The Effect of External Environment on Marketing Performance of Retail Stores: Applied Study on Amman City of Jordan

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Abstract

The study aims at identifying the role of external factors in affecting marketing performance of retail stores in Jordan which is reflected on the increment of sales volume, market share and consumers' satisfaction. The study population composed of all retail stores in Amman; the study sample was a simple random sample (probability sample). Data have been collected through a questionnaire and analyzed using (SPSS) program. The measurement of the effect of the independent variables (the economic, political, social and cultural factors) on the dependent variable (marketing performance) showed that there is a positive significant relationship between the independent and dependent variables. This relationship shows that marketing performance of retail stores increases with the enhancement of the store's surrounding environment. Based on this, the study recommended a number of recommendations that harmonize with the results, marketing contents and future trends which shall be carried on by stores' owners and the related bodies such as the governmental organizations and chambers of commerce.

Keywords: retail stores, marketing, Jordan

1. Introduction

Despite the increasing importance of the retail sector in Jordan, its growth and its volume variety, there is still a problem in identifying the level of the effect of the external marketing environment elements on the marketing performance of retail stores. Based on this, the purpose of the current study is to identify the effect of the external environment on the marketing performance of retail stores in Jordan. The purpose of the study's problem can be achieved through answering the following questions:

- What is the relationship between competition and marketing performance of the retail sector in Jordan?

- What is the relationship between the economic elements and marketing performance of the retail sector in Jordan?

- What is the relationship between the legal legislations and regulations and marketing performance of the retail sector in Jordan?

- What is the relationship between the social factors and marketing performance of the retail sector in Jordan?

Procedural definitions of the study variables

- Marketing performance of the retail sector:

It is the financial and marketing situation of the retail stores. It is measured by: the store's sales volume, revenues and market share as financial indicators, and the actual buyer's satisfaction as a non-financial indicator.

- Competition:

It is the store's ability and plan for the technological development through the competitive advantages, such as: parking lots, opening every day, the variety in products, intensive offers, quietness inside the store, attractive decorations and designs, cleanness and providing all the actual buyer's needs.

- Economic environment:

The economic environment refers to the store's response toward the current and future economic situation,

recession periods and economic recovery; in addition to some other economic indicators: the effect of the increment of the per capita income on sales and pricing, unemployment rate, inflation rate, and the monetary conditions such as the interest rate.

- Legal regulations and legislations:

They are the regulations and legislations related to the store's work; such as: the governmental incentives to encourage investment, the privileges and facilitations guaranteed by the Jordanian investment law, the role of the chamber of commerce and future laws in the increment of sales, the governmental coordination between the specialized bodies, and the effect of such on marketing performance.

- Social factors:

They are the demographic and social factors that affect consumption, such as: the academic level, place of residence, income rate, gender, age group, and marital status, the level of per capita income, and the customs and traditions.

Hypotheses of the study

The current study stems from the following four hypotheses until they are proven in the light of the reached results:

Ho1: There is no significant relationship between competition and marketing performance of the retail sector.

Ho2: There is no significant relationship between the economic variables and marketing performance of the retail sector.

Ho3: There is no significant relationship between legal legislations and regulations and marketing performance of the retail sector.

Ho4: There is no significant relationship between social factors and marketing performance of the retail sector.

Importance and objectives of the study

The importance of the study stems from focusing on the following goals:

- Fulfill the gape in the studies related to the retail trade in Jordan and the effect of such on marketing performance in particular.

- Identify the external factors that affect retails' marketing performance the most.

- Develop the marketing knowledge of the retail sector regarding: strategic marketing, identifying the future trends, the expected demand's specifications and the volume of investment.

- Clarify the role of the retail trade in the volume of internal trade, its importance to the Jordanian economy, and its role in identifying the Jordanian consumers' behavior and trends.

Determinants of the study

- Not classifying the stores into large, medium and small stores in all the fields related to the study in Amman city, thus there are no accurate names and addresses for them.

- The scarcity of previous studies on the local retailing which has been substituted by foreign studies that differ in their nature and environment from the Jordanian reality.

- The study was limited to Amman city only due to the large number of stores and the lack of time, money and effort in case of expanding the study rang.

