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Retail channel strategy: An omni-channel approach in community pharmacies using the theory of planned behavior

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Abstract---In the different points of the decision making process, a buyer who uses more than one channel is referred as multi-channel customer. Then, a buyer who includes only single choice in his shopping process is referred as single channel buyer. This study analyzed channel choice conduct utilizing a Theory of Planned Behavior by impacts in community pharmacy, e-Pharmacy, and Multi-channel. Also, it recommends omnichannel strategies for community pharmacies A self-regulated questionnaire was utilized (N = 426) to understand consumer channel choice across the channels. The initial step of the two-stage analysis comprises of the evaluation of the outer model. A confirmatory factor analysis (CFA) was used to test the underlying structural Equation model. The CFA was completed using the SmartPLS 3. The evaluation showed that the TPB was significant and found subjective norms was effective across the channels. The distinction between single and multichannel is explained with the context to community pharmacy, e-Pharmacy, and Multi-channel. This Study sets the ground for collaborates in the medical services and Pharmaceuticals to improve their understanding of what drives to purchase in different channels. Furnished with this information, advertisers and healthcare experts could design and execute their promoting methodology more effectively.

Keywords---theory planned behavior, multichannel, community pharmacy, e-pharmacy.

Introduction

Conventional pharmaceutical retail in India is profoundly unorganized and divided with near 8.5 lakh unorganized retailers offering more than 90% of sales. India has understood an massive scope of e-business disruption over the decade, with individuals purchasing everything on the e-platform from food to attire. The conventional retail pharma industry is being determined by a new, powerful condition set into motion by the evolving consumer. In expanding numbers, consumers are adopting a proactive strategy to their buy choices and being more specific about with whom they business. Customers today are better taught about items and are faster to move to various channels and retailers if they are not content with current ones.

Since various corresponding channels offer more different service output than single-channel. A retailer increments consumer contact focuses by adding one of these channels, in this way growing both the quantity and potential combination of service outcomes accessible to consumers. Retailers must discover ways to produce stakeholder value using a minimum number of resources. Additionally, as the consumer market fragments into more modest and more assorted groups, every buyer expects the role of various consumers, depending upon the specific event or shopping motives along with diverse features that strength influence a specific purchasing decision.

Consumers are currently stressing personalization and are replying to retailers who recognize the context of a business and provide customized support. Subsequently, it is significant for multichannel retailers to convey an incorporated multichannel consumer experience. Given these new anxieties, it appears that multiple channels will encounter the desire for elasticity as consumers shop for what, when, and how they want it. The context is to comprehend how and when consumers use community pharmacy or e-Pharmacy, as well as what drives their tendency to move between these channels.

The pattern has been more articulated over the year with pandemic required lockdowns and isolation pushing individuals online for their everyday necessities. e-Pharmacy is one such channel that came to the front in our encounter against the pandemic. e-Pharmacies seems to disrupt the market while resolving these issues like ensuring more secure medications, further developing access, making drugs reasonable and drug accessibility.

As of late, e-pharmacy has arisen as a superior and more advantageous approach that addresses issues observed by consumers and gave better consumer solutions over its actual counterpart. The e-pharmacy market was valued at Rs. 50.71 billion in 2020. It is estimated to show up at Rs. 458.14 billion in 2026, stretching out at a form consistent improvement rate of 44.99% in the 2021 - 2026 period. At this point, the regulatory bodies' issue stays on two fronts. In this case, Dr. Zaheer Ahmed Versus Union of India and Practo Technology Versus Tamil Nadu Scientists and Druggist Association. Two High Courts took stand-out position on the online sale of medicine - the Delhi High Court in the prohiniting the same, and the Madras High Court in the latter allowing the same till the government brought into effect its rules on e-pharmacies.

As COVID-19 immersed the world, the requirement for medical services and medications went through a drastic change. While the pandemic has advanced an unexpected push for the e-Pharmacy business in India, other factors have already been setting the stage for industry growth. Growing e-pharmacy penetration, changing customer preferences, and Government drives. As India went under lockdown, understanding the significance of e-pharmacy, the appropriate legislatures found an opportunity to order an essential service. The authority additionally took to advancing e-pharmacy products and services through the Arogya Setu application. These actions ended up being significantly helpful to the consumers and e-pharmacy, altogether to accomplishing a 2.5X growth in households utilizing their services with the count of 8.8 million households in June 2020.

