The Role of Buyer Persona in Omni Channel Retailing

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It is imperative for businesses operating in the Indian retail sector to adopt a nuanced and customer-centric approach This involves recognizing the importance of factors such as brand loyalty and online behavior and being attentive to the ever-changing landscape of consumer preferences. The present research examined whether the role of buyer persona in Omni channel retailing is affected by Brand Loyalty Buying Preferences Buying Frequency Communication Channel and Online Behavior Reliability Exploratory Factor Analysis Confirmatory Factor Analysis and SEM were adopted to validate the hypothesis. Results provide an insight to the retailers to adopt strategies to reach customers.

Keywords: Buyer Persona, Omni Channel, Brand Loyalty, Buying Preferences, Buying Frequency, Communication Channel, Online Behaviour.

1. Introduction

The complex dynamic business environment and rapidly evolving landscape of the retail industry, where consumers have enormous options for shopping and spending across various channels, the concept of Omni Channel retailing has emerged as a prominent factor (Dhruv Grewal, 2017). Omni Channel retailing is a strategic approach which provides a seamless shopping experience for customers across the physical stores, e- commerce platforms, social media to interact with a brand. The digital era, is making customers to come forward with varied expectations, thus alarming retailers to be quite challenging to ensure consistency and personalization, which in turn makes way for Omni channel retailing.

The fictional representations of an ideal customer is regraded to be Buyer Persona (Connors, 2022). The buyer personas are built on a broad data and insights, covering demographic, psychographic and behavioral information. Retails get in-depth information on their customers through buyer persona which helps them for segmentation into appropriate groups. The significance of buyer persona in the context of Omni Channel retailing has taken prominent importance.

As reported by (Erik Lindecrantz, 2020), the significant goal of Omni Channel retailing is to provide a personalized shopping experience to customers, focusing on personalization. Achieving a higher degree of personalization is quite challenging. Through tailored marketing messages, segmenting the customers, recommendation of products and providing unique shopping experiences to each persona, retailers are found to achieve personalization efficiently (Mehta, 2023).

For the purpose of crafting effective marketing strategies buyer persona becomes invaluable. Retailers make use of personas to determine the effective channels to reach segmented audience (Beashel, 2023).

Omni Channel Retailing has caught the attention of academic researchers recently, yet there are limited works which have focus on the consumer's perspectives towards Omni Channel Retailing (Si Shi, 2020). A comprehensive knowledge on the area of research will be significant for various business scenarios.

Research Questions
The study aims towards addressing the following research questions:
Does Buyer Persona have an influence in Omni Channel Retailing?

Objectives of the Study
The objectives of the current research were:
To assess whether the role of buyer persona in Omni channel retailing is affected by Brand loyalty, buying preferences, buying frequency, communication channel and online behaviour.

2. Literature Review

A trend concept in marketing currently is Omni Channel retailing. It is a prominent business model providing the best commercial experience to today's quite challenging expectations of the digitalized customers (Nuria Viejo-Fernández, 2020). The current retail business environment is Omni Channel. It is prevalent to understand the factors driving Omni channel behaviour among the customers which helps retailers to make effective segmentation strategies for different groups. As reported by (Radzevičė, 2020), understanding the factors is quite essential for retailers to adapt strategies and respond to the consumers accordingly whose purchase journey and expectations are becoming complex.

While Omni Channel retailers are currently occupying the greater segment of retail market (Elizabeth Manser Payne J. W., 2017) , formulating appropriate strategies to attract and retain the consumers is highly essential to achieve brand loyalty and competitive success of the business enterprise.

The perspectives of consumers towards purchasing have changed enormously due to the advent of alternate distribution channels and technology. The developments have brought and impact on the shopping habits of consumers and their expectations (Juaneda-Ayensa, 2016). This has made way for the development of Omni Channel Strategies to meet the expectations of the consumers (Ipek Kazancoglu, 2018). Increasing trust among the consumers to rely on online shopping has made it possible for the Omni Channel Retailers to formulate strategies to reach their customers

The accelerated invention of communication technologies has increased the opportunity on the part of consumers to keep themselves engaged with the brands; also, to decide on when and where to choose the required products and services (Elizabeth Manser Payne J. P., 2017).