Model of the study

The following figure represents the model of the study in relation to the study's variables:

Table 1. The study's model

Dependent variables	Independent variable
Marketing performance of retail stores	Competition
	Economic variables
	Legal legislations and regulations
	Social factors

2. Theoretical Framework and the Previous Studies

The retail sector is the mediator between the wholesale trade on the one hand and the final consumer on the other hand. The retail trade is defined as: the place in which a big variety of products are being offered for sale to be consumed but not to be resold (Gail Zank et al., p. 26). It is of a great importance for the national economy in general and for the wholesale stores and the buyer in particular, due to the special services it offers for each. The retail stores work on finding and adding different advantages through presenting a range of products that suit the final buyer. The number of retail stores is being increased due to the increasing demand that resulted from the population growth. Retail stores buy products from the wholesale stores and participate in marketing and delivering them to the potential buyer; by such action, the retail stores fulfill the consumers' needs and desires through preparing and categorizing a wide range of products and sell them by filling and dividing them into smaller units to help the buyer to obtain all his needs and requirements from the store (Cox & Brittain, 2004, p. 23). Retail stores have important functions as they help in granting credit facilities, commodity fragmentation, the organization of sales records, and they are the wholesale stores' agent in the sale process and the final consumer's agent in the purchase process.

Retail stores are characterized by a mix of fundamental elements for their success (Cox & Brittian, 2004, p. 29), they are represented in: 1) location: the more convenient the location is, the more people buy from the store, as a result the store's market share increases. For this, some stores study and analyze the place of trade before choosing the location and identifying its competitive advantages. 2) The product: the store seeks determining the best formations and varieties in the light of the consumer's needs in a way that increases the sales volume and revenues and satisfies the consumer's desires that develop due to the changes in the economic circumstances, traditions and costumes of most of the consumers. 3) Price or pricing: it affects the purchase process more than the location. Price is considered an important element in forming the marketing strategy and is the most flexible element in the retail mix. However, determining the price is one of the most difficult marketing problems due to the environmental changes that affect it. 4) Advertising: it is one of the most significant elements of the promotional mix (marketing communication) on which the store depends to convey to the prospective consumers the specifications and benefits of the offered commodities; thus, direct their attention toward the mentioned commodities, convince them to favor them over the competitive ones, and then to increase the demand on them. 5) The physical environment: it is the style followed in the external and internal arrangements of the store represented in the store's general atmosphere. It affects the store's market share through the effective mix of these arrangements such as the shelves design, products display, cleanness, decorations, entrances and exits aisles, quietness …etc. 6) Customer service: it is a set of factors that affect the consumer's satisfaction, such as: providing assistance for buyers inside the store, the speed of payment upon receipt, the quality of the offered service, efficiency of sales force and the additional services…etc. the last element is represented by the personal selling; which is done through the direct personal contact between the sale forces and the buyers. The importance of personal selling comes from its ability to overcome the inquiries and complains about the commodities regarding the price and quality; as for the more effective and efficient the sale man is, the better the store's marketing performance becomes (Blech & Blech, 2001, p. 65).

Regarding the marketing performance of the retail sector, there is a set of standards to measure the marketing performance of the retail trade activity, thus determining the appropriate performance measure and its goal help the store to grow more in the future and to increase its sales. Some of these standards are: the return on investment rate (ROI), the market share, the goods profitability turnover rate, financial ratios, along with the other quantitative standards. Marketing performance depends on the marketing activity of the store which cannot be neglected in the purchase decision. It is represented in revising the variety in the store's commodity, the selection of sale forces, the follow up of pricing strategy and the reasons of the consumers' dissatisfaction, and studying the sales volume. The marketing performance of retail sector, like any other economic sector, is affected by a number of external variables that affect its financial and marketing situation (Berman & Evan, 2004, p. 64); such as competition, as the retails trade is characterized by the applied methods of competition; the nature and strength of such competition differ according to the store's size. The study of Johnson (2002) has explained that one of the most important factors of completion is the store's eagerness to fulfil the consumers' satisfaction. This satisfaction is connected with offering the commodities of quality and displaying such commodities properly in the store. There are several important steps that help the store in the process of analysis, assessment, survival and growth: like identifying the competitors' qualifications and capabilities, determining the reactions and possibilities of change, as well as the intensity of competition as knowing this requires the store to follow a specific marketing communication policy. The level of competition among the stores increases when it is subject to the same competitive opportunity such as competing in prices or the commodities composition.

Another important step is to determine the strategies of competition through determining the position of each competitor toward the external marketing environment which might form an obstacle against growth and development especially for the small and medium stores. It is also important to analyze and assess the competitors' future goals and strength along with the current ones through identifying the possibilities of the sudden change in the competitive strategies and how to overcome them. Moreover, it is necessary to predict the competitors' actions like the efficiency of sale forces and pricing strategies (moderate price or lower prices).