The e-pharmacy industry is planning to overcome the market share of community pharmacies. With potential and growth opportunities, the business will safeguard on attracting investments from new and renowned players. As rules managing the e-pharmacy store market are presently in progress with the Union Health Ministry, the industry is expected to get the legal cushion to work and expand in the country. The current research was to observe at how attitude, subjective norms and PBC envisage channel choice across these channels in light of the Theory of Planned Behavior (TPB) and to propose an omnichannel approach for a community pharmacy.

Literature review

The conceptual context presented here, inducements on the theory of planned behavior model (TBP), sufficiently predict and elucidate behaviors in the given situation. (Heinhuis and Vries 2009). In this research, the context is channel choice during purchase; precisely, using any grouping of the two channels (i.e., Physical stores and the Internet) as the retailing intermediate (Avery et al. 2012). According to TBP, behavioral intent is the direct predecessor of the actual behavior (B). Neslin 2008; Behavioral intention (BI) is termed as an individual's prospect of engaging in the behavior of concentration and is a purpose of three components: (1) attitude (A), (2) subjective norm (SN), and (3) perceived behavioral control (PBC). Attitude, SN, and PBC are estimated via the expectancy-value model.

The current studies attitudinal beliefs near channel choice (Leeflang et al. 2014). Normative belief construction was not decomposed as significant referrals are expected to be of like attention and breakdown would not provide additional insight. Control over the performance of a behavior be depending on the presence of many inner and external factors that may serve to interfere in the buying experience (Neslin and Shankar 2009.) In this research, self-efficacy, an person's self-confidence in his capability to complete a behavior (Court et al. 2009).

Moderating effects regarding the TBP have been exposed to enhance model fit. Previous research have provided indication for moderating effects, results noted that NB and SN have an effect on attitude (Konus., Verhoef, and Neslin (2008). Research has specified that PBC also influences attitude; however, no empirical study has assessed this vital relationship (Li and Kannan 2014). In the current

study, the moderating effects of NB, SN, and PBC on attitude were observed. Finally, previous research has specified a positive influence of additional online channels on an offline channel on consumer's intention (Verhoef, Neslin, and Vroomen 2007). Thus, the effect of attitudinal beliefs of drifting from the Internet and the attitude toward choice from a physical store was analyzed (Rigby 2011).

The purpose of the current research was to envisage consumer channel choice behaviors toward community pharmacy and the e-pharmacy with estimates based on behavioral intentions. Accordingly, this study developed the following hypotheses to be tested concurrently in three channels – Community Pharmacy(a), e-Pharmacy(b), and multi-channel Pharmacy(c).

H1 a,b,c. Attitudes positively and directly influence the intention to buying across three channels

H2 a,b,c. Subjective Norm positively and directly influence the intention to buying across three channels

H3 a,b,c. PBC positively and directly influences the intention to buying across three channels

Data collection

This research has adopted a causal, cross-sectional, non-exploratory research design. It utilized a self-administered questionnaire. The study instrument worked with the quantitative measurement of response in a paper and pen format. The way of behaving was characterized as "Shopping for products in a community pharmacy" for the first assessment; " Shopping for Products from an e-pharmacy" for the subsequent assessment and " Shopping for items in multi-channel" for the third assessment by utilizing a five-point scale. The population was characterized by those live the Chennai district of Tamil Nadu, India. The sample comprised 155 respondents from the community pharmacy, 168 from the e-pharmacy, and 103 from multi-channel.

Data Analysis

Data Collected was analyzed utilizing SPSS and SMART PLS 3. Frequency statistics were attained for demographic variables. Social, NB, and self-viability were estimated utilizing the expectancy-value model. The indirect measures of attitude were acquired as a outcome of the beliefs toward channel movement and its results. The indirect measures of SN were acquired as a outcome of NB and inspiration to comply. The indirect measures of PBC were acquired as a outcome of control belief and perceived power. To test the hypothesis and investigate the causal relations, structural equation model (SEM) was utilized.

Demographic Profile

Table 1 provides details of the demographic profile of the evaluated constructs in each channel.

