Factors Affecting Business Efficiency Of Retail Business: Case Study In Ho Chi Minh City Vietnam_Part 2: Research Result

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ABSTRACT

With study part 1 is to determine the Factors affecting business efficiency of retail business: Case study in Ho Chi Minh city Vietnam_Part1: Literature review, this study presents part 2, which is building a model, testing and proposing implications for improving the Factors affecting business efficiency of retail business. Research sample information was collected by and by online survey technique. Questionnaires will be distributed to 320 retail business. Data were analyzed by Cronbach's Alpha, EFA, CFA and SEM in order to test hypotheses and build models of factors affecting the Factors affecting business efficiency of retail business. The results of the study show that factors such as Company size, Supplier, Commodity price, Customer psychology, Market information along with the Technology application factor have a positive influence on the Factors affecting business efficiency of retail business.

Keywords: Business efficiency, Retail business, Ho Chi Minh city, Vietnam, Research result.

1. INTRODUCTION

Inheriting many previous relevant studies, this present research investigates factors affecting business efficiency of retail business in Ho Chi Minh Vietnam, in which the Technology application factor has a mediating effect. This study establishes a theoretical framework and proposes a conceptual framework on the influence of 6 factors on the business performance of retail businesses. The question is whether the retail activities of the companies attract many customers or not? How does each factor in the model affect the business performance of these businesses? To achieve business efficiency, retail businesses must recognize the factors that affect their business situation as well as continue to promote the achieved effects to create success for the brand of retail businesses in Vietnam in general and in Ho Chi Minh City in particular.

The objective of the study is to test the research model that affects the Factors affecting business efficiency of retail business: case study in Ho Chi Minh Vietnam through the following steps:

- Measure the reliability of observed factors and variables by Cronbach's Alpha.

- Exploratory factor analysis (EFA).

- Test the model by CFA and using SEM model to test the hypotheses of the research model, identifying the effects of the Factors affecting business efficiency of retail business: case study in Ho Chi Minh Vietnam through an intermediary variable, which is the Technology application factor.

2. LITERATURE REVIEW

2.1. Determining Sample Size

For the topic using exploratory factor analysis (EFA), collect data at least 5 samples on 1 observed variable and preferably 10 or more (Hair et al., 1998). Hair et al. (2009) suggested that the sample size should be at least 50, preferably 100, and the observation/measurement ratio should be 5/1. In determining the sample size for EFA, the number of observations (sample size) must be at least 4 or 5 times the number of variables in the factor analysis (Hoang & Chu, 2008). For the topic using Multiple regression analysis method, then the

formula will be n ≥ 8m + 50, where "n" is the minimum sample size and "m" is the number of independent variables present in the model (Tabachnick & Fidell, 1996). Hoelter (1983) said that the minimum sample size should be 200. According to Bollen (1998), 5 samples are needed for a parameter to be estimated (quoted in Le, 2022).

2.2. Cronbach's Alpha

Cronbach's Alpha coefficient is used to evaluate whether it is appropriate to include certain observed variables in a latent variable. To check this, it is necessary to test the reliability of the scale based on two statistical indicators, Cronbach's Alpha coefficient and the corrected item-total correlation coefficient and Cronbach's Alpha if item deleted. The value of Cronbach's Alpha coefficient is: < 0.6: Factor scale is not suitable; 0.6 - 0.7: Acceptable with new studies; 0.7 - 0.8: Acceptable; 0.8 - 0.95: Good; 0.95: Acceptable but not good, researchers should consider observed variables that may have the phenomenon of coincidence. Test the reliability of the scale through Cronbach's Alpha coefficient to exclude variables with the total variable correlation coefficient less than 0.3. Criteria for choosing a scale when it has Cronbach's Alpha reliability ≥ 0.7 (Hoang & Chu, 2008). The scale with reliability Cronbach's Alpha ≥ 0.6 was also chosen when it was first used (Nunnally & Burnstein, 1994). In theory, Cronbach's Alpha coefficient has a variable value in the range {0,1}, the higher the Cronbach's Alpha, the better (meaning the more reliable the scale) (quoted in Le, 2022).

