An Empirical Study on Retailers Perception and Satisfaction towards Industrial Products

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ABSTRACT

Retailers play a key role in the modern business supply chain. They act as important links between large manufacturing companies and the businesses or individuals that buy products, like construction firms and big buyers. Even though a lot of research has looked at how consumers feel about products bought directly from companies, there is not much information on how industrial retailers think and feel about the products they sell. This study aims to fill that gap by looking closely at how B2B retailers feel about the products they handle. The focus is on flat glass, building parts, and other construction materials.

The research involved asking 120 regional retailers about their experiences. Data was collected and analyzed using methods like percentage analysis, weighted average scaling, and statistical tests. The findings showed that while where a retailer is located doesn't have a big impact on their knowledge of products, it does affect which brands they prefer. The study also found that product quality, credit terms, profit margins, and support from the manufacturer all have a strong positive effect on how satisfied retailers are with their work.

Manufacturers need to shift from just focusing on the products they make to building better relationships with retailers. They should use digital tools to connect more effectively with their distribution networks to stay competitive.

Keywords: Industrial Products, Retailer Perception, Channel Satisfaction, Empirical B2B Framework, Logistical Agility, Brand Patronization, Supply Chain Architecture.

1. INTRODUCTION

In today's connected supply chains, industrial retailers are important middlemen. Their choices and how they work with products greatly influence how well a brand is known and how much of a product is sold. In B2B marketing, products like glass, steel, and machinery parts are sold through networks where retailers act as gatekeepers. Unlike how consumers buy things based on looks and emotion, retailers look at the practical aspects like technical standards, financial viability, and reducing risks. Without a strong distribution network, manufacturers can't reach the businesses that need their products.

The way industrial products are sold is different because they are more complicated. These products are defined by technical specs, safety standards, and logistics. Retailers have to think about quality, delivery times, how much they can profit, credit options, and how the brand is positioned. When a product meets these standards, the retailer becomes a strong supporter of the brand, offering space, promotion, and technical help.

This study looks at how B2B retailers form their opinions and how satisfied they are with the companies they sell products from. By looking at factors like profit, product durability, payment terms, and support, this study gives manufacturers a guide on how to better connect with the distribution network and gain more market share. The results help understand how these networks work, especially in developing areas.

1.1 The Role of Intermediaries in B2B Channels

Intermediaries in supply chains help cut down on costs, organize goods, and fix differences in quantity and variety. Industrial manufacturers often make a lot of the same product, while end-users need a variety of products at different times. Retailers fill this gap by holding onto inventory, managing local demand, and giving technical advice when products are used.

In areas like structural glass and steel components, delivery can be risky because of the weight or fragility. Retailers handle this by using local warehouses, splitting large orders into smaller ones, and offering credit support. This helps reduce risks for manufacturers and makes products more available for buyers. Understanding how these retailers view their suppliers is key to improving the supply chain.

1.2 Shift from Product to Relationship

In the past, B2B marketing focused mainly on product quality and price. But with more globalization and new technology, these factors have become more common across suppliers. Now, the competition is more about relationships and services. Retailers prefer manufacturers that use digital tools, offer flexible payment options, and have good logistics. The relationship between a manufacturer and a retailer is now a big part of how stable and successful a distribution network is.

2. NEED FOR THE STUDY

Modern industrial supply chains face big changes from global price swings, changing needs for infrastructure, and competition from other manufacturers. Retailers are under pressure from online buying, direct sales, and changing customer needs. If a manufacturer can't deliver on time, has low profit margins, or isn't supported well, retailers might lose trust and switch to other brands. This causes loss of market share and challenges in the supply chain.

Even though this is a big issue, most marketing research still focuses on direct sales to consumers. There's not enough information on how retailers choose, rate, and support B2B brands. This study aims to fill that gap by understanding how financial terms, product features, and logistics affect distribution relationships, offering a clearer view of how retailers see their suppliers and how to align with them in growing markets.

2.1 Addressing the B2B Empirical Gap

Looking at marketing research shows a big difference: there are lots of studies on consumer satisfaction with everyday goods or tech products, but not many that look at how industrial distributors feel. Most B2B studies focus on the final buyer, not the middleman who sells to them. This is a problem because industrial retailers don't buy for themselves—they buy to help their business run and make money. Their satisfaction comes from things like product quality, reliable delivery, and managing financial risks. This study fills that gap by looking closely at what industrial distributors need. It helps build better, more stable partnerships in B2B distribution.

3. IMPORTANCE OF THE STUDY

This study is important because it helps understand the complex connection between how well a manufacturer performs and how satisfied a retailer is. By figuring out what makes retailers happy—like quick logistics, clear pricing, and good product quality—it gives useful ideas for industrial managers to improve their distribution strategies.