Table 1. Demographic Profile of the Respondents

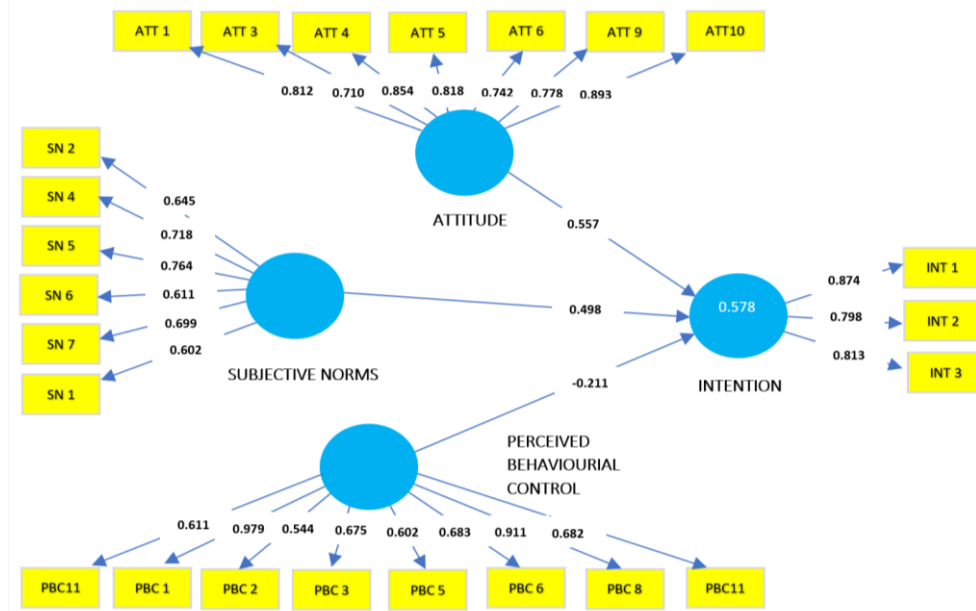
Variables	Community Pharmacy	E-Pharmacy	Multi-Channel
Gender			
Male	75	92	54
Female	48	30	42
Transgender	32	46	7
Age			
18 – 27	40	60	39
28 – 37	35	51	24
38 – 47	20	36	17
48 – 57	39	14	15
Above 57	21	7	8
Marital Status			
Unmarried	60	111	54
Married	74	42	39
Separated	21	15	10
Educational Qualification			
Below Higher Secondary	15	17	11
Higher Secondary	62	67	41
Under Graduation	47	50	30
Post-Graduation	23	25	15
Above Post Graduation	8	9	6
Annual Income			
Below Rs. 2,50,000	17	42	28
Rs. 2,50,000 – Rs. 5,00,000	95	82	51
Rs. 5,00,001 – Rs. 8,00,000	16	17	11
Rs. 8,00,001- Rs.15,00,000	12	22	9
Above Rs.15,00,000	15	5	4

Source: Primary Data, extracted from SPSS

A total of 426 usable questionnaires were included in the data analysis. The demographic profile indicated that 49.8% of respondents were male, 7.6% were between 18 years of age, and 54.2% with an annual household income of Rs.2,50,000 to Rs.5,00,000. The higher income can be attributed to those participants were asked to report gross household income. Participants include Post graduates (35.7%), and Higher Secondary (19.2%).

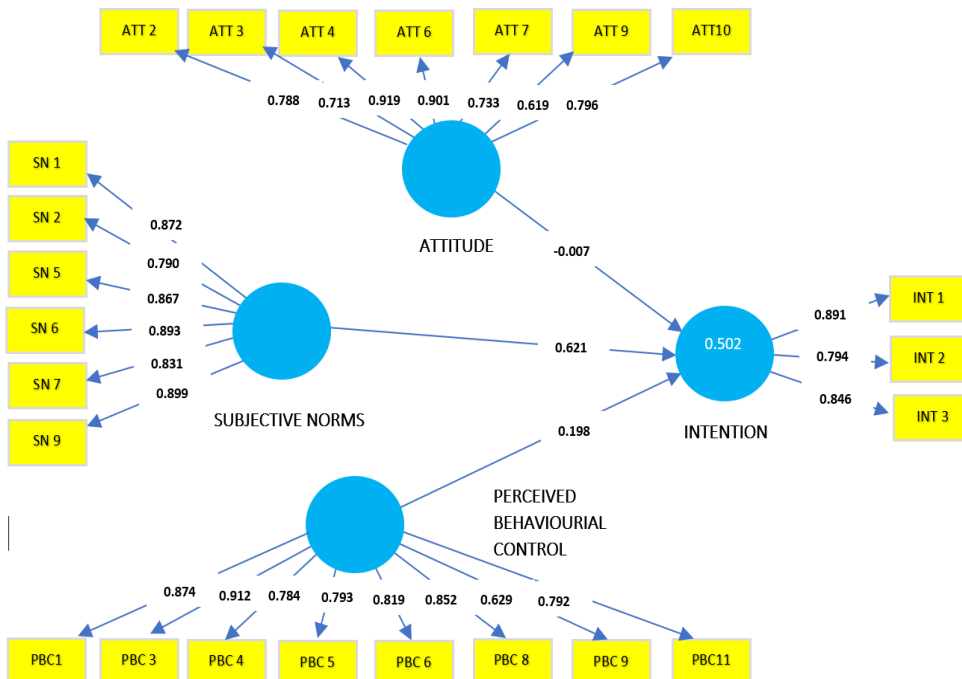
Loadings had been assessed to survey the outer model. Normalized loadings should be more prominent than or equivalent to 0.7. In exploratory research, loadings of 0.40 are adequate. A few factors had been dropped from each example because of not gaining 0.7 loading. The factors removed were: ATT2, ATT7, ATT8, SN3, SN8, SN9, PBC04, PBC 09, and PB,10 in the community pharmacy; ATT1, ATT5, ATT8, SN3, SN8, PBC02, PBC07, and PBC,10 in the e-Pharmacy and ATT1, ATT2, ATT5, ATT8, SN3, SN4, SN6, SN7, SN8, PBC02, PBC07 and PBC10 in multi-channel. Graphical representations of the conceptual model and loadings for the three channels are presented in Figures 1, 2, and 3.