The economic environment, with all its indicators, is one of the external marketing environment elements that affect the marketing performance of retail stores; as it affects the production, consumption and sales volume. The most important elements of economic environment are: income distribution and the gross domestic product (GDP); any changes in this production will definitely affect the volume of the economic activities of the product. Jordan is characterized by a relative moderation regarding the former two variables compared to other developed and developing countries. Regarding the inflationary impact, it means the reduction in the purchase power of consumers then the reduction in their demand for purchase. As a result, each of the economic factors has a great impact on the marketing performance of retail stores. The demographic and social factors are hard to be controlled and are connected with the prevailing cultural factors, therefor; stores face such factors (that differ from one place to another) when dealing with the consumers, this difference according to the study of (Yudhan, 2002) appears in: the social levels, motivations and habits of purchase, the academic qualifications, place of residence, life style, number of population, the family life cycle, income rate …etc. as each of these aspects has its own importance in affecting the marketing management decisions. Social factors are represented in the market size. The bigger the market size becomes (the population), the more the demand on commodities increases. The same for the social levels, social believes and academic qualification; each state has its own marketing mix that affects the marketing and financial performance, thus it should harmonize with the consumers' trends and desires, whereas the legal legislations and regulations are the most important investment determiners in the retail sector. The better the investment planning is, the more the marketing performance of the stores is improved, therefor it has an effective role in organizing the stores business and providing the variety of commodities in the proper time taking into account the consumer's rights and his protection from fraud and marketing deception as explained in many acts issued by the specialized official bodies in Jordan in such a way that achieves the required efficiency in the organization of the marketing of trading goods.

2.1 Discussion of the Previous Related Studies

The study of Abd Al-Muhsein (2010) entitled: expectations of changes in the retail trade in Egypt within the coming ten years. The researcher applied a questionnaire over a sample of retail stores' owners regarding the changes in the self-service stores in particular aiming at improving the performance of such stores. The study concluded the importance of marketing trend considering the consumer as the final judge, in addition to the absence of long-term strategic planning and the lack of modern marketing management concepts. One defect of this study is that it focused on the self-service stores only whereas the current study includes all the types of stores.

The study of Al-Madi (2000) entitled: the effect of huge foreign supermarkets on the competition strategies in Egypt, was based on three hypotheses; the first was related to the retails industry and competition, the second dealt with the cost and leadership strategies, the third handled the abilities and supplies of Egyptian institutions. The results showed that any competitor who enjoys a high abilities and qualifications can change the structure of the retail industry for his interest so he can control it and take over his competitors. Nevertheless, the study has focused only on one store (regarding it as a huge store). Among the foreign studies that are related to one of the study's variables we have the study of (Clarke, 2000) entitled: the retail power. The study which population was the British community has focused on analyzing the competitive factors of grocery stores' sector and their impact on the consumer's choices. The results showed that this sector enjoys competitive capacities that enable it to grow, but there are problems related to the competitive field, moreover; the study didn't consider the consumers as one of the study's variables and didn't take into account the future trends of the retail trade structure. Whereas the study of Mulhern and Padgett (2001) entitled: the relationship between retail price promotion and regular price purchases, showed that there is no wide application for the relationship between the retail price promotion and the regular price purchase. This is attributed, as the study has explained, to the fact that retail prices are regular and specified by a set of laws in force according to the analyzed stores' sample. Despite the fact that the current study has considered the external environment, the study of Girewal (2002) entitled: the effect of wait expectations and store atmosphere evaluation on patronage intentions in retail stores, has focused on three variables that represent the store's internal physical environment; the design, the entire organization within the store, cleanness, aisles and quietness. Despite the importance of the variables, the study

didn't examine the effect of marketing communication on attracting the attention of potential consumers and customers. Among the previous studies that handled the topic of financial marketing performance is the study of Ailawadis and Harlam entitled: an empirical analysis of the determination of retail margins. The study was carried out based on the most important determiners of the stores' profit margin (sale price – purchase price) in an attempt to determine the role of the store in affecting the profit margin using the exploratory method. The results showed that the store's position (growth, date of establishment, market share) is one of the most important factors that help in improving the financial and marketing performance, but such results need to compare the point of view of both (buyers and stores' owners). One of the previous studies that handled the topic of external environment and its impact on the retail reality is the study of Desiraju (2002) entitled: new product introductions, slotting allowance, and retailer discretion. The study aimed at testing the advantages of the external environment that affect the quality and the content of trading goods; and determining the level of the product's correlation with the consumers' desires and preferences and the power of marketing communication programs. The results showed that the store's performance and strong position are affected by three factors; sorted by importance: the availability of information (economic, social …etc.) regarding the attractiveness of the new product, the attractiveness of trading goods compared to the competitors, and the determiners that affect both the store's management and the consumer like: the level of competitiveness between the current goods and the new ones, the market size, traditions and customs, and the demographic structure. Whereas the study of Wood (2002) entitled: Future fantasies: a social change perspective of retailing in the 21th century, aimed at identifying the interaction between the social change (social factors) and the technological development in the American society.

