

THE CORRELATION BETWEEN BUSINESS LOCATION AND CONSUMERS PATRONAGE: IMPLICATIONS FOR BUSINESS POLICY DECISIONS

ABSTRACT

The study undertook a critical appraisal of the relationship between business locations and consumer patronage, with a view to pinpointing the implications on business policy and decision-makings. The objective of the study was to: determine the effect of business locations on consumers' repeat-purchases; and evaluate the effect of proximity of business locations on consumers' patronage. Survey design was employed. The area of study was University of Calabar, while the study frame were photocopying operators, consumers of their services and the school's business regulatory body. The sample size of the study was 100 and the structure questionnaire was the instrument for data collected. The instrument was content-validated, while test-retest method was used to confirm the reliability. Data analysis was done electronically by the use of Statistical Package for Social Science (SPSS) version 21. Among the findings of the study were that business location affects a business performance very significantly; it also has a significant effect on the repeat purchases of consumers. Also proximity of the business to customers and competitors has significant benefits to business performance in the University. The implications for business policy and decision-making are that intending entrepreneurs must undertake business location feasibility studies before citing their businesses.

Keywords: Business Location, Consumers, Patronage, Policy, Decisions, Photocopying.

1. Background of the Study

By business location in this study, the authors mean where a business or commercial enterprise's operations are carried out. The study is motivated by the debate that the location of a business has good or dire consequences to its profitability, growth and survival, hence, a crucial priority point to be factored into the business policy and decisions. Typically businesses will seek locations that maximize revenues and minimize costs because high revenue and low cost will result in high profit (Business Case Study, 2014). Choosing a business location require some serious work which include: precise planning and research, surveying the demographics, checking sources of material supplies, doing competitors' appraisal, being abreast of community issues, understanding state laws and taxes, and much more. Careful determination of new sites is critical for most retail and consumer service businesses. A business's location is key to successful operations and overall growth (Smith,

2014). This implies that rational location decision attracts favourable opportunities to the operators, long term success and goal achievement of the business.

The phenomenon of stores locating near one another is called agglomeration. Stores of different types commonly co-locate in shopping centers and malls (inter-type agglomeration). Stores of the same type, such as restaurants, hotels, jewelers, furniture stores, and automobile dealerships, also often locate close together (intra-type agglomeration). Though agglomeration may be driven by retailers' need to be near consumers, it can also be intrinsically beneficial for retailers (Fox, Postrel and McLaughlin, 2007). Photocopying businesses in the University of Calabar can be said to belong to intra-type agglomeration as they are usually concentrated in a particular location and offer the same services such as photocopying, printing, binding and laminating. Miller, Reardon and McCorkle (1999) suggested that net gains/losses from agglomeration depend on the balance of two countervailing forces. The first force captures the incremental attractiveness of stores located close together compared to the attractiveness of those same stores individually. This incremental attractiveness reflects a reduction in consumers' costs of searching among stores and multi-purpose shopping. In effect, an agglomeration of stores becomes a shopping destination. Miller, et al. termed this positive force 'symbiosis'. The second force reflects competition for consumer purchases among stores that sell similar products (even if they sell different products, stores compete for consumers' disposable income). Miller, et al. called this negative force 'darwinism', evoking the process of natural selection. The balance of these two forces can result in either a positive, neutral or negative effect of agglomeration on retailer performance. How does this play out for business centre operators at the University of Calabar? This study was aimed at finding out.

Meanwhile, recently, photocopying business in the University of Calabar has become increasingly agglomerated as a result of service providers' objective to move closer to the consumers as well as the school policy of organizing and galvanizing business locations to avoid nuisances. This has led to increased competition thus necessitating a more in-depth understanding of retail location and its impact on consumers' patronage.

2. Statement of the Problem

Despite its advantages, business location is a retailer's most costly and long-term marketing-mix decision. Debates have been raging over the years that a poor location adversely affects

retailers' performance, while a good location enhances it. It is observed that retailers prefer to locate their operations close to consumers, but doing so exposes them to competition with other retailers that also want to be close to consumers. From the retailer's point-of-view, nearness to consumers means nearness to other stores. According to Fox, Postrel and McLaughlin (2007), consumers' spending is a function of two types of retail location factors: (i) proximity of stores to consumers and (ii) proximity of stores to other stores; i.e., agglomeration. Proximity of stores to consumers is defined as the time it takes to travel from the consumer's home to the retailer's closest store.