Fig. 1: Representation of Conceptual Model using Smart PLS 3 – Community Pharmacy



Source: Primary Data – Extracted from Smart PLS 3.

Fig. 2: Representation of Conceptual Model using Smart PLS 3 e-Pharmacy



Source: Primary Data – Extracted from Smart PLS 3.

SN4	0.718								
SN5	0.764			0.867			0.524		
SN6	0.611			0.893					
SN7	0.699			0.831					
SN8									
SN9				0.899			0.796		
Perceived Behaviour Control		0.812	0.667		0.881	0.803		0.601	0.487
PBC1	0.611			0.874			0.659		
PBC2	0.979								
PBC3	0.544			0.912			0.826		
PBC4				0.784			0.654		
PBC5	0.675			0.793			0.431		
PBC6	0.602			0.819			0.916		
PBC7	0.683								
PBC8	0.911			0.852			0.749		
PBC9				0.629			0.712		
PBC10									
PBC11	0.612			0.792					
Intention		0.897	0.741		0.893	0.721		0.847	0.628
INT1	0.974			0.891			0.792		
INT2	0.798			0.794			0.858		
INT3	0.813			0.846			0.803		

Source: Primary Data – Extracted from Smart PLS 3.

Table 3 presents the coefficients and significance of path evaluation. SN had a high and positive mark on intention of the three channels. SN had coefficients of 0.49 in community pharmacy, 0.62 in the e-pharmacy, and 0.47 in multi-channel. SN had t-statistics of 3.17 community pharmacy, 2.08 in the e-pharmacy, and 2.88 in multi-channel. The consistency of this outcome across channels reinforces the significance of SN in the TPB. Only one path was insignificant in the three channels is Perceived Behaviour Control to intention.

Table 3: Significance of Path Coefficients

Path	Community Pharmacy		e-Pharmacy		Multi-channel Pharmacy	
	Path coefficient	T statistic	Path coefficient	T statistic	Path coefficient	T statistic
Attitude -> Intention	0.557	4.031	-0.007	0.022	0.329	2.016
Subjective Norms -> Intention	0.498	3.171	0.621	2.081	0.479	2.885
Perceived Behavioral Control -> Intention	-0.211	0.796	0.198	1.413	-0.029	0.198

Source: Primary Data – Extracted from Smart PLS 3.

Discussion

H1: Attitude to Intention

The results of this research agreed with the TPB concept because it confirmed that the intention to use of a community pharmacy and multiple channels was positively related with their attitude in each community pharmacy and multi-channel. However, there was a discrepancy in the context of the internet. Attitudes showed no significance towards buying in e-pharmacy. This finding used to be surprising due to the fact attitudes are the essential pillar of behavioral models.

H2: Subjective norms to Intention

SN showed a medium to large impact and predictive relevance on intention in the three evaluated channels. SN also achieved importance in all the paths leading to intention. Consequently, SN constituted itself as the most applicable construct to provide a description for each community pharmacy and multi-channel behavior. This finding is consistent with TPB research that have shown the relevance of SN. The e-pharmacy is another surroundings in which they have an effect on of SN is significant. This research concluded that subjective norm was also important for multi-channel.

H3: PBC to Intention

PBC was found irrelevant to predict intentions in all the evaluated channels. This is proven through null impact sizes and predictive relevance. The interpretation of this result was that buying for a product is totally underneath your control. This means that shoppers regarded there are no external factors that distress the purchase.