2.3. Exploratory Factor Analysis (EFA)

EFA is the generic name of a group of procedures used primarily to shrink and summarize data. EFA is based on the correlation between variables and used to reduce a set of k observations into a set of F observations (F < k) of more significant factors. This means that a fairly large number of variables are collected and most of these variables are related and their number must be reduced to a usable quantity (Nguyen & Nguyen, 2011). The study used the method of Principal component coefficients with Varimax rotation at the breakpoint when extracting factors with Eigenvalue > 1. Scales with a total variance extracted from 50% or more are accepted (Gerbing & Anderson, 1988). At each concept has the difference of Factor loading and any must reach ≥ 0.3 (Jabnoun & AL-Tamini, 2003). In EFA, the necessary requirement is that the KMO coefficient (Kaiser - Meyer - Olkin) must have a large value

(0.5 ≤ KMO ≤ 1). This indicates EFA is appropriate. If the KMO coefficient is < 0.5 then factor analysis is likely to be inappropriate for the data. According to Kaiser (1974), it is suggested that: KMO ≥ 0.9 is very good; 0.9 > KMO ≥ 0.8 is good; 0.8 > KMO ≥ 0.7 is fine; 0.7 > KMO ≥ 0.6 is temporary; 0.6 > KMO ≥ 0.5 is bad; KMO < 0.5 is unacceptable (Hoang & Chu, 2008) (quoted in Le, 2022).

2.4. Confirmatory Factor Analysist (CFA)

Confirm Factor Analysis (CFA) is to evaluate the model fit of the model. Simultaneously calculate the CR, AVE values, test the discriminant and convergent values of the factors, specifically, assessing the overall fit of the data based on the model's fit indexes such as Chi-square/df, CFI, TLI, GFI, RMSEA. CFA also evaluates the quality of observed variables, confirms the factor structures. The observed variables included in the CFA analysis are determined to belong to which factor, and the function of the CFA is now to assess whether the data of the observed variable in that scale are consistent with other variables in the same scale, and whether they fit the model or not (Group MBA HCM University of Technology, 2022).

According to Hu & Bentler (1999), Structural Equation Modeling indicators considered to evaluate Model Fit include: Chi-square/df: 3 is good, CMIN/df: 5 is acceptable; CFI: 0.9 is good, CFI: 0.95 is very good, CFI: 0.8 is acceptable; GFI: 0.9 is good, GFI: 0.95 is very good; RMSEA: 0.06 is good, RMSEA: 0.08 is acceptable. Hair et al. (2010), the indicators considered to evaluate Model Fit include: Chi-square/df: 2 is good, Chi-square/df: 5 is acceptable; CFI: 0.9 is good, CFI: 0.95 is very good, CFI: 0.8 is acceptable; GFI: 0.9 is good, GFI: 0.95 is very good; RMSEA: 0.08 is good, RMSEA: 0.03 is very good. In addition, due to the limitation of sample size, the GFI value is difficult to reach the level of 0.9. Therefore, a minimum value of 0.8 is still accepted (Baumgartner & Homburg, 1995; Doll, Xia, & Torkzadeh, 1994).

2.5. Structural Equation Modeling (SEM)

SEM model is a model with the most complex and flexible techniques, it is used to analyze complex relationships in causal models. SEM model is an extension of the general linear model (GLM) that allows the researcher to test a set of regression equations at the same time. Unlike other statistical techniques that only allow estimation of the partial relationship of each pair of factors (elements) in the classical measurement model, SEM allows

simultaneous estimation of the elements in the overall model; estimate the causal relationship between the latent concepts (Latent Constructs) through indicators that combine both measurement and structure of the theoretical model; measure stable recursive and non-recursive relationships; measure direct as well as indirect effects, including measurement error and residual correlation. With the confirmatory factor analysis (CFA) technique, the SEM model allows the flexibility to find the most suitable model in the proposed models (Nguyen & Nguyen, 2011; Rex, 2011; Group MBA_HCM University of technology, 2016).

2.6. Bootstrap

In order to assess the reliability of the estimates, in quantitative research methods by sampling method, it is common to divide the sample into two subsamples. Half is used to estimate model parameters, and half is used for re-evaluation. Another way is to repeat the study with a different sample. The above two methods are often impractical because the structuring method often requires large samples, making this work expensive and time-consuming (Gerbing & Anderson, 1988). In such cases Bootstrap is the right alternative (Schumacker & Lomax, 2004). Bootstrap is an iterative sampling method with an alternative, where the initial sample acts as the crowd. This method aims to check the estimated reliability in the model after the theoretical model has been tested.