The study was applied over a scientific probability sample composed of a group of children who prefer to buy products according to different social and economic levels. The results showed that the better the economic state was, the more the consumption of modern products with different compositions increased. The results also showed that there is a high level of consumer's satisfaction toward the current and future plans regarding the selection of the commodities' composition and variety that meet the costumers' preferences and ambitions. Moreover, the study showed that the conservative impact of old consuming generations has an impact on consumption for longer periods. The study of Soehadi (2001) was one of the most important previous studies, entitled: measuring market orientation in the Indonesian retail context. Despite that the study followed a descriptive approach; it has examined four important variables (market trends) and whether they have a positive effect on the marketing activity performance of the retail sector. The study sample composed of 172 stores. The study variables were represented in the orientation of: the customer, the competitors, the functional interdependence, and the profit. The results showed that food retailing came in the first rank with a percentage of 19%, followed by the clothing retailing, and that the majority of them hire less than 25 workers. The results also showed that the improvement of marketing performance is positively affected by the increment of profit margin. In addition, the more the functional interdependence increases, the higher the sales volume become. Moreover, the provision of after sale services and the quality of the product have a positive role and a direct relation as independent variables in affecting the marketing performance of the study's sample.

2.2 What Distinguishes the Current Study from the Previous Studies?

The majority of the previous studies were concerned with determining the marketing problems that affect the consumer's acceptance of the trading commodities. Most of them handled part of the current study's variables directly or indirectly whether the variable was dependent or independent. On the other hand, such studies varied in choosing the external marketing environment factors and the marketing performance indicators. After reviewing the previous studies, it was possible to clarify the advantages of the current study:

• It is one of the first studies that handled the external factors and their effect on the marketing performance for the most important economic sectors that affect the volume of internal trade.

• The study included all the retail stores (despite the differences in their classification) in Amman city in order to be carried out, and was applied on these stores' managers or owners in particular.

• The study aims at (through its statistical results) analyzing and assessing the future factors that affect the demand on trading commodities in retail stores, taking into account the marketing strategies that increase the efficiency. Among its recommendations were: profitability realization, the selection of trading commodities, sale forces management, the fulfilment of consumers' needs, and the application of the proper marketing communication mix.

2.3 Population and Sample of the Study

The study population includes the operating retail stores in the Greater Amman Municipality (5020 stores

according to the General Department of Statistics, the Internal Trade Division). A probability sample has been based upon, calculated according to the statistically known formulas of probability depending on statistical scientific foundations in order to avoid the defects of non-probability samples which might lead, as known in the applied statistics, to bias, in other words; the lack of objectivity in choosing the stores under study. A Simple Random Sample was chosen, composed of 5% of the population of the study, that is 251 stores.

3. Methodology of the Study

The researcher depended on two methods: first, the theoretical method represented in the secondary data and office studies related to the retail trade such as: arbitrated periodicals, reports, dissertations, journals and all what is published on the internet of books, data, seminaries and surveys. Second, the applied method or what is known as the primary data; generally, such data are collected through a questionnaire designed to measure the variables of the study and to collect its data to be studied after reviewing the marketing literature related to the subject of the study. The study included two sections; one is related to the variables of the study (the dependent and independent variables) and the other is concerned with the sale forces. Likert Scale has been used to test the hypotheses and to identify the orientations and the level of importance after being reviewed by the specialists to verify the reliability of the content (Krehbid, 2004, p. 203).

3.1 Limitations of the Study

−   The current study covers the retail stores in Amman city except for the micro stores during the last third of the year 2015, therefore the generalization of the results is bounded to this point.

−   The collection of data depended on the surveys carried out by the Internal Trade Division in the General Department of Statistics. Moreover, the generalization and the accuracy of the results are bounded to the dependent and independent variables of the study.

3.2 Method of Analysis

The analysis was carried out using (SPSS) program in order to test the hypotheses of the study. T-test, F-test, the partial regression coefficient (B), ANOVA analysis, correlation coefficient (R), and the coefficient of determination (R^2) have been applied according to the multiple and partial linear regression. The importance of the trends will be defined using the measures of Central Tendency (Mean, S.D., Percentages) through statistical methods that suit the nature of the study (Krehbid, 2004, p.p:200-205). The basic analysis unit in the store was represented by the stores' owners and managers.

3.3 The Rate of Responses and the Reliability of the Study Tool

The rate of response was 73%; that is 183 questionnaires. 14 Questionnaires have been excluded for their invalidity for the study and for the generalization of the results; therefore, the final number of the analyzed questionnaires was 169. Cronbach Alpha Coefficient has been applied for the reliability of the tool. The designed questionnaire could measure the variables for which it was designed and were statistically matching (acceptable) as they exceeded (60%). Multicollinearity has been tested and the result was less than 5 which means the absence of such problem (Sekeran, 2005, pp. 71–75).