Despite the fact that the University of Calabar has created a market forum where buyers and sellers could meet, several photocopying operators have refused to take cognizance and advantage of the designated business location for fear that they may not make the desired profit. Would photocopying businesses enjoy more consumers' patronage if located anywhere around the campus? Or could their business be more successful if they operate in the location specified by the university? The study sought to examine the effect of location on the business performance of the photocopying operators.

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3. Objectives of the Study

The broad objective of the study is to determine the effect of business location on consumers' patronage.

The specific objectives include:

1. To examine the effect of business location on repeat purchases by consumers of photocopying services.
2. To evaluate the effect of proximity of business location on consumers' patronage.

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4. Research Questions

In view of the objectives outlined above, this study was guided by the following research questions:

1. Does business location affect repeat purchases of photocopying services?
2. Does the proximity of a business affect consumers' patronage?

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5. Research Hypotheses

The following null-hypotheses were tested in the study:

1. There is no significant relationship between business location and repeat purchases of photocopying businesses.
2. The proximity of a business does not significantly affect consumers' patronage of photocopying services.

6. Significance of the Study

The study will be useful to owners and managers of small and medium scale enterprises (SMEs) in Nigeria and those still wishing to go into the SMEs sub-sector on the need to take business location very serious in the company policies and decisions. It will provide them with relevant information on the impacts location of a business could have on the patronage of their products and services as well as their revenues. Additionally, the study will assist government and policy makers to make suitable policy regarding business location for the SMEs, because small and medium scale enterprises has a lot to offer to the economic development of the nation and therefore their profitability will be of immense benefit to the country, especially in the area of curbing unemployment. Finally, the study will provide future researchers with secondary data and relevant information to support their further research on this area.

7. Scope of the Study

The study encompassed the location of business, retail locations and consumers' shopping behaviour, retail location and other stores or competitors, business location and retailers' revenue, agglomeration of businesses, consumer satisfaction, consumers' patronage and the implications on business policies, decisions and profitability in general. The study frame was photocopying operators, consumers of their services and the school's business regulatory body at the University of Calabar located in Calabar metropolis of Cross Rivers State.

8. Review of Related Literature

8.1 Introduction

In this literature review, the works of other scholars and relevant sources of information on attributes of business location and its implications on consumers' patronage and business performance are examined. It embodies the following: the concept of business environment; location and localization of business; importance of business locations, factors affecting business location; and finally, how business location affects consumers' patronage.

8.2 The Concept of Business Environment

Understanding the environment within which the business has to operate is very important for running a business unit successfully at any place. Because, the environmental factors influence almost every aspect of business, be it its nature, its location, the prices of products, the distribution system, or the personnel policies. The environment is a complex combination of the economic system, political system, legal restraints, society, industry, labour relations, customer expectations, markets, competition, technology, culture, history, infrastructure, state of the economy, shareholder demands, natural environment, labour conditions, and so on. The business environment includes all the external factors that affect an organization, but which it cannot control. The most important factors of a business environment include the overriding economic system, the industry in which the organizations chooses to work, and the market that it serves. Although an organization cannot change these, it can choose the area in which it works, and it particularly wants to choose an attractive industry and market. The business environment can be classified into five categories- the physical environment, political and legal factors, economic factors, social and socio-cultural factors, and technological factors (Waters, 2014).

According to the National Institute of Open Schooling (NOS, 2008), the term ‘business environment’ connotes external forces, factors and institutions that are beyond the control of the business and they affect the functioning of a business enterprise. These include customers, competitors, suppliers, government, and the social, political, legal and technological factors etc. While some of these factors or forces may have direct influence over the business firm, others may operate indirectly. Thus, business environment may be defined as the total surroundings, which have a direct or indirect bearing on the functioning of business. It may also be defined as the set of external factors, such as economic factors, social factors, political and legal factors, demographic factors and technical factors etc., which are uncontrollable in nature and affect the business decisions of a firm.

8.3 Location and Localization of Business

Location of a business should not be confused with the localization of a business. They are two different concepts. The location of a business simply refers to where a business is located. That is, where it carries out its operation. This has to do with the physical

environment in which the business finds itself. It is the physical space where the business exists. On the other hand, localization is defined by the Globalization and Localization Association as “the process of adapting a product or a content to a specific locale or market (Overbo, 2014). Business Dictionary (2014) defines localization as the practice of adjusting a product’s functional properties and characteristics to accommodate the language, cultural, political and legal differences of a foreign market or country.