3. RESEARCH MODEL

In the content of the study part 1, the Proposed conceptual framework is the study model which based on the SEM model in which The higher the Technology application factor, the higher the Factors affecting business efficiency of retail business is. The proposed model includes the following factors: Company size, Supplier, Commodity price, Customer psychology, Market information, Technology application and Business efficiency of retail business. In this model there are 8 hypotheses and they have been proven, such as:
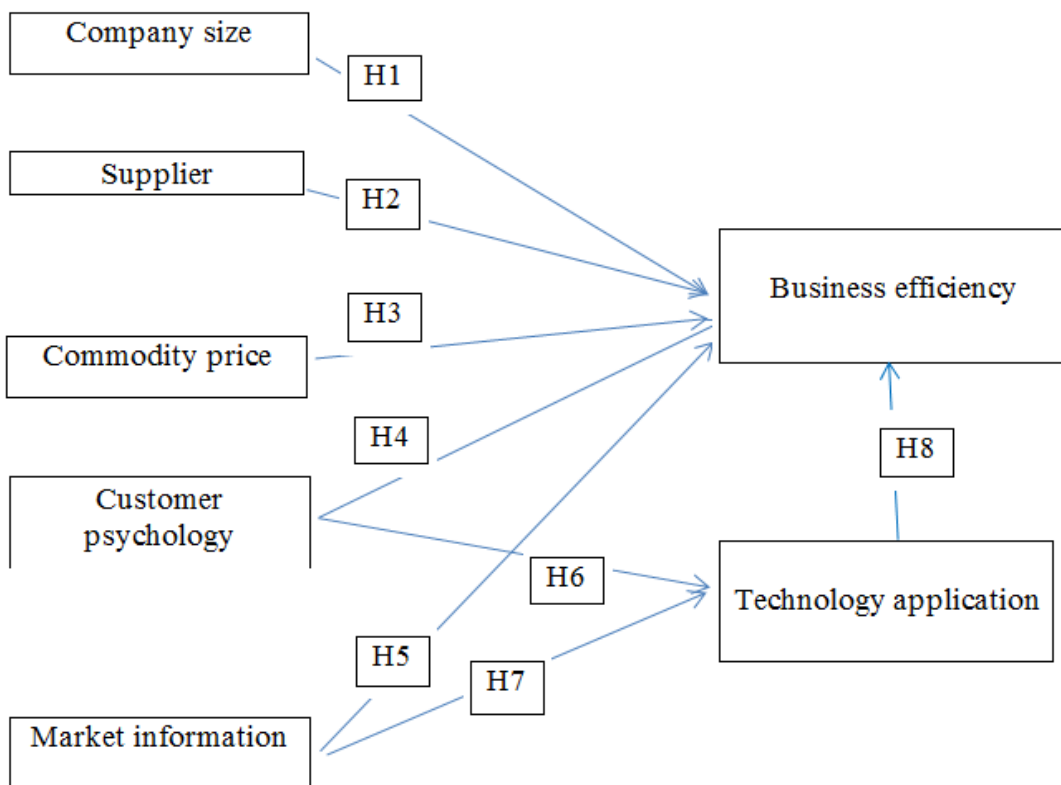

Figure 1: Proposed Conceptual Framework

4. RESEARCH METHODOLOGY

4.1. Operationalization

Qualitative and quantitative methods are used in the process from qualitative research to quantitative research with the aim of constructing, testing models and hypotheses of the Factors affecting business efficiency of retail business: case study in Ho Chi Minh Vietnam through an intermediary variable, which is the Technology application factor.

4.2. Qualitative Research

Firstly, qualitative research method was conducted through the focus group discussion. Collecting the ideas of group discussions is crucial to do a test interview in order to adjust the scale. Based on researched documents from experts and survey studies on Factors affecting business efficiency of retail business: case study in Ho Chi Minh, the basic Factors affecting business efficiency of retail business: case study in Ho Chi Minh are then finalized. This study adjusts and adds observation variables used to measure concepts in the research model. The result of qualitative research is that the scales have been corrected accordingly and the official survey form is used for quantitative research 320 retail businesses were surveyed for primary data.

The questionnaire was designed with a 5-point Likert scale to assess Factors affecting business efficiency of retail business. The official questionnaire consisted of 30 observation variables

corresponding seven scales of the research model: (1) Company size, (2) Supplier, (3) Commodity price, (4) Customer psychology, (5) Market information, (6) Technology application and (7) Business efficiency of retail business.