3.4 Characteristics of the Responding Sample of the Study

From the results shown in Table 1, we see that 81% of the sores' owners are males. Most of them (55%) have acquired a community college degree or less. 26% of them have acquired a bachelor degree which shows the law percentage of the quality of such owners, in other words, the marketing activities are being carried in an unscientific manner. Regarding the domain of the study, it focused on those who enjoy a bachelor degree in the management and financial field (53%).

Table 2. The demographic characteristics of the owners of the stores under study

Demographic characteristics		Declaration Repetition	%	Demographic characteristics		Declaration Repetition	%
Gender	Male	137	81	Years of experience	Less than 6 years	30	18
	Female	32	19		From 6 to less than 11 years	39	23
Academic qualification	Community college or less	93	55		From 11 to less than 16 years	61	36
	Bachelor degree	44	26		From 16 to less than 21 years	22	13
	Higher education degree	32	19		From 21 years and more	17	10
Specialty	Management and financial science	90	53	The capital of the store upon establishment	Less than 9000 JD	59	35
	Humanitarian and social science	27	16		From 9000 to less than 17000 JD	37	22
	Scientific and engineering specialties	41	24		From 17000 JD to less than 25000 JD	32	19
	Others	11	7		From 25000 JD and more	41	24
The age of the store's owner upon establishment	Less than 24 years	5	3	The store's gross income (Revenues)	Less than 500 JD	36	21
	From 24 to less than 34	66	39		From 500 to less than 1500 JD	57	34
	From 34 to less than 44	47	28		From 1500 to less than 2500 JD	49	29
	From 44 to less than 54	29	17		From 2500 JD and more	27	16
	From 54 and more	22	13				

In the near future there will be a number of stores' owners specialized in the retail market in a way that fulfills the needs of this sector, especially that 39% of these owners belong to the age group of after graduation (24 years – less than 34 years), therefore, it is the category that is able to give and produce according to the human being life cycle as they can work for hours and long periods. Regarding the years of experiences, the least result was for the category of more than 21 years, this emphasizes the fact that stores' owners are not willing to continue for long periods. These stores do not need a high capital of investment as 35% of the sample's members stated that the investment capital was less than the store's revenues; 34% were within the category of from 500 to less than 1500 JD.

3.5 Discussing the Relative Importance (the Results of the Statistical Analysis of the External Environment)

To identify the results of the relative importance, the scale of the study regarding the level of importance of the responses ranged from 1 to 5 with an arithmetic mean of 3, considering them as the base of acceptance or rejection. As for each item, if the response exceeded the arithmetic mean, it would be considered positive; or would be considered the opposite (negative) if it was less than the said arithmetic mean. The same for the standard deviation (S.D); the lower its value is, the less the variance becomes. In other words, the lower it is the better it becomes for the study's items. Table 2 shows that legal legislations and regulations has come in the first rank in the importance in affecting the marketing performance of retail stores 3.41, this means that the governmental incentives are an encouraging factor for investment in this sector, in addition to the existence of official bodies such as the chambers of commerce, industry and trade and the municipalities that organize the regulations and legislations in a way that increases the sales volume and the store's activity. Speaking about the social factors, the arithmetic mean of their responses was positive as well 3,177 where the academic qualification was the most important factor among the social factors that affect the marketing performance with an arithmetic mean of 3.21. It appears from the results of the table that children and the size of the family have a significant influence on the increment of demand on the store's commodities. Tendencies regarding the economic environment were positive with a value higher than the competitive factors; 3.18 compared to 3.16, this resulted from the correlative relationship between the per capita disposable income and the gross national product, as for the marketing policies of retail stores get affected by the gross national product and its related economic indicators such as inflation, unemployment rate, interest rates, and the financial and monetarily polices as shown

in the table. Whereas the competitive factors came with the lowest arithmetic mean regarding the external environment and with a standard deviation of 3.31. Nevertheless, these stores need tax exemptions for the trading commodities as they are one of the obstacles that affect the marketing activity in the light of bureaucracy and the external challenges within the system that the retail sector requires.