Omnichannel Approach:

The Result of this research suggested that subjective norms play a crucial role in the decision-making process across all the channels. This paved way for The Omni-Channel approach for the Retailers. The subsequent factors are recommended to augment service quality of community pharmacies.

Interaction

Omnichannel marketing in community pharmacy wants to supply an communicating platform to tap their customer's trustworthiness and consistency in the direction of their products. It have to also furnish the comfort of placing orders, 24/7 direction on community media, and tailored made live chat experience to make customers feel appreciated.

Security and compliance

If customers are now not guaranteed of information safety, they will lose attention in the portal. Procedures like Click to reach will prevent information outflows and

confirm encryption of data, relieving customers of discrepancies. It must be one of the integral features of omnichannel marketing in pharma.

Waiting time

Doctors and customers have to contact any Omnichannel pharmacy to supply an immediate answer to their problems. Thus, it has to be an exceptional personal journey for customer to get routed to the proper agent and at the right time to resolve any query.

Data analytics

Customers feel valued. If they are knowledgeable of their orders on time by means of Omnichannel pharmaceuticals, can track the delivery status with easy refund policies, and a 100% assurance of timely delivery, it will absolutely convert them into loyal customers. Constant notification signals by means of various mediums make certain that they are vital for pharma companies. Also, in case of any delay triggered in shipping due to any unavoidable circumstances, they can be notified earlier than the date of the delivery, and thereby a no-show can be avoided.

Voice of the customers

A stay chat or a toll-free call from customers to talk towards imparting any medical facts offers them the assurance that they are heading in the proper direction. Sometimes in integral situations, customers may be searching for a second opinion. Thereby listening to customer's problems and giving on the spot responses will raise their self-belief in the product changing them into loyal customers.

Market Automation

There are probabilities that the customer may additionally be using more than one device throughout the day. Also, there is no clear indication of the use of a device or channel to whole a purchase. Therefore, the great idea would be to cover all the choices on line and offline. Looking at an ever-increasing demand for consistency and comfort all through the channels, an effort closer to combining all channels will be helpful.

Power of content

Content marketing techniques consist of blogs, social media posts, webinars, videos, ebooks, podcasts, white papers, etc. Researching as to which channels need which kind of content will enable appropriate content material creation. Accordingly, the content material has to be organized and posted regularly. Content advertising and marketing for the pharmaceutical enterprise is successful only if it is consistent. Building a brand in this way will help the enterprise to achieve its desires effectively.

Recommendations

Generally speaking, the ongoing review overcame with reputes to anticipating the causal connections between community pharmacy and the E-pharmacy, with suggestions for the educators and Retail sector.

Educator Implications

Previous researchs has used a bigger data of variables to envisage attitudes toward buying behavior. Due to recent trends in science and increasing Internet use, scholars ought to have a look at other variable quantity that may additionally impact Subjective Norms, such as on-line web log, user generated reviews, and different online selection aids. This finding is extensive given that the number of multi-channel consumers is growing and it is, therefore, imperative to apprehend how client attitudes towards channel choice for each channel may have an impact on channel choice behavior; a theme that is needs further search.

Retailer Implications

Influence of peers as well as the need to follow are necessary parameters that have an effect on retail strategy. As this study indicates, buyer are not influenced by using their peers or family, as an alternative their attitudes toward channel choice are impact through their subject norms. As more buyers use “non-traditional” aids such as blogs, customer-generated reviews, or e-word-of-mouth, it is important for outlets to reflect on consideration on such tools as an vital part of their retailing strategy as these factors can also influence channel choice intentions. Additionally, outlets can no longer expect customers behave in similar fashions across channels and, therefore, must strive to apprehend the shift in purchaser perceptions with regard to retail formats.

Due to the amplify of technologically savvy consumers, retailers should work more difficult to understand what influences attitudes to migrate between channels, specifically considering that both channels have very exceptional matters to offer. Offering the “online” channel in shops with the assist of kiosks as properly as using traffic between channels with the aid of utilizing social media might also make bigger client loyalty. In conclusion, although the distinction between retail formats is becoming diffused, they are now not turning into homogenous. Consumers do discover a range of retail formats differently, however, the points of difference and the perceptions of these retail formats are continuously evolving.

Conclusion

Community Pharmacies are now moving closer to a more customer-centric system by using following the Omnichannel advertising and marketing in pharma via digital presence. By generating an Omnichannel marketing strategy, the community pharmacies are sure to dominate digital presence.

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