The concept of Company size is denoted by COMSI and measured by five observed variables; the concept of Supplier is denoted by SUPP and measured by four observed variables; the Commodity price is denoted by COMPRI and measured by four observed variables; the concept of Customer psychology is denoted by CUSPSY and measured by five observed variables; the concept of Market information is denoted by MARIN and measured by four observed variables; the concept of Technology application is denoted by TEAP and measured by five observed variables; and the concept of Business efficiency of retail business is denoted by BUEF and measured by four observed variables (see Table 1).

Table 1: Measurements

COMSI1	**Companies with large business scale are favorable in the distribution of goods.**
COMSI2	Retail businesses with large scale have high productivity.
COMSI3	Business scale is a prerequisite for retail businesses.
COMSI4	Companies with many retail stores are easy to compete with small-scale companies.
COMSI5	Small businesses have large shipping costs to stores.
SUPP1	Input selling prices of suppliers affect business efficiency.
SUPP2	The quality of supplier's products and services affects the business efficiency.
SUPP3	Supplier choice is a factor affecting business efficiency.
SUPP4	Delivery time directly affects the operation and business efficiency.
COMPRI1	The price of goods determines customer buying behavior as well as affects business results.
COMPRI2	Commodity prices affect potential fluctuations in business efficiency.
COMPRI3	The market price of goods affects the potential fluctuation in business costs, leading to fluctuation in business efficiency.
COMPRI4	The increase and decrease in the price of goods affects customers' purchasing decisions.
CUSPSY1	Shopping behavior of customers affects market share, leading to fluctuation in business results.
CUSPSY2	Customer psychology is a standard that helps evaluate the quality of products and services that businesses provide.
CUSPSY3	Customer sentiment is an important measure of business efficiency.
CUSPSY4	Capturing customer psychology to help retail business effectively.
MARIN1	Businesses' ability to use and access market information affects business efficiency.
MARIN2	The exchange of information in the market related to the business situation of the businesses.
MARIN3	Good market information will help customers decide to buy goods.
MARIN4	Research and seek information that is meaningful in making the right decisions in business

MARIN5	The ability to access information in a way that shares information between manufacturers - buyers
TEAP1	Online sale channels preferred by consumers are e-commerce platforms (Shopee, Lazada, Sendo); electronic website; social networks (Facebook; Zalo Shop, Instagram).
TEAP2	Electronic payment application with many payment facilities via card (POS, ATM...); Internet (through an account opened at a bank); electronic wallet; mobile app…
TEAP3	Developing new technology applications to increase customer experience.
TEAP4	Choosing an e-commerce channel to consult product information, directly approach manufacturers, evaluate and compare prices
BUEFF1	Business efficiency relates to financial leverage, investment, dividend policy, revenue, assets.
BUEFF2	Business efficiency relates to economic growth, prices, or information in the market.
BUEFF3	Business efficiency is measured from both financial and organizational perspectives.
BUEFF4	Business efficiency is often affected by the internal and external environment of the business.

4.2. Quantitative Research

• Sampling Method
The form of the survey is a questionnaire distributed to 320 retail businesses. The survey period is from 01/12/ 2020 to 30/4/2021. A total of 294 tables were collected and there were 281 valid tables. Research sample information was collected by online survey technique.

• Research Process
The research process began with the elaboration of research objectives and the proposition of theoretical framework. The draft scale was then finalized by a focus group interview (n=20). The formal scale was finally arrived at and the quantitative research method was employed to quantify the Factors affecting business efficiency of retail business. Primary data was processed by software SPSS 20.0 to measure the Factors affecting business efficiency of retail business as follows: Cronbach's Alpha, Exploratory factor analysis, CFA and SEM analysis.

4. RESEARCH RESULT

5.1. Scale Reliability
In Table 2, seven Cronbach's alpha coefficients, which range from 0,783 to 0,884. They demonstrate high reliability measurement scales. COMSI5 and MARIN5 variables were eliminated after two analyzes to increase the Cronbach's Alpha coefficient.

Table 2: Cronbach's alpha Factor Scale

Factor	Observed Variables	Cronbach's Alpha
Company size	COMSI1, COMSI2, COMSI3, COMSI4	α = 0,884
Supplier	SUPP1, SUPP2, SUPP3, SUPP4	α = 0,821
Commodity price	COMPRI1, COMPRI2, COMPRI3, COMPRI4	α = 0,783
Customer psychology	CUSPSY1, CUSPSY2, CUSPSY3, CUSPSY4	α = 0,870
Market information	MARIN1, MARIN2, MARIN3, MARIN4	α = 0,820
Technology application	TEAP1, TEAP2, TEAP3, TEAP4	α = 0,858
Business efficiency of retail business.	BUEFF1, BUEFF2, BUEFF3, BUEFF4	α = 0,866

4.2. Exploratory Factor Analysis (EFA)
28 observed variables of seven factors: (1) Company size, (2) Supplier, (3) Commodity price, (4) Customer psychology, (5) Market information, (6) Technology application and (7) Business efficiency of retail business are analyzed by the Principal Axis Factoring and Promax rotation. After 1 times for analyzing, 7 factors are extracted from the 28 observed variables.

