0.008
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.694	6.999	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.758	5.419	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.687	11.641	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.807	3.535	35	0.001
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.637	9.574	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.682	9.983	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.716	-1.084	35	0.286
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.758	10.267	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.781	10.222	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.799	-1.214	35	0.233

Table 14: Correlation and significance level for price band INR 900 to INR 999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
900 to 999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.917	-6.396	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.833	-3.764	35	0.001
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.752	-5.751	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.903	-5.335	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.863	-5.020	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.911	-0.030	35	0.977
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.920	-3.370	35	0.002
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.843	-5.631	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.877	-3.704	35	0.001
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.973	0.464	35	0.646
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.947	-2.447	35	0.020
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.933	-2.597	35	0.014

Table 15: Correlation and significance level for price band INR 1000 to INR 1499 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
1000 to 1499	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.391	-10.889	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.565	1.163	35	0.253
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.467	-4.451	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.853	-13.194	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.791	-0.425	35	0.673
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.769	8.955	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.713	-7.642	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.762	-1.724	35	0.094
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.588	3.455	35	0.001
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.753	-6.028	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.861	7.891	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.687	10.438	35	0.000

Table 16: Correlation and significance level for price band INR 1500 to INR 1999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
1500 to 1999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.740	-5.922	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.884	-4.750	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.815	-10.530	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.915	-6.589	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.942	-5.946	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.949	3.864	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.897	-5.861	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.942	-8.030	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.926	-0.246	35	0.807
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.912	-3.413	35	0.002
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.929	-5.137	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.898	-1.084	35	0.286

Table 17: Correlation and significance level for price band INR 2000 to INR 2999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
2000 to 2999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	-0.070	-6.883	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.030	5.925	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.652	-2.683	35	0.011
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.073	-7.242	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.615	3.042	35	0.004
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.066	8.492	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.321	-7.416	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.679	1.817	35	0.078
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.103	6.862	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.507	-6.923	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.658	0.502	35	0.619
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.297	5.799	35	0.000

Table 18: Correlation and significance level for price band INR 3000 to INR 3999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
3000 to 3999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	-0.113	-7.897	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	-0.027	-0.956	35	0.346
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	-0.313	-8.879	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	-0.046	-5.231	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.157	-5.307	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.473	2.363	35	0.024
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.321	-3.844	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.382	-7.078	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.497	-0.923	35	0.362
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.714	-4.475	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.557	-4.686	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.420	-0.438	35	0.664

Table 19: Correlation and significance level for price band INR 4000 to INR 4999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
4000 to 4999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.239	-8.448	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	-0.210	-0.316	35	0.754
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	-0.006	-9.153	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.399	-8.751	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.482	-8.245	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.111	1.260	35	0.216
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.405	-7.942	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.371	-7.960	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	-0.089	-0.493	35	0.625
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.693	-10.196	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.298	-9.504	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	-0.218	-0.994	35	0.327

Table 20: Correlation and significance level for price band INR 5000 to INR 7499 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
5000 to 7499	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.674	-2.812	35	0.008
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.761	3.391	35	0.002
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.807	0.942	35	0.353
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.605	-1.433	35	0.161
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.779	11.773	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.676	5.483	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.596	-0.525	35	0.603
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.838	10.765	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.654	4.519	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.645	-2.268	35	0.030
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.939	13.738	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.750	6.543	35	0.000

Table 21: Correlation and significance level for price band INR 7500 to INR 9999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
7500 to 9999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.705	-7.629	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.280	2.774	35	0.009
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.219	-4.865	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.452	-4.202	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.618	2.046	35	0.048
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.601	6.652	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.480	-3.514	35	0.001
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.688	2.649	35	0.012
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.673	6.648	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.565	-5.155	35	0.000
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.677	-1.666	35	0.105
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.705	4.805	35	0.000

Table 22: Correlation and significance level for price band INR 10000 to INR 14999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
10000 to 14999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.662	1.456	35	0.154
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.528	8.725	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.441	13.528	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.935	7.891	35	0.000
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.641	29.016	35	0.000
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.560	15.420	35	0.000
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.925	8.545	35	0.000
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.613	28.898	35	0.000
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.597	14.594	35	0.000
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.748	1.964	35	0.057
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.224	18.682	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.500	10.386	35	0.000

Table 23: Correlation and significance level for price band INR 15000 to INR 19999 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
15000 to 19999	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	0.447	-0.325	35	0.747
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.623	-7.734	35	0.000
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.805	-9.857	35	0.000
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	0.417	-0.811	35	0.423
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	0.668	-1.938	35	0.061
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.650	-0.916	35	0.366
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.597	-0.394	35	0.696
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	0.750	-3.224	35	0.003
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.709	-2.664	35	0.012
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.633	-2.720	35	0.010
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	0.765	-7.545	35	0.000
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.685	-5.606	35	0.000

Table 24: Correlation and significance level for price band above INR 20000 across stores from tier-1, tier-2, and tier-3 cities.