8.4 Importance of Business Location

It is essential for business operators to put location at the top of their minds. If you're preparing to open a food or retail business with a storefront, putting your business in the proper location might be the single most important thing you do at startup. Of course you need a winning product, too, but how will anyone know about that product unless you get them through the door? Hence, the three most important decisions you'll make are: “location, location and location,” affirms Overbo (2014). Careful determination of new sites is critical for most retail and consumer service businesses (Spaeder, 2014).

Locations of retailers must be accessible to the potential target group of customers (Kotler and G. Armstrong, 2004). A far distance has a negative effect on the selection of a retail store through reducing frequency of customers visiting a store (Hansen and Solgaard, 2004). Stores located in the centre of a city benefit from their next door to remote customers (Finn and Louviere, 1996). Therefore, distance from home and distance from workplace would have a relationship with the amount of purchase from retail stores (Chaiyasoonthorn and Suksangiam, 2011).

8.5 Push and Pull Factors Affecting Business Location

As explained by (Business Case Study, 2014), in the course of time there are a number of push and pull factors drawing firms towards certain locations and away from others:

8.5.1 Push factors which include rising competition in an area, rising costs, poor communications systems, falling demand.

192 **8.5.2 Pull factors** which include Government incentives, low labour costs, good
193 communication systems, developing markets.

194 In choosing a business location therefore, Business Case Study (2014), advises firms to
195 weigh up the following range of push and pull factors:

196 **8.5.3 Closeness to market.** This is the case with fresh produce - so that for example, many
197 supermarkets operate their own bakeries.

198 **8.5.4 Communications links.** Transport is an important factor supporting access to markets.
199 Modern companies also need to locate where they have access to excellent information
200 technology links.

201 **8.5.5 Closeness to raw materials.** Locating close to the raw material supplies can reduce
202 where raw materials are heavy and large quantities are used up in production costs. This is
203 particularly true for industries like steel, which uses large quantities of iron ore in the
204 production process.

205 **8.5.6 Availability of appropriately skilled employees.** Some industries rely heavily on a
206 highly skilled workforce. In contrast, other industries that require cheap labour will seek
207 locations where there are a lot of people looking for work that are prepared to accept low
208 wages.

209 **8.5.7 Opportunity for waste disposal.** Waste is an important side effect of modern industrial
210 processes. Firms that produce a lot of toxic material (e.g. some chemical plants) will seek to
211 locate where there are facilities available for recycling and safe disposal of their products.

212 **8.5.8 Availability of power supplies.** Energy supplies can typically be found in most parts of
213 the UK - e.g. electricity pylons and cables. Large firms are able to negotiate bulk discounts
214 when they purchase power from energy retailing companies. Being able to negotiate a good
215 deal in a particular location might be influential as a locational factor.

216 **8.5.9 Availability of land** is increasingly important today. Land is becoming increasingly
217 scarce particularly in urban locations, forcing rental prices up. Property prices are particularly
218 high in major city areas such as Central London and Birmingham. Companies like Land
219 Securities are developing new sites that are suitable for modern businesses to locate to.

8.5.10 Government incentives are important in reducing costs of locating in certain areas. These incentives are in effect subsidies provided by European Regional Funds (from the European Union) and by the UK government (Business Case Study, 2014).

8.6 Business Location and Consumers' Patronage: An Empirical Review

The factors which Jere, Babatunde and Albertina (2014) identify as important influencers of store patronage: store image, product (merchandise), price, promotion, and location (place). Expatriating on the influence of location, they assert that for consumers, location of and access to the retail store are important factors in the store choice decision. Location which is mainly perceived in terms of time and distance is a particularly compelling value proposition that retailers offer low-income consumers who tend to shop more frequently and make small purchases because of their limited and unstable cash flows. Consumers tend to prefer stores that are easily accessible to them (Eppli and Shilling, 1996). While some authorities argue that location is a major determinant of the success or failure of retail stores (Ownbey, Davis and Sundel, 1994); some studies show that location does not account for most of the variance in the store choice decision (Bell, Ho and Tang, 1998). They contend that instead of emphasizing location, consumers seek to optimize their "total shopping costs" (Ailawadi and Keller, 2004). This suggests that in some instances (e.g., bulk shopping); consumers may pay more consideration to other factors (e.g., price promotions) than location in determining the store of purchase.