The communication channels relied by retailers are increasing drastically in the current business environment. It has become imperative to analyse the importance of communication channels and adopt the same to provide competitive service to consumers (Min Zhang, 2018). Retailers currently are focusing on channel integration to provide consumers a seamless shopping experience.

The advent of technology is enabling consumers to scrutinize extensive information while making a purchase through the search of shopping malls offering the similar kinds of products and services; range of products with attractive prices and quality through online channels. The prevalent mobile phone applications helping to collapse the barriers between traditional retailing channels and online retailing channels (Sangkyu Park, 2017). Omni Channel Retailers need to examine the purchase behaviours of the customers to be competitive in the current transition period of the business environment (Sangkyu Park, 2017).

3. Research Methodology

The study was descriptive in nature. The samples for the present study were incorporated from respondents of different age groups in Mysuru, Bangalore and Mandya region. Simple random sampling method was adopted to collect the responses. The responses were collected with a help of survey method by distributing the questionnaires in person to the respondents. A total of 140 responses were collected.

Measures

Self-Administered Questionnaire was prepared for the purpose of the current research. The independent variables are Brand loyalty, Brand awareness, Perceived quality, Brand association, and Brand asset. Each independent variable has three questions each. The dependent variable has four questions. Demographics that were considered are age group, educational qualification and their occupation. Participants were requested to give their responses in a five-point Likert scale varying from 1- strongly disagree to 5 – strongly agree.

Statistical Analysis

The data and information were processed by using statistical package for social sciences (SPSS) software. KMO test to check the adequacy of the data, correlation and regression analysis were performed to analyse the data.

Scope of the Study

The study includes a mixed population of students, officials, service man, professionals. This study captured the buyer persona of customers of different preferences. The study is directed towards studying the customer insights of buyer personas in Omni channel retailing.

Conceptual Model of the Study

Sampling Method

The sample size is computed using a formula shown below. Substitution of value of P as 0.9, Q as 0.1, e as 0.05, and Z as 1.96 is made. P is the probability of occurrence and Q is probability of non- occurrence. E is standard error and Z is confidence level. The sample size 140 thought to be adequate one. As there would be errors, 125 samples were considered.

For the calculation of sample size, the following formula has been used.

$n = Z^2(PQ)/E^2 = 1.96^2 (0.9*0.1)/0.05^2$ n = 140

The methodology was based on the development of a self-administered questionnaire using a computed sample size. The study is descriptive in nature. The study is based on primary data collected through survey research. Structured questionnaire is used as the research instrument which is administered through personal interview and interview through telephone calls to 140 respondents from the different regions of Mysuru, Mandya and Bangalore.

Based on the above discussions in the existing literatures and the framework drawn for this study, the following hypothesis are formulated:

• **Brand Loyalty**

H0: Brand loyalty significantly influences Buyer persona.

H1: Brand loyalty does not influence Buyer persona.

• **Buying Preferences**

H0: Buying preferences significantly influences Buyer persona.

H1: Buying preferences does not influence Buyer persona.

• Buying frequency:

H0: Buying frequency significantly influences Buyer persona.

H1: Buying frequency does not influence Buyer persona.

• **Communication Channel**

H0: Communication channel significantly influences Buyer persona.

H1: Communication channel does not influence Buyer persona.

• **Online Behavior**

H0: Online behavior significantly influences Buyer persona.

H1: Online behavior does not influence Buyer persona.

4. Data Analysis

Exploratory Factor Analysis for Independent Variable

Factor analysis is a data reduction technique adopted to simply the data and reduce the number of variables.

Kaiser-Meyer-Olkin (KMO) and Bartlett's Test

Sampling adequacy is measured through KMO Test. As inferred by (Kaiser, 1974), a KMO Value of greater than 0.5 indicates the sample is adequate to conduct factor analysis.