Table 3. The arithmetic means and standard deviations of external environment and its impact on the marketing performance of retail stores

Economic factors	Arithmetic mean	Standard deviation	Social factors	Arithmetic mean	Standard deviation
Buyer income	2.51	1.79	Social traditions and customs	3.11	1.21
Unemployment rate	3.49	1.73	The connection and communication between the store and the consumers	3.14	0.98
Financial and monetarily indicators	3.18	1.71	The consumer's job type	3.21	1.14
Inflation	3.34	1.61	The buyer's income rate	3.16	1.18
The future of economic changes	3.39	1.81	The role of women in the purchase decision	3.13	1.21
Total	3.182	1.73	The size of the family (with the children)	3.17	0.99
The competitive factors	**Arithmetic mean**	**Standard deviation**	The academic qualification	3.31	1.05
Organization and the cleanness of the sore	3.01	1.03	**Total**	3.174	1.109
Attractive decorations and quietness	3.14	1.05	**Legal regulations and legislations**	**Arithmetic mean**	**Standard deviation**
The general look of the store	3.09	1.12	The governmental incentives to encourage investment	3.51	1.18
Keeping up with the trading commodities specifications	3.21	1.14	Laws help in increasing the revenues	3.62	1.14
Recognition by the variety of commodities	3.31	1.07	The sufficiency of investment facilitations	3.39	0.96
Offering all the needs of the buyer	3.21	1.03	The governmental coordination to increase the sales	3.207	1.05
The store is open everyday	3.15	1.12	Chambers of commerce	3.22	1.06
The availability of vast parking lots	3.14	1.21	The randomization in licensing affects performance	3.47	0.97
Total	3.413	1.065	**Total**	3.158	1.096
Marketing performance indicators	**Arithmetic mean**	**Standard deviation**			
Activate the demand on goods	3.22	1.09			
Enhancements on the sale forces management	3.08	1.15			
Expanding the commodities variety	3.23	0.97			
Increasing the market share compared with the past	3.15	1.21			
Increasing the number of potential and regular buyers	3.19	1.16			
Offering speed as a service	3.06	0.99			
Total	3.155	1.096			

3.6 Examining the Hypotheses of the Study

The study depended on the multiple and partial linear regression to calculate the values of (F, t) the acceptance and the rejection. The general rule to accept or reject the null hypothesis is to compare the calculated value of (t) to the tabulated value. If t-calculated was higher than the t-tabulated, we reject (Ho) and accept the alternative hypothesis and vice versa. The same applied on the (F) value; as for the square root of F-calculated is the

t-calculated value and the square root of F-tabulated is the t-tabulated value. The relationship between the variables has been measured by applying Pearson coefficient (R) and the coefficient of determination (R^2), as well as the partial regression coefficient (Beta or Slop) to identify the direct effect of each independent variable on the marketing performance of retail stores.

Table 4. The statistical results of testing the hypotheses (the external factors and their effect on the marketing performance of retail stores)

The statistical results External environment	Sig.(P)	R	R^2	Bs	tc	tt	Fc	Ft	Rej. Or Acc.
Competition	0	0.67	0.49	0.26	10.7	1.96	114.5	3.84	Reject Ho1
Economic variables	0.02	0.65	0.42	0.23	9.12	1.96	83.17	3.84	Reject Ho2
Legal regulations and legislations	0	0.71	0.5	0.39	6.51	1.96	42.38	3.84	Reject Ho3
Social factors	0.01	0.63	0.4	0.19	4.02	1.96	16.16	3.84	Reject Ho4
The independent external factors as a whole	0.02	0.12	0.01	0.18	3.02	1.96	9.12	3.84	Rejection

We see that all the external environment factors have an impact on the marketing performance of the retail stores as for the Sig. value is less than 0.05. This means that there is a statistically significant relationship between the independent variables and the dependent variable. Looking at the first independent variable (competition) we see that 94% of the changes that happen in the marketing performance stem from the change in the competitive environment ($R^2 = 0.49$). Moreover, the value of (B = 0.24) shows that if the competitive factors change for one unit, the marketing performance of the stores will be affected positively for the same value of the tendency coefficient 26%, this is due to the strength and the tendency of the relationship between the two variables. whereas for the economic factors, there is a statistically significant relationship between the economic factors and the marketing performance of the retail trade in the place of the study (Amman), the statistical reason to reject the null hypothesis is that the t-calculated value is higher than the t-tabulated value (tt). The economic factors alone could explain 0.42 of the total of the changes that happen to the marketing performance, which in turns is regarded stronger than Pearson correlation coefficient (R) in the interpretation. The (B) value indicates the level of change that occurs in the stores' performance upon the change in the economic circumstances in Jordan for one degree, as this value was 0.23. The same for the legal regulations and legislations where the null hypothesis (Ho3) has been rejected, which means that there is a statistically significant relationship between the competitive factors and the marketing performance of the retail sector in Jordan; sig. value was less than (5%). Moreover, there is a positive direct relationship 71% between the third independent variable (the legal legislations) and the marketing performance as a dependent variable of the stores. (Beta) value showed that if the legal factors change for one degree, the marketing performance of these stores will change according to the value of the tendency coefficient 39%, this value represents the tendency of the legal factors over the coefficient of the linear regression. By comparing the results of the statistical test of the social factors that appear in the same table, we see that the fourth alternative hypothesis has been accepted because sig. value is less or equal to 0.05, this result means that the social factors have interpreted 40% of the changes in the marketing performance of the retail stores under study (when the other factors where stable). If the social and demographic factors change for one degree, the marketing performance of the retail stores will improve and increase for 0.19 as indicated by (Beta) value, in addition, the relationship between the (forth independent and dependent) variables is positive and direct with a value of 63% as shown in the value of the correlation coefficient (R).