Table 3: Result of last Exploratory Factor Analysis

Pattern Matrixa							
	Factor						
	1	2	3	4	5	6	7
CUSPSY2	.868						
CUSPSY3	.820						
CUSPSY1	.792						
CUSPSY4	.693						
TEAP2		.803					
TEAP1		.756					
TEAP3		.700					
TEAP4		.644					
COMSI1			.747				
COMSI4			.725				
COMSI2			.692				
COMSI3			.629				
SUPP1				.905			
SUPP4				.667			
SUPP2				.639			
SUPP3				.628			
COMPRI2					.787		
COMPRI3					.710		
COMPRI1					.653		
COMPRI4					.624		-.212
MARIN4						.718	
MARIN2						.686	
MARIN1						.679	
MARIN3			.266			.580	
BUEF1							.895
BUEF4							.639
BUEF2							.633
BUEF3							.541
Extraction Method: Principal Axis Factoring.							
Rotation Method: Promax with Kaiser Normalization.							
a. Rotation converged in 7 iterations.							

From the results of EFA in Table 3, the adjusted formal theoretical research model includes seven Business efficiency of retail business. Specifically, this model has seven component variables, including five independent variables (Company size, Supplier, Commodity price, Customer psychology, Market information, one intermediate variable (Technology application) and a dependent variable (Business efficiency of retail business).
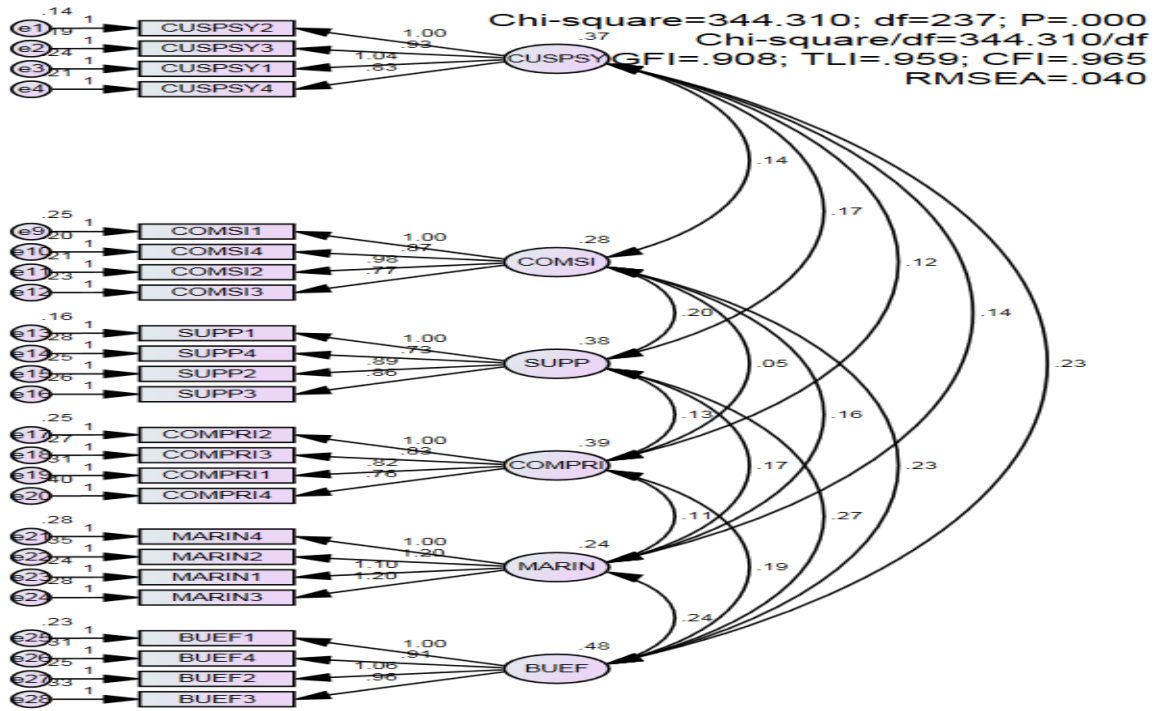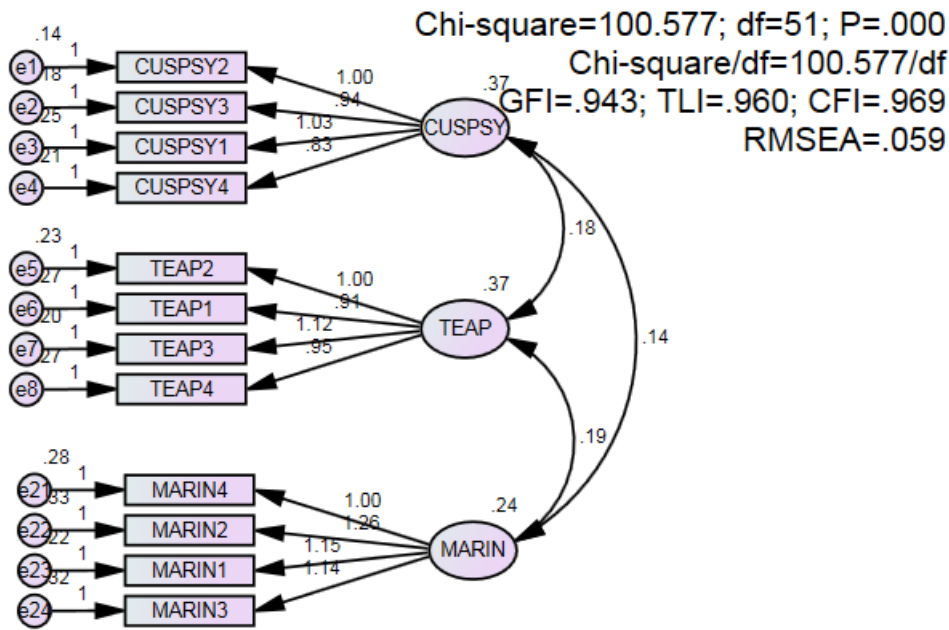
4.3. CFA Test