Table 1 *KMO Test for Factor influencing Buyer Persona*

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.784
Bartlett's Test of Sphericity	Approx. Chi-Square	1758.77
	df	325
	Sig.	0

The KMO Value obtained in the above analysis as indicated in Table No.1 is 0.784 meeting the threshold value of 0.5 (Kaiser, 1974). Therefore, the sample is known to be adequate and acceptable.

Table 2 *Principal Component Analysis*

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.96	22.934	22.934	5.96	22.934	22.934	4.04	15.551	15.551
2	2.63	10.125	33.059	2.63	10.125	33.059	3.36	12.915	28.466
3	2.11	8.127	41.187	2.11	8.127	41.187	2.4	9.223	37.69
4	1.75	6.732	47.918	1.75	6.732	47.918	2.19	8.427	46.117
5	1.31	5.048	52.966	1.31	5.048	52.966	1.78	6.85	52.966
6	1.16	4.474	57.441						
7	1.09	4.186	61.627						
8	0.99	3.816	65.443						
9	0.86	3.295	68.738						
10	0.79	3.045	71.782						
11	0.76	2.925	74.707						
12	0.67	2.573	77.28						
13	0.64	2.456	79.735						
14	0.59	2.267	82.002						
15	0.56	2.15	84.152						

16	0.55	2.099	86.251					
17	0.49	1.887	88.138					
18	0.47	1.823	89.961					
19	0.47	1.799	91.761					
20	0.4	1.543	93.304					
21	0.36	1.376	94.68					
22	0.34	1.311	95.991					
23	0.32	1.212	97.203					
24	0.28	1.084	98.287					
25	0.23	0.896	99.183					
26	0.21	0.817	100					
Extraction Method: Principal Component Analysis.								

For determining the retrieved elements practical value the cumulative proportion of the overall variance is extracted (Joseph F Hair Jr, 2010). As reported by (Joseph F Hair Jr, 2010), as the information would be less precise in social science research, overall cumulative percentage of 60% is approved, and in a few other circumstances, overall cumulative percentage of 50% is regarded as satisfactory.

Table no. 2 indicates the overall cumulative percentage of variance to be 52.966, which is considered to be acceptable as per the inferences of (Joseph F Hair Jr, 2010).

Rotated Component Matrix

Table 3 *Rotated Component Matrix*

Table 3: Rotated Component Matrix	Component				
	1	2	3	4	5
Table 3: Rotated Component Matrix	0.72				
	0.66				
	0.66				
	0.65				
	0.64				
	0.63				
	0.63				
	0.59				
	0.58				
Table 3: Rotated Component Matrix		0.73			
		0.72			
		0.67			
		0.62			
		0.61			
		0.6			
Table 3: Rotated Component Matrix			0.77		
			0.76		
			0.64		
			0.6		
Table 3: Rotated Component Matrix				0.8	
				0.78	
				0.61	
				0.58	
Table 3: Rotated Component Matrix					0.77
					0.65
					0.55

Exploratory Factor Analysis was employed for discovering the factor structure and reduction of items through Principal Component Analysis Method. The Analysis resulted in five factors with 26 items having loadings greater than 0.55. Table 3, indicates the item wise factor loading and the extracted factors are: Brand Loyalty; Buying Preference; Buying Frequency; Communication Channel and Online Behaviour.

CFA was performed to validate the above extracted factors.

