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A Study on the market information gathering and processing styles of contractually integrated retail entrepreneurs

The purpose of the study is to describe and analyze differences in market information gathering and interpretation between the groups of well-performing, averagely performing and poorly performing retail entrepreneurs. The subjects of the study are K-food retailers in Finland. K-food retailers are independent entrepreneurs who are the owners and managers of their retail businesses, and who invest considerable personal and financial resources in these enterprises. K-food retailers belong to K-alliance, the one of the largest retail organisations in Finland. The sample for the present study consisted of 650 K-food retailers. An Internet survey was conducted with the Webropol software in May 2005. A total of 155 K-food retailers completed the survey. The overall response rate to the mail-

out was 23.9%. This can be considered satisfactory for the present analytical purposes.

Theoretical framework of the present study is based on the work of Carl Jung, who proposed that people can be grouped into types on the basis of their preferences for different sources of information and their preferences for dealing with that information in different ways. These preferences refer to sensation vs. intuition (in information gathering) as well as thinking vs. feeling (in information processing) Jung's typology theory has been the basis of several instruments, the best known of which is the Myers-Briggs Type Indicator (MBTI).

The study revealed that the K-food retailers under investigation were not a homogeneous group in terms of their personality types. All four of Jung's personality types were found among the K-food retailers. In addition, there emerged 'hybrid' personality types among retailers that could not be exclusively classified in any of Jung's types. In other words, these 'hybrid' personality types oscillated between the pure types. The majority of K-food retailers was sensing-thinking-oriented. In this respect, the majority of K-food retailers demonstrated a managerial form of cognition, rather than an entrepreneurial form of cognition. However, some K-food retailers acted in a less systematic manner – that is, they were more ad hoc, unsystematic and spontaneous in their marketing decision-making. The decision-making of these respondents could be described as being more intuition-dominant than sensation-dominant. All in all, it can be argued that most of the K-food retailers emphasised rationality and systematics over creativity and spontaneity in their marketing decision-making.

With respect to the relation between the types of information gathering /processing and

business performance of K-food retailers, the results revealed no strong links. As a result of comparing the mean scores, however, it can be stated that initiativeness in information gathering as well as analyticity, creativity, criticalness and activeness in information processing are to some extent more common features among well-performing and averagely performing retail entrepreneurs than among poorly performing entrepreneurs. There are several possible explanations for the absence of the clear relation be-

tween the types of information gathering / processing and business performance of K-food retailers. In particular, other factors not included in this study – such as governance structure of the K-alliance, store location and local competition – might (in addition to entrepreneurs personality types) affect the business performance of K-retailers. Therefore, additional studies regarding the issues affecting the performance of contractually integrated retail entrepreneurs are needed. ■