For manufacturers, this research acts like a tool to see where their dealer relationships are working well and where they need to make changes. It shows how the way businesses operate is changing from just selling products to building strong, responsive partnerships that use data and support to gain market share.

Beyond helping business owners and factory managers, this study also helps shape industrial marketing theories by showing how service quality relates directly to keeping supply networks strong. In an economy that’s always changing, understanding what industrial retailers need is key to long-term success in the supply chain.

4. REVIEW OF LITERATURE

Tedja et al. (2024) did a detailed review of the literature to see how service quality, perceived value, customer satisfaction, and how long relationships last affect distribution networks. Their work showed that high service quality is the main reason for long-term B2B relationships and satisfaction from middlemen. They found that when service quality is good, it helps reduce transaction issues and makes it easier for channels to handle price changes from competitors.

Nilashi et al. (2023) studied the quality of industrial CRM systems and how they affect business satisfaction. Using text analysis and customer feedback, they found that good CRM systems help improve company communication, response accuracy, and overall business performance. Their research also shows the value of real-time tracking to quickly follow up on orders and settle any disputes.

Bakri et al. (2023) did a detailed review on how service delivery structures influence satisfaction levels across industrial businesses. They found a strong link between operational quality and long-term distributor satisfaction, meaning that consistent service often matters more to industrial retailers than small price changes.

Deryana et al. (2024) studied service innovation, customer-focused value offers, and relationships that keep distributors loyal. Their research showed that ongoing service improvements and a strong customer mindset greatly increase distributor loyalty, especially during difficult times in the market.

Dwivedi et al. (2024) looked at how automated CRM strategies affect channel loyalty. Their data showed that manufacturers using real-time collaboration tools gain more commitment from distributors and better long-term performance, proving that technology plays a key role in improving distribution networks.

4.1 Extended Theoretical Framework of Channel Behavior

To understand how industrial retailers see things, we need to look at some foundational theories, especially Resource Dependency Theory (RDT) and Transaction Cost Economics (TCE).

Resource Dependency Theory says companies depend on other organizations for important resources, so they form partnerships to manage uncertainty. In B2B distribution, retailers rely on manufacturers for steady product supply, technical help, and brand value, while manufacturers depend on retailers for access to local markets and customer relationships.

Transaction Cost Economics deals with the costs related to doing business, like searching for the right supplier, making sure contracts are followed, and dealing with delivery problems. If a manufacturer doesn't deliver high-quality products or reliable service, the retailer faces higher costs. These high costs hurt satisfaction and make the retailer look for other suppliers. This study uses these theories to analyze real-world data on industrial distribution channels.

5. RESEARCH METHODOLOGY

This study uses a practical, data-based approach to understand how industrial product retailers form their views and how they feel about their distribution channels. The research uses detailed data analysis combined with testing to find out what really drives stability in distribution networks.

The method follows a clear process: first, it sets clear goals for the study, then it selects a representative group of people to study. It uses standard ways to measure things and applies strict statistical checks to ensure the results are accurate and useful for making decisions in industrial management.

5.1 Objectives of the Study

The main goals of this study are as follows:

- **1.** To understand the basic details and how industrial product retailers operate in the areas we are focusing on.
- **2.** To check how aware the retailers are of the rules for industrial products and if where they are located affects how much they know about the products' technical details.
- **3.** To look at how the location of a retailer influences which brands they choose to work with.
- **4.** To find out how much product quality, brand reputation, profit margins, and the support given in terms of logistics affect a retailer's overall satisfaction.
- **5.** To come up with smart suggestions for industrial manufacturers to make their partnerships with retailers more effective and reduce any problems in the supply chain.

5.2 Hypotheses Development

To study these relationships, the following hypotheses were set up:

Null Hypothesis 1 (H0_1): There is no strong connection between a retailer's location and how aware they are of the product's technical details.

Null Hypothesis 2 (H0_2): There is no strong connection between a retailer's location and which brand they choose to work with.

Null Hypothesis 3 (H0_3): The factors like product quality, brand reputation, profits, and logistics services do not strongly predict how satisfied retailers are.

5.3 Sampling Design and Data Collection Tools

The study focused on retailers who sell specialized industrial products such as flat glass, structural steel sections, and construction-related items. We chose 120 retailers from different areas across major industrial centers using a convenience sampling approach.

The data was collected through a structured questionnaire filled out in person and also online. The questionnaire included questions about demographics and used a 5-point scale to measure things like product quality, profit, logistics, and satisfaction. We also used secondary data from marketing journals, company reports, and other industry sources.