Figure 2: CFA 1

Figure 3: CFA 2

Chi-square=32.836; df=19; P=.025
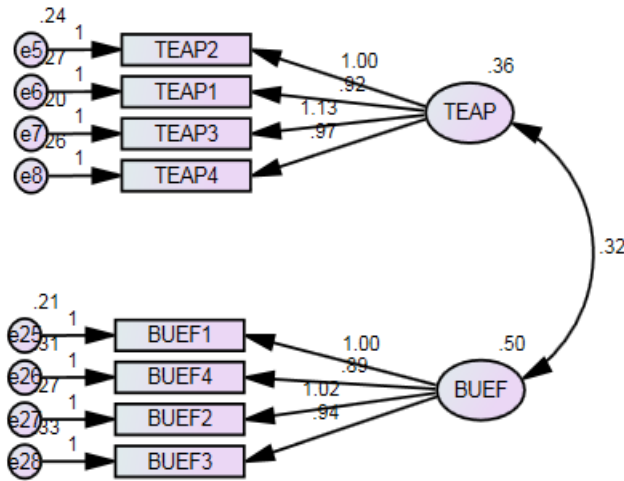Chi-square/df=32.836/df
GFI=.972; TLI=.983; CFI=.988
RMSEA=.051

Figure 4: CFA 3

Table 4: Test the Model fit

	Chi-square/df	TLI	CFI	GFI	RMSEA
CFA 1	1,453	0,959	0,965	0,908	0,040
CFA 2	1,927	0,960	0,969	0,943	0,059
CFA 3	1,728	0,983	0,988	0,972	0,051

The result of table 4 shows that the indicators of Model fit are also suitable (Chi-square/df < 3; TLI, CFI, GFI > 0,9 and RMSEA < 0,08). The scale reaches the convergent value when the standardized regression weights of the scale are all high (> 0.5) and statistically significant (p < 0.05).
5.4. SEM test