Paired Samples Correlations				T-Test		
Price Slab	**Pair**	**Variables**	**r**	**t**	**df**	**Sig. (2-tailed)**
Above 20000	Pair 1	T1 Contribution to Bills & T2 Contribution to Bills	-0.356	-4.223	35	0.000
	Pair 2	T1 Contribution to Bills & T3 Contribution to Bills	0.472	3.011	35	0.005
	Pair 3	T2 Contribution to Bills & T3 Contribution to Bills	0.052	-2.084	35	0.045
	Pair 1	T1 Contribution to Quantity & T2 Contribution to Quantity	-0.174	-3.247	35	0.003
	Pair 2	T1 Contribution to Quantity & T3 Contribution to Quantity	-0.098	-1.435	35	0.160
	Pair 3	T2 Contribution to Quantity & T3 Contribution to Quantity	0.663	3.416	35	0.002
	Pair 1	T1 Contribution to Revenue & T2 Contribution to Revenue	0.207	-2.330	35	0.026
	Pair 2	T1 Contribution to Revenue & T3 Contribution to Revenue	-0.077	-0.474	35	0.638
	Pair 3	T2 Contribution to Revenue & T3 Contribution to Revenue	0.653	2.314	35	0.027
	Pair 1	T1 Contribution to Earnings & T2 Contribution to Earnings	0.260	1.389	35	0.173
	Pair 2	T1 Contribution to Earnings & T3 Contribution to Earnings	-0.357	0.171	35	0.865
	Pair 3	T2 Contribution to Earnings & T3 Contribution to Earnings	0.529	-1.186	35	0.244

Based on statistical significance t-test across sixty different pairs on twenty price band's contribution to overall revenue being generated by tier1, tier2, and tier3 city stores as shown in tables 5 to 24; (i) pair 1 – tier-1 city stores and tier-2 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR 100, INR 300 to INR 399, INR 5,000 to INR 7499 and INR 15,000 to INR 19,999; (ii) pair 2 – tier1 city stores and tier3 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR 100 to INR 199, INR 300 to INR 399, INR 1,000 to INR 1,499, INR 2,000 to INR 2,999 and INR above 20,000; (iii) pair 3 – tier2 city stores and tier3 city stores have shown significant sig. 2-tailed value (95 percent confidence level) for price bands INR 300 to 399, INR 400 to INR 599, INR 800 to 899, INR 1,500 to INR 2,099, INR 3,000 to 3,999 and INR 4,000 to INR 4,999. These findings indicate that over 75 percent of pairs have shown a significant correlation without any significant sig. 2-tailed values as far as revenue are concerned.

CONCLUSION

Results of this empirical study do not support the belief of brick-and-mortar retailers which is, larger the city higher the affordability of consumers towards higher-priced products and smaller the city lesser the affordability of consumers towards higher-priced products. Consumers evaluate multi-location, national, and international retailers on their principal price positioning and then walk-in to the store belonging to such retailers in their city irrespective of city type in which they live only if the price positioning of retail store matches with their affordability. The consumer does not expect a multi-location, national, and international retailer to adjust their price/product/brand assortment concerning city type and price, consumers expect such multi-location, national, and international retailers to offer price/products/brands/categories assortment evenly across tier1, tier2, and tier3 cities. Most of the retailers fail to meet such expectations of consumers especially in tier2 and tier3 cities owing to their strong and personal belief that consumers in smaller cities cannot afford to buy higher-priced products/brands/categories. Results have clearly indicated that there is no significant variance in the contribution of different price bands to overall bills/invoices and revenue being generated by stores across tier-1, tier-2 and tier-3 cities for a retailer who runs all these stores under a single store brand name. Results show that the stores in tier2 and tier3 cities generate lesser revenue compared to tier1 city stores and this must not be mistaken as consumers in cities other than tier1 cities face affordability issues.

SUGGESTIONS TO BRICK-AND-MORTAR RETAILERS

Based on this research outcome, we would like to suggest Brick-and-mortar retailers not to decide on the price/product/brand assortment for their stores based on the type/size of cities. Retailers need to have a principal and standard price positioning for their stores across all the cities in a particular country. They can surely play around the level of inventory they carry across different price bands, it is not recommended to avoid offering higher-priced products/brands in their stores in smaller cities. First of all, avoid opening stores in cities which do not match the retailer price positioning. In case you strongly believe and market research supports that the market size is larger in smaller cities then it is better to come up with different versions of your store brand or even create a new retail brand wherein the price/product/brand assortment is offered at lower original/objective prices compared to your existing higher price positioned retail brand.

LIMITATIONS OF RESEARCH

The main limitation of this research work is the coverage of various stakeholders viz., cities, consumers, and retailers in this empirical study. This might limit the generalizability of the research findings to other sets of cities, retailers, and consumers. The second limitation would be the empirical validation is restricted to one retail format i.e., multi-brand and multi-category baby care stores in India and hence the generalizability of the findings and suggestions to other retail formats. The third limitation would be our ability to carry an experiment, at best we were able to carry out mystery shopping and open-ended direct interviews. However, it provides significant input regarding the ways to utilize these findings as all the findings have been derived from actual secondary data spread over twelve months.

SCOPE FOR FURTHER RESEARCH

It is recommended that multiple experiments be carried out by researchers and come up with insights if required for different retailing formats and verticals. Based on the key business objectives for a specific period and specific context, brick-and-mortar retailers can try adopting the insights from this research to experiment at their select stores and finetune the same based on real-time findings which can then be implemented across the entire chain of their stores.

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