On the other hand, in a multiple regression analysis to assess the importance of the predictors of customer satisfaction, Jere, Babatunde and Albertina (2014) report that only location (place) was found to be a significant predictor. This finding implies that it is important for retailers catering for low-income consumers to make place decisions that meet customer expectation; particularly proximity and attractiveness and hygiene. An assessment of the importance of the predictors of store loyalty shows that three of the six independent variables; store image, promotion, and location; are significant predictors. Therefore, to encourage customer satisfaction retailers need to focus on location, but to encourage loyalty they need to emphasize location, store image, and promotion as well.

In another study, Fox, Postrel and McLaughlin (2007) found out that the value of a retail location is affected by both its proximity to consumers and to other retailers; the latter influence varies across formats and may be positive or negative, symmetric or asymmetric.

“Retail gravitation” (Reilly, 1931; Huff 1964) implies that consumer’s choice among retail centers (groups of stores) is governed by the centers’ attraction, which increases with a center’s size but decreases with its distance from the consumer’s home. “Central place theory,” an extension of retail gravitation, holds that shoppers will choose the closest retail center conditional on the availability of the types of products sought (Christaller, 1966). These theories implicitly assume that shoppers minimize their travel costs to obtain the goods that they want (Hubbard, 1978). Empirical evidence has been mixed, however, with studies showing that shoppers actually purchase groceries at the closest store less than half of the time (Gollege, et al. 1966; Rushton, et al. 1967).

In other studies consumers report that spatial convenience is their most important criterion when choosing a store (Arnold, Ma and Tigert 1978; Arnold, Oum and Tigert, 1983). Again, Bell, Ho and Tang (1998) modeled store choice as dependent on the fixed and variable costs of shopping. Travel distance from the consumer’s home to the store was the primary fixed cost of shopping in their panel-data study and was found to be an important predictor of store choice. Fox, Montgomery, Lodish (2004) used travel time from the consumer’s home to the store to predict their patronage and spending at stores of different retail formats. Shopping and spending at grocery, drug, and discount retailers were found to be highly sensitive to travel time.

The implication of all these is that consumers of photocopying services at the University of Calabar would be drawn more by proximity or nearness, low-cost, service efficiency and concentration of the services in one point, than when they are scattered all over the University, thereby increasing service time and stress from accessing one service to the other.

9. Methodology

The study employed survey research design. The area of study was University of Calabar in the Calabar metropolis of Cross River State. Various small scale businesses can be found in the University such as photocopying, printing, binding, bookshops, cybercafés, photographing, and convenience kiosks. The population of the study consists of the photocopying business operators in the University of Calabar campus, consumers of their services and the regulatory body in the school. The consumers of the photocopying services consist mainly of staff and students in the university. According to the CISBOC database (2014), the total number of photocopying businesses in the university is one hundred and ten

(110); the number of students is estimated at sixty-thousand (60,000); while the management and staff of CISBOC, the regulatory body, is twenty-four (24). Thus, the total population for this study is sixty thousand, one hundred and thirty-four (60,134). The Taro Yamani's formula for known populations was used to determine the sample size, and this gave $99.833 \approx 100$. This was proportionately allocated to the 3 cluster groups: regulatory body, photocopying operators and students in the ratio 10:30:60 respectively. The main instrument for data collection was structured questionnaire. Content-validation was used for the validity, while test-retest method was used to confirm the reliability. Data analysis was done electronically by the use of Statistical Package for Social Science (SPSS) version 21.

10. Data Presentation and Analysis

At this point the presentation, analysis, and interpretation of data collected from the field are given here as follows:

10.1 Data Presentation

Table 10.1 shows that out of the 100 respondents surveyed, 60 representing 60 per cent are consumers of photocopying services in University of Calabar; 30 representing 30 per cent are photocopying business operators and 10 representing 10 per cent are staff of Committee on Illegal Structures and Business Operations in Campus (CISBOC).

[insert Table 10.1 here]

From Table 10.2, out of 100 respondents that responded to the item, 5 representing 5 per cent strongly disagreed that the facility is located in an area zoned for photocopying businesses; 20 representing 20 per cent disagreed; 10 representing 10 per cent were undecided; 40 representing 40 per cent agreed; and, 25 representing 25 per cent strongly agreed.

[insert Table 10.2 here]

From Table 10.3, out of 100 respondents that responded to the item, 5 representing 5 per cent strongly disagreed that the facility is relatively remote from the customer base; 75 representing 75 per cent disagreed; 0 representing 0 per cent were undecided; 10 representing 10 per cent agreed; and, 10 representing 10 per cent strongly agreed.