5.4 Statistical Tools for Data Processing

We used several methods to analyze the data:

- **1. Percentage Analysis:** This helped us understand the general basic details like the age of the businesses and their sizes.
- **2. Weighted Average Scaling:** This ranked the importance of various factors that influence the choice of a manufacturer, based on what the retailers reported.
- **3. Chi-Square Test:** This was used to check if there was a connection between geographical locations and other categorical data like product awareness or brand choice.
- **4. Simple Linear Regression:** This help us see how well different performance measures predict the satisfaction levels of the retailers.

6. DATA ANALYSIS AND DISCUSSION

This section presents the results from the data collected from the 120 participating retailers. It gives insights into the processes and factors that affect how industrial distribution networks work.

6.1 Descriptive Demographic and Operational Analysis

The data shows that 42% of the businesses surveyed have been in the industrial product business for over 10 years, showing a network of experienced and stable dealers. In terms of size, 55% are medium-sized businesses, while 28% are large centers that operate across regions.

Looking at what products they deal with, 48% focus on structural glass and related items, 32% on structural steel and fabrication products, and 20% handle more general industrial infrastructure components. This mix of products gives a good overview for analyzing more general industry views.

6.2 Ranking of Product Selection Parameters (Weighted Average)

To understand what influences a retailer's choice of a manufacturer, we ranked five factors based on the weighted average scores from the retailers.

Technical product quality was the most important factor, with a score of 4.62, proving that product durability and compliance with rules are very important for reducing complaints. Profit margin competitiveness came next with a score of 4.45, showing how important it is to be commercially viable. Next were logistical punctuality and delivery reliability with a score of 4.31, then flexible credit terms (3.98), and digital order visibility (3.74), which are supporting factors in choosing a partner.

6.3 Chi-Square Analysis: Geographical Location vs. Product Awareness

We ran a Chi-Square test to see if a retailer's location (urban vs. semi-urban) affects their awareness of product specifications and safety standards. The test result had a Chi-Square value of 3.42 and a p-value of 0.245. Since the p-value is more than 0.05, we couldn't reject the null hypothesis. This means that the awareness of technical product details is the same across different regions, which is due to easy access to online resources like manufacturer websites, training modules, and standard technical documents.

6.4 Chi-Square Analysis: Geographical Location vs. Brand Patronization Preference

Another Chi-Square test was run to check if a retailer's location affects their choice of brand. This gave a Chi-Square value of 14.86 and a p-value of 0.012, which is less than 0.05, so we rejected the null hypothesis. This means there is a clear link between location and brand choice. Local factors like delivery schedules from manufacturers, competitor prices in the area, shipping fees, and transport costs affect which brands a retailer chooses to sell in their area.

6.5 Regression Modeling: Drivers of Overall Retailer Satisfaction

A Simple Linear Regression analysis was performed to understand how different manufacturing operational factors—such as Product Quality, Brand Reputation, Retailer Profitability, and Logistic Services—affect Overall Retailer Satisfaction. The model showed a strong coefficient of determination ($R^2 = 0.684$), meaning these four factors explain 68.4% of the changes in retailer satisfaction. The model fit was highly significant ($F = 62.45$, $p < 0.001$), which means we can confidently reject the null hypothesis (H0_3).

The regression results show that Product Quality (Beta = 0.38, $p < 0.01$) and Retailer Profitability/Margins (Beta = 0.32, $p < 0.01$) are the main factors influencing distribution satisfaction. They are followed by Logistic Services (Beta = 0.22, $p < 0.05$) and Brand Reputation (Beta = 0.14, $p > 0.05$). This suggests that while brand recognition plays a role, it is the actual quality, profitability, and consistent delivery that drive long-term satisfaction among B2B partners.

7. STRATEGIC RECOMMENDATIONS

- **1. Optimize Tiered Profit Margins:** Manufacturers should create competitive and clear trade discount structures and incentive programs to support local retailers and encourage them to promote their products.
- **2. Improve Regional Logistical Efficiency:** Since brand preferences differ across regions, setting up regional distribution centers near key retail areas can reduce delivery times and avoid stock shortages in specific areas.
- **3. Offer Standardized Product Training:** Regular training programs for retailers can help maintain product knowledge and ensure they provide accurate information to customers.
- **4. Provide Digital Sales Support:** Using cloud-based tools to offer inventory visibility can help retailers manage their operations better, reduce risks, and share more data with the manufacturer.

8. CONCLUSION

This study shows that long-term success in industrial product markets relies on focusing on retailer needs. Retailers judge industrial brands based on financial and operational performance, not on emotional or personal factors. The research shows that product awareness is generally consistent across areas, but brand loyalty can vary with logistics and profit structures.

By ensuring high product quality, offering competitive profit terms, and providing reliable supply chain support, industrial manufacturers can develop strong relationships with retailers, boost sales, and grow together in a competitive B2B environment. The future of modern industrial brands depends on building collaborative and digitized distribution networks that deliver technical value and profitable outcomes.

9. REFERENCES

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