Confirmatory Factor Analysis

CFA was performed by adopting Structural Equation Modelling to validate the extracted factors through EFA. The model represented five factors with 26 items. The measurement model is represented in Figure 1.
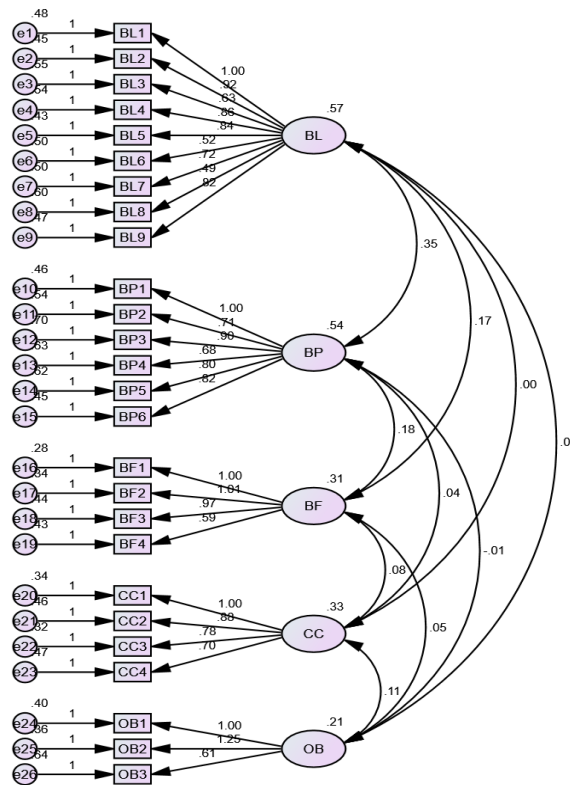
Figure 1*Measurement Model for Factors Influencing Buyer Persona*

Further, the measurement model was tested for different model fir indices. The tested model fit indices and the values obtained are indicated in Table. 4.

Table 4 *Model Fit Summary*

Sl No	Model fit Indices Tested	Model Fit Indices Values Obtained	Inferences
1	CMIN/DF	2.045	Supported since CMIN/DF Value should be less than 3; RMSEA Value should be less than 0.08 (Hair Junior, 1998), PNFI should be >0.50, GFI;AGFI;TLI;CFI ;IFI should be > 0.9, RMR should be <0.05 also supported through the inferences presented in (Tejus Sangameshwara, 2023)
2	GFI	0.917	
3	AGFI	0.978	
4	TLI	0.977	
5	CFI	0.902	
6	RMSEA	0.073	
7	PNFI	0.605	
8	RMR	0.057	
0	IFI	0.906	

It is evident from Table 4, the extracted model fit indices obtained achieved the threshold limits and therefore, the measurement model was deemed to be satisfactory.

KMO Test for Buyer Persona
Sampling adequacy is measured through KMO Test. As inferred by (Kaiser, 1974), a KMO Value of greater than 0.5 indicates the sample is adequate to conduct factor analysis.

Table 5 *KMO Test for Buyer Persona*

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.693
Bartlett's Test of Sphericity	Approx. Chi-Square	146.37
	df	3
	Sig.	0

The KMO Value obtained in the above analysis as indicated in Table No.5 is 0.693 meeting the threshold value of 0.5 (Kaiser, 1974) and also supported by the studies of (Kavyashree M B, 2022). Therefore, the sample is known to be adequate and acceptable.

For determining the retrieved elements practical value the cumulative proportion of the overall variance is extracted (Joseph F Hair Jr, 2010). As reported by (Joseph F Hair Jr, 2010), as the information would be less precise in social science research, overall cumulative percentage of 60% is approved, and in a few other circumstances, overall cumulative percentage of 50% is regarded as satisfactory.

Table no. 6 indicates the overall cumulative percentage of variance to be 67.7, which is considered to be acceptable as per the inferences of (Joseph F Hair Jr, 2010).

Table 6 *Principal Component Analysis*

	Total Variance Explained					
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.031	67.7	67.7	2.031	67.7	67.7
2	0.52	17.335	85.035			
3	0.449	14.965	100			
Extraction Method: Principal Component Analysis.						

Component Matrix

Table 7 *Component Matrix*

Component Matrix[a]	
Component Name	Component
	1
Buyer Persona	0.84
	0.82
	0.808
Extraction Method: Principal Component Analysis.	
a. 1 components extracted.	