[insert Table 10.3 here]

319 From Table 10.4, out of 100 respondents that responded to the item, 5 representing 5
320 per cent strongly disagreed that customers find the existing utilities convenient and
321 comfortable; 20 representing 20 per cent disagreed; 15 representing 15 per cent were
322 undecided; 30 representing 30 per cent agreed; and, 30 representing 30 per cent
323 strongly agreed.

324 '[insert Table 10.4 here]'

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326 From Table 10.5, out of 100 respondents that responded to the item, 0 representing 0
327 per cent strongly disagreed that competitors are located close to the facility; 0
328 representing 0 per cent disagreed; 0 representing 0 per cent were undecided; 30
329 representing 30 per cent agreed; and, 70 representing 70 per cent strongly agreed.

330 '[insert Table 10.5 here]'

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332 From Table 10.6, out of 100 respondents that responded to the item, 0 representing 0
333 per cent strongly disagreed that the facility is easily accessible to potential customers;
334 0 representing 0 per cent disagreed; 0 representing 0 per cent were undecided; 60
335 representing 60 per cent agreed; and, 40 representing 40 per cent strongly agreed.

336 '[insert Table 10.6 here]'

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338 From Table 10.7, out of 100 respondents that responded to the item, 5 representing 5
339 per cent strongly disagreed that the location is convenient for them; 10 representing
340 10 per cent disagreed; 30 representing 30 per cent were undecided; 25 representing 25
341 per cent agreed; and, 30 representing 30 per cent strongly agreed.

342 '[insert Table 10.7 here]'

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346 From Table 10.8, out of 100 respondents that responded to the item, 5 representing 5
347 per cent strongly disagreed that the trade area is heavily dependent on seasonal
348 business; 10 representing 10 per cent disagreed; 5 representing 5 per cent were
349 undecided; 35 representing 35 per cent agreed; and, 45 representing 45 per cent
350 strongly agreed.

351 '[insert Table 10.8 here]'

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354 From Table 10.9, out of 100 respondents that responded to the item, 10 representing
355 10 per cent strongly disagreed that the facility will be able to accommodate the
356 growth in customer base if the business expands in future; 40 representing 40 per cent
357 disagreed; 15 representing 15 per cent were undecided; 10 representing 10 per cent
358 agreed; and, 25 representing 25 per cent strongly agreed.

359 '[insert Table 10.9 here]'

360
361 From Table 10.10, out of 100 respondents that responded to the item, 5 representing 5
362 per cent strongly disagreed that the level of patronage by customers is impressive
363 because of the location; 5 representing 5 per cent disagreed; 5 representing 5 per cent
364 were undecided; 40 representing 40 per cent agreed; and, 45 representing 45 per cent
365 strongly agreed.

366 '[insert Table 10.10 here]'

367 **10.2 Test of Hypotheses**

369 H_{01} : There is no significant relationship between business location and repeat
370 purchases of photocopying businesses.

371 Table 10.10 indicates that the results of correlation analysis carried out to test H_{01} , the
372 results show that there is a significant relationship between business location and
373 repeat purchases of photocopying businesses services. ($r = 0.331$, $t\text{-cal.} > t\text{-crit}$;
374 $0.001 < 0.01$). Therefore, H_{01} is rejected and the alternative hypothesis is accepted.

375 H_{02} : The proximity of a business does not significantly affect consumers' patronage
376 of photocopying services.

377 '[insert Table 10.10 here]'

378 Table 10.11 indicates that the results of correlation analysis carried out to test H_{02} ,
379 the results show that the proximity of a business significantly affect consumers'
380 patronage of photocopying services. ($r = 0.399$, $t\text{-cal.} > t\text{-crit}$; $0.000 < 0.01$). Therefore,
381 H_{01} is rejected and the alternative hypothesis is accepted.

382 '[insert Table 10.11 here]'

383 **10.4 Discussion of Findings**

384 **Hypothesis 1 and Research Question 1**

386 As shown in Table 10.10, the study reveals that there is a significant relationship between
387 business location and repeat purchases of photocopying businesses services. This is supported

by the findings of Jere, Babatunde and Albertina (2014) which identifies the location among other variables (store image, product (merchandise), price and promotion) of a business as one of the important influencers of repeat store patronage. In expatiating on the influence of location, they assert that for consumers, location of and access to the retail store are important factors in the store choice decision. Location which is mainly perceived in terms of time and distance is a particularly compelling value proposition that retailers offer low-income consumers who tend to shop more frequently and make small purchases because of their limited and unstable cash flows. Hence, consumers tend to prefer stores that are easily accessible to them and this encourages repeat purchases. So, the same result played itself out with consumers' patronage of photocopying services at the University of Calabar in Southern part of Nigeria.