4. Results Analysis and Discussion

The results of the study show that the future laws and legislations have a positive impact on the marketing performance and that the governmental laws represented in the facilitations, incentives, and investment advantages are important to the increment of the investment demand volume on the retail trade projects in all sizes, and the positive impact over the future prediction of the store's sales growth. The political and economic stability of the legislation's system represents an opportunity for the store's success; this was clarified in the study of the chamber of commerce of Amman as the political instability affects negatively the legal aspects of the retail stores, thus it obstructs the future positive trends that affect the retail market (chamber of commerce of Amman, 2006). The current study showed that the most affective legal factors on the marketing performance are represented in the presence of laws that govern the increment of sales and revenues 3.62 from the perspective of the stores' owners. This corresponds with the study of (Sorensen) which indicated that the lack of clarity and the absence of the governmental laws and legislations that govern the retail trade sector have a negative impact on

the small sized facilities due to the unfair competition among them (Sorenson, 2001, p. 21). Whereas regarding the competitive aspect and according to the theoretical framework, most of the retail stores cannot exist and survive by being isolated from the rest of the stores and any step toward isolation will be reflected directly on the marketing performance; in particular on the market share and revenues. The statistical test of the hypotheses showed that there is a correlative relationship between competition and the marketing performance of retail stores with a strength of 67%, and that the strength of this relationship stem from the store's cleanness and internal arrangements being the most important competitive indicators as appeared in the formation of the golden image of the consumer. Therefore, the store's management is the one that preserves the development and sustainability of this aspect along the store's life time to distinguish it from the rest of the competitors through the design that suits the potential consumers' expectations, such as: the attractive decorations, quietness and the elegancy in arrangements. This study corresponds with the study of (Voss & Seiders, 2002); as the physical environment of the store has a great impact on the sales volume, and that the display of the commodity's variety is one of the most influential factors in the realization of revenues and the fulfilment of consumers desires. The factor of the store being open every day has gained a positive arithmetic mean 3.15 despite the fact that shopping is usually carried out in the afternoon or after. Thus; the factor of competition with all its indicators that have been mentioned in the study strongly affect the store's future growth based on its ability to cope with the competitive aspects of the marketing environment circumstances, therefore; focus should be on the store's business and the implementation of its competitive tasks efficiently aiming at proving its existence in the market.

Referring back to the legal factors and according to the results of the hypothesis, there is a statistically significant relationship between the legal regulations and legislations and the marketing performance of the stores under study. The mean of 3.62 of the studied sample believe that the governmental incentives and facilities are the most important factors that affect performance due to the fact that they might be sufficient for the growth and flourishment of the store, moreover; they believe that the least important factors are represented in the performance of the chambers of commerce, expectations and their future trends 3.22 with a standard deviation of 1.09, despite the fact that the legal aspects are the most explanatory external factors for the changes that happen to the performance in relation to the current study where the coefficient of determination was 5%, and the correlation coefficient was (R=0.71) at sig. less than 5%. This result corresponds with the study of (Bourlakis & Bourlakis, 2005), but the study of (Bourlakis) considered that the governmental laws and systems represented in the incentives and facilities come in the second place after the volume of demand in affecting the marketing performance. It can be said that the stability of the legal atmosphere will positively affect the future prediction of sales growth and the opportunities of success of these stores as mentioned in the study of (the chamber of commerce of Amman, 2006) which showed that the instability of laws and systems obstructs the prediction of future changes, trends and developments which in turns play a great role in affecting the retailing structure. Whereas the economic indicators and elements affect clearly the performance of retail stores with a correlation coefficient of 65%, this was a semi-mean effect considering that the economic variables alone has interpreted 42% of the performance changes and they come in the third place in affecting the marketing and financial performance. This might be attributed to the consumer's lack of perception due to the decrement in his income which might lead to the economic contraction, increment in unemployment rate, inflation, difficulties in the situations related to the financial and monetarily policies, in addition to the inability of some stores to predict the economic future variables especially that 55% of the study sample have an academic qualification lower than a bachelor degree, and that 41% have an experience of less than 11 years.