Exploratory Factor Analysis was employed for discovering the factor structure and reduction of items through Principal Component Analysis Method. The Analysis resulted in one factor with 3 items having loadings greater than 0.82. Table 7, indicates the item wise factor loading and the extracted factor was: Buyer Persona (Citation)

Association between Brand Loyalty; Buying Preference; Buying Frequency; Communication Channel; Online Behaviour and Buyer Persona

For analysing the structural relationships between the identified factors, SEM was performed. The model fit indices were found to be acceptable.

The Path Model Analysis statistics are represented in Table 8.

Table 8 *Path Model Analysis Statistics*

			Estimate	S.E.	C.R.	P	Label
1	<-->	2	.345	.061	5.617	***	
1	<-->	3	.165	.042	3.898	***	
1	<-->	4	.002	.039	.054	.957	
1	<-->	5	.027	.033	.800	.424	
2	<-->	3	.172	.042	4.073	***	
2	<-->	4	.043	.039	1.103	.270	
2	<-->	5	-.007	.033	-.211	.833	
3	<-->	4	.077	.033	2.361	.018	
3	<-->	5	.053	.028	1.887	.059	
4	<-->	5	.110	.035	3.136	.002	

The structural relationships are represented in Figure 2.
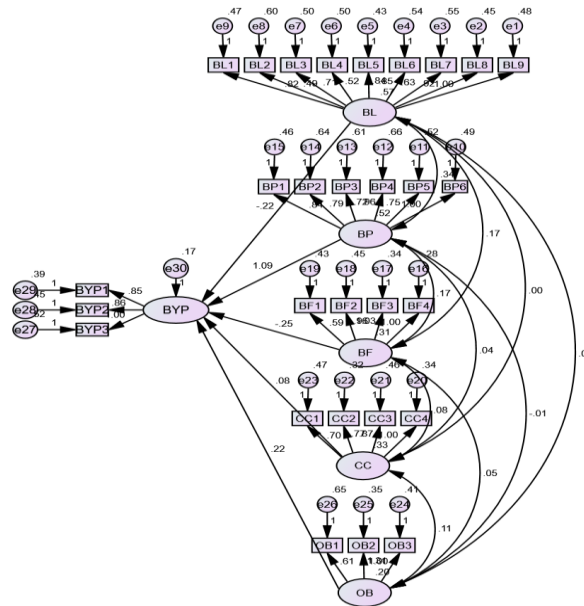

Figure 2 *SEM Model*

The extracted model fit indices are represented in the Table. 9

Table 9 *Model Fit Summary*

Sl No	Model fit Indices Tested	Model Fit Indices Values Obtained	Inferences
1	CMIN/DF	1.949	
2	GFI	0.807	
3	AGFI	0.768	
4	TLI	0.787	Supported since CMIN/DF Value should be less than 3; RMSEA Value should be less than
5	CFI	0.810	0.08 (Hair Junior, 1998), PNFI should be >0.50, GFI;AGFI;TLI;CFI ;IFI should be > 0.9,
6	RMSEA	0.069	RMR should be <0.05
7	PNFI	0.607	
8	RMR	0.058	
0	IFI	0.814	

5. Findings

The test statistics indicate that there is a significant relationship between Brand Loyalty; Buying Preference; Buying Frequency; Communication Channel; Online Behaviour and Buyer Persona. The developed hypothesis in the present research work deemed to be acceptable and the study is a significant contributor to the emerging field of study.

6. Conclusions

The research work outlines the significance of various consumer related parameters which needs to be essentially focused by Omni Channel Retailers. In the prevailing dynamic business environment while there is a shift of focus within the retailers towards Omni Channel Retailing strategies, understanding the significant drivers enabling consumers to purchase the product and services is required. Multiple opportunities available to the consumers to get awareness on the products and services, the opportunity to choose online and pick it form offline store; ease of shopping as and when it is required through mobile and internet applications has made it challenging for the retailers to be continuously innovating and evolving in terms of attracting the consumers.

7. Limitations and Future Directions

The study results cannot be generalized to other business segments. The present research was confined to Mandya, Mysuru and Bangalore regions of Karnataka State. Future research works can address and outline prominent factors which are not focused in the study.

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