Hypothesis 2 and Research Question 2

As shown in Table 10.11, the finding of this study reveals that the proximity of a business significantly affect consumers' patronage of photocopying services. Fox, Postrel and McLaughlin (2007) found out that the value of a retail location is affected by both its proximity to consumers and to other retailers; the latter influence varies across formats and may be positive or negative, symmetric or asymmetric. If the business location is near to the consumers, there will be increased patronage of the service. Also the nearness of the business to fellow competitors would motivate the service providers to improve their service quality so as to meet up the competition. When quality of service is high, the consumer will be encouraged to patronize the business often and also find satisfaction. Thus, there is actually a significant relationship between proximity of a business and customer patronage and satisfaction.

Table 10.1:
Distribution of Respondents by Category

	Frequency	Percent	Valid Percent	Cumulative Percent
Consumer	60	60.0	60.0	60.0
Photocopying	30	30.0	30.0	90.0
Valid Operator	10	10.0	10.0	100.0
CISBOC	100	100.0	100.0	
Total				

Source: Fieldwork, 2015

Table 10.2:

Distribution of Respondents by their Responses to Item 1: The facility is located in an area zoned for photocopying businesses

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	20	20.0	20.0	25.0
Valid Undecided	10	10.0	10.0	35.0
Agree	40	40.0	40.0	75.0
Strongly Agree	25	25.0	25.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.3:

Distribution of Respondents by their Responses to Item 2: The facility is relatively remote from the customer base

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	75	75.0	75.0	80.0
Valid Undecided	0	0.0	0.0	80.0
Agree	10	10.0	10.0	90.0
Strongly Agree	10	10.0	10.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.4:
Distribution of Respondents by their Responses to Item 3: Customers find the existing utilities (generating set, lighting, cooling) convenient and comfortable.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	20	20.0	20.0	25.0
Valid Undecided	15	15.0	15.0	40.0
Agree	30	30.0	30.0	70.0
Strongly Agree	30	30.0	30.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.5:

Distribution of Respondents by their Responses to Item 4:
Competitors are located close to the facility

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	0	0.0	0.0	0.0
Disagree	0	0.0	0.0	0.0
Valid Undecided	0	0.0	0.0	0.0
Agree	30	30.0	30.0	30.0
Strongly Agree	70	70.0	70.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

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Table 10.6:
Distribution of Respondents by their Responses to Item 5: The
facility is easily accessible to potential customers

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	0	0.0	0.0	0.0
Disagree	0	0.0	0.0	0.0
Disagree	0	0.0	0.0	0.0
Valid Undecided	60	60.0	60.0	60.0
Agree				
Strongly Agree	40	40.0	40.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

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Table 10.7:
Distribution of Respondents by their Responses to Item 6: The location
is convenient for you.

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	10	10.0	10.0	15.0
Valid Undecided	30	30.0	30.0	45.0
Agree	25	25.0	25.0	70.0
Strongly Agree	30	30.0	30.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

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Table 10.8:
Distribution of Respondents by their Responses to Item 7: The trade
area is heavily dependent on seasonal business

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	10	10.0	10.0	15.0
Valid Undecided	5	5.0	5.0	20.0
Agree	35	35.0	35.0	55.0
Strongly Agree	45	45.0	45.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.9:

Distribution of Respondents by their Responses to Item 8: If the business expands in the future the facility will be able to accommodate the growth in customer base

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	10	10.0	10.0	10.0
Disagree	40	40.0	40.0	50.0
Valid Undecided	15	15.0	15.0	65.0
Agree	10	10.0	10.0	75.0
Strongly Agree	25	25.0	25.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.10:

Distribution of Respondents by their Responses to Item 9: The level of patronage by customers is impressive because of the location

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	5	5.0	5.0	5.0
Disagree	5	5.0	5.0	10.0
Valid Undecided	5	5.0	5.0	15.0
Agree	40	40.0	40.0	55.0
Strongly Agree	45	45.0	45.0	100.0
Total	100	100.0	100.0	

Source: Fieldwork, 2015

Table 10.11: Summary of Correlation Analysis Results Testing Ho₁

		BUSINESS_LOCATION	CUSTOMER_PATRONAGE
BUSINESS_LOCATION	Pearson Correlation	1	.331**
	Sig. (2-tailed)		.001
	N	100	100
CUSTOMER_PATRONAGE	Pearson Correlation	.331**	1
	Sig. (2-tailed)	.001	
	N	100	100

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

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