The results show all CR > 1,977 and all P-values are < 0.05. From that, the correlation coefficient of each pair of distinct concepts is deduced from 1. From the above results, the concepts have discriminant value.
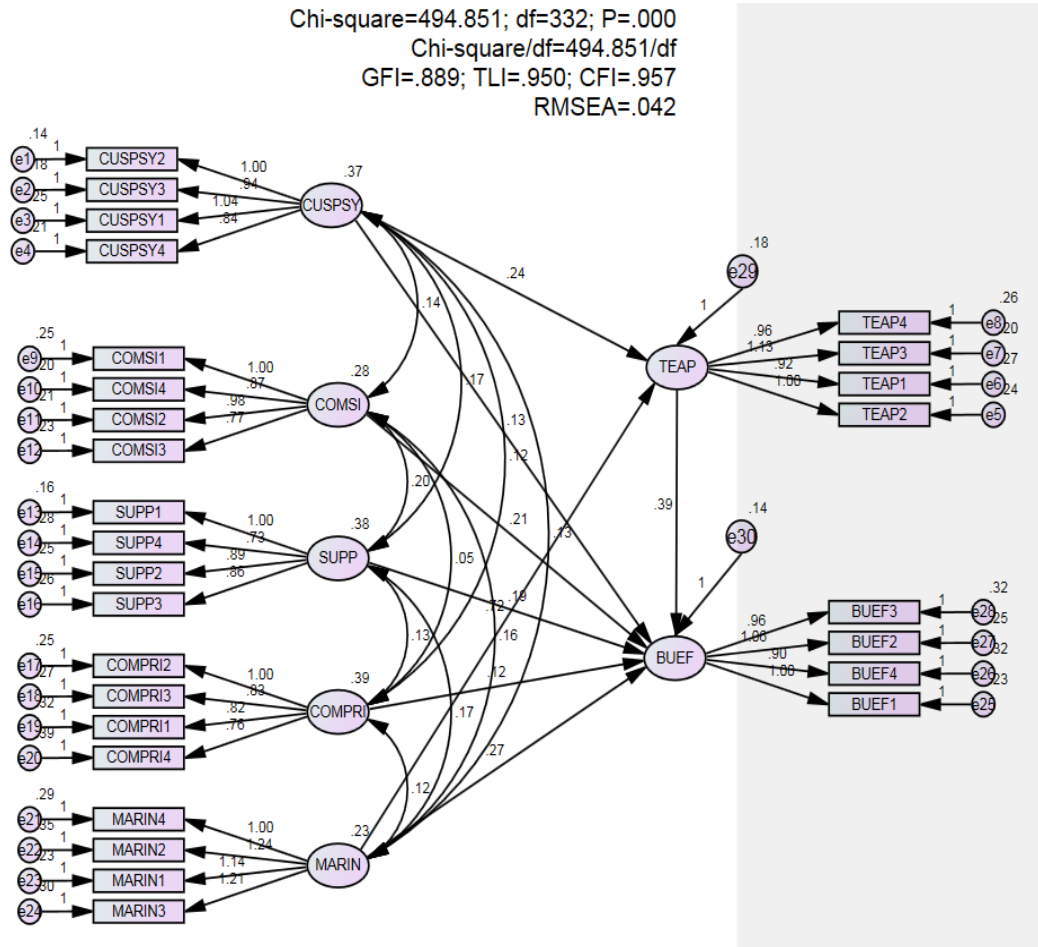
Figure 5: The result of SEM model

The result in figure 5 shows that the data is suitable: Chi-square/df=1,491; GFI=0,889; TLI=0,950; CFI=0,957 and RMSEA=0,42. The table 5 also shows the P-values of the factors CUSPSY, COMSI, SUPP, COMPRI and MARIN are all <0.5 as well as the Standardized Regression Weights (estimates) all have positive signs, so these factors all have a positive influence on the BUEF factor. The P-values of the factors CUSPSY and MARIN are all <0.5 as well as the estimates all have positive signs, so these factors all have a positive influence on the TEAP factor. The P-values of the factor TEAP is <0.5 as well as the estimates has positive sign, so it has a positive influence on the BUEF factor.

Table 5: Regression Weights

Regression Weights: (Group number 1 - Default model)

			Estimate	S.E.	C.R.	P	Label
TEAP	<---	CUSPSY	.238	.066	3.591	***	
TEAP	<---	MARIN	.716	.103	6.951	***	
BUEF	<---	CUSPSY	.132	.067	1.963	.050	
BUEF	<---	COMSI	.207	.103	2.021	.043	
BUEF	<---	SUPP	.187	.081	2.293	.022	
BUEF	<---	COMPRI	.121	.064	1.897	.048	
BUEF	<---	MARIN	.271	.138	1.973	.049	
BUEF	<---	TEAP	.389	.086	4.518	***	

The table 6 shows that estimates all have a positive sign, so these factors all have a positive influence on the TEAPI and BUEF factor. The factor TEAP has the strongest influence on BUEF factor because it has an estimate of 0,576, followed by TEAP (0,344), MARIN (0,190), SUPP (0,167), COMSI

(0,161) CUSPSY (0,116) and has the least influence on COMPRI (0,110). The factor MARIN has the strongest influence on TEAP factor because it has an estimate of 0,576 and followed by CUSPSY (0,238).