This differs from the study of (Kinnucan & Beelz, 2000) which indicated that the understanding of situations and their economic future prediction are the most important factors that affect performance regarding the economic factors; the general increment in the income rate requires these stores to change and update their marketing activities along with the increment in the investment volume in this sector. Most of the economic indicators indicate that the most important factor that affects the stores' performance is the inflation rate, as explained in the current study with a response rate of 3.34 from the perspective of the stores owners. This is considered as a realistic result due to the connection between inflation and the individual demand as well as it is one of the national income indicators. Therefore, the increment in the inflation rates require the store to change its marketing policies especially the pricing of the commodity variety in line with the cost and revenues margins on the one hand, and the preservation of the store's financial and competitive position on the other hand.

For the social factors, the statistical results showed that they have a direct but weak impact; they came in the fourth rank in relation to correlation and interpretation where the correlation coefficient was 63% between the two variables. this is attributed to the weak traditions and customs that determine the type of trading in the store's surrounding with an arithmetic mean of 3.11, as well as the role of the woman in the purchase decision

where the standard deviation of this role was (S.D = 1021). The reason also lies in the inability of these stores to expand their marketing activities and to deal with new commodities upon the change of the demographic and social situations, therefore; they are unable to cope with the consumption specifications' changes, deal with the development, the change of tastes and the consumers preferences taking into account that 35% of the store's capital upon establishment was less than 9000 JD and that the store's gross income was less than 150 JD according to 55% of the study sample. This requires the retail stores and their marketing men to study the quality and the composition of the characteristics of the population (the consumers), the demographic characteristics in particular: the academic qualification, per capita income, place of residence, the social statues … etc. as they are important factors that should be studied when it comes to marketing, and at the same time they reflect the future status of the expansion of the size of the store in a scientific manner based on scientific foundations; for example: studying the financial, marketing and economic viability. The relationship between the social factors and the marketing performance correspond to the results of the study of (Krider, 2002) which showed the positive effect of the social and demographic characteristics on the market share of food retailing stores. This indicates the importance of these social characteristics in affecting the marketing performance of retail stores.

5. Recommendations

The following recommendations were given based of the previous results:

• Develop marketing policies able to adapt with the current and future social changes, and able to cope with the consumer's life style, academic qualification, his disposable income, the number of the family members, the social level …etc.

• Establish specialized managements in marketing research especially in the huge retailing stores that aim at studying the targeted consumer's behavior to know his future desires, preferences and needs.

• Determine the variables of demand on trading commodities due to the changes in the economic indicators and taking these variables into account when planning marketing policies.

• Participate through the syndicate of retailors (chambers of commerce) in issuing legislations able to solve the current and expected marketing problems in relation to the retail market activity and management.

• Reinforce the concepts of cooperation and the partnership between the public and private sectors to limit the negative interpretations of laws, thus enhancing the qualifications and development of the workforce in the retail sector.

• Strengthen the competitive capacities of retail stores through: minding the effective marketing communications, creating an attractive mental image for the consumer, caring for the entire consumer's future needs, the speed in accomplishment, and accuracy.

• Conduct a detailed assessment and analysis about the competitors' strategies (SWAT analysis) along with strengthening the direct connection among the retail stores.

• Define a specific definition and label of the retail stores to distinguish between the small, medium and huge stores, as well as between the activities practiced by each store. This is the responsibility of the Ministry of Commerce and Industry and the chambers of commerce in Jordan.

6. Marketing Contents and Future Trends

• The future economic circumstances are considered as effective factors that affect the marketing performance of the retail sector in Jordan. Therefore, it is useful to carry out more studies based on a population and variables other than the ones applied in the current study.

• Conduct a study about the relative importance of food retailing trade and its impact on the marketing activity, as well as predicting the future trends within a set of future variables.

• Traditions and customs (the social factors) are the most important factors that affect the market share of the retail sector then the financial marketing performance, therefore; marketing managements are required to keep up with the changes in the social and purchase characteristics of the consumers in relation to the preferences, needs and desires.

• The display of trading commodities and their density are the most factors that affect the demands positively in the retail stores including coping with the effective technological developments to preserve their future growth and the current competitive situation.

• The sustainability and improvement of the marketing performance of the retail sector require minding and limiting the random licensing of retail projects and follow up the governmental incentives to encourage the

investment in this sector.

• Activate the legal system that contributes to the improvement of the economic activity of the retail stores regarding: the selection of trading commodities, sales forces management, location selection (determining the place), the marketing communications, and the pricing policy.

• Conduct parallel studies to analyze and assess the structure of the future retail sector based on the current activity, and to be applied on the food retailing, products, furniture, maintenance, repairing…etc.

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