Table 6: Standardized Regression Weights
Standardized Regression Weights: (Group number 1 - Default model)

				Estimate
TEAP	<---	CUSPSY		.238
TEAP	<---	MARIN		.567
BUEF	<---	CUSPSY		.116
BUEF	<---	COMSI		.161
BUEF	<---	SUPP		.167

				Estimate
BUEF	<---	COMPRI		.110
BUEF	<---	MARIN		.190
BUEF	<---	TEAP		.344

5.6. Bootstrap Test

This topic survey has 320 samples. In Bootstrap, select another 650 templates by repeating, and with substitution. Each repeated sample can have the same number of observations as the initial number of 320 observations. Absolute value CR < 2, very small bias, not statistically significant with 95% confidence. Therefore, the estimates in the model can be trusted.

Table 7: Standardized Regression Weights Bootstrap

Parameter			SE	SE-SE	Mean	Bias	SE-Bias	CR
TEAP	<---	CUSPSY	0.089	0.002	0.238	0.015	0.004	0.266667
TEAP	<---	MARIN	0.087	0.002	0.558	-0.009	0.003	-0.33333
BUEF	<---	CUSPSY	0.078	0.002	0.121	0.005	0.003	0.6
BUEF	<---	COMSI	0.103	0.003	0.15	-0.01	0.004	-0.4
BUEF	<---	SUPP	0.101	0.003	0.178	0.011	0.004	0.363636
BUEF	<---	COMPRI	0.072	0.002	0.11	0.0001	0.003	30
BUEF	<---	MARIN	0.122	0.003	0.188	0.02	0.005	0.25
BUEF	<---	TEAP	0.1	0.003	0.342	-0.003	0.004	-1.33333

5. DISCUSSION

The results of testing the measurement model, theoretical model, analysis and testing through Cronbach's alpha, EFA, CFA and SEM criteria to assess the impact of the following factors: Company size, Supplier, Commodity price, Customer psychology, Market information, Technology application to Business efficiency of retail business in Ho Chi Minh city. Testing of intermediate variable Technology application and testing research hypotheses, the measurement model test results show that all measurement concepts achieve reliability, discriminant validity, and convergent validity. The theoretical model test shows that the hypotheses H1, 2, 3, 4, 5, 6, 7 and H8 are accepted according to the positive relationship. Testing of intermediate variables (Technology application) shows that this variable has a positive influence on the Business efficiency of retail business in Ho Chi Minh city.

Hypothesis 1: Company size has a positive effect on the Business efficiency of retail business (estimate β = 0,161 and Sig.value less than 0,05).

COMSI factor is composed of five observation variables (COMSI1, COMSI2, COMSI3, COMSI4, COMSI5) with COMSI5 variable was eliminated after two analyzes to increase the Cronbach's Alpha coefficient up to 0,884 (Table 2) and remained unchanged through EFA (Table 3). The result shows that it has the third largest influence on BUEF.

Hypothesis 2: Supplier has a positive effect on the Business efficiency of retail business (estimate β = 0,167 and Sig.value less than 0,05).

SUPP factor is composed of ford observation variables (SUPP1, SUPP2, SUPP3, SUPP4) and remained unchanged through Cronbach's alpha and EFA (Table 2, 3). The result shows that it has the second largest influence on BUEF.

Hypothesis 3: Commodity price has a positive effect on the Business efficiency of retail business (estimate β = 0,110 and Sig.value less than 0,05).

COMPRI factor is composed of ford observation variables (COMPRI1, COMPRI2, COMPRI3, COMPRI4) and remained unchanged through Cronbach's alpha and EFA (Table 2, 3). The result

shows that it has the fifth largest influence on BUEF.

Hypothesis 4: Customer psychology has a positive effect on the Business efficiency of retail business (estimate $\beta = 0,116$ and Sig.value less than 0,05).

CUSPSY is the fourth largest influence on BUEF factor and composed of four observation variables (CUSPSY1, CUSPSY2, CUSPSY3, CUSPSY4) and remained unchanged through Cronbach's alpha and EFA (Table 2, 3).

Hypothesis 5: Market information has a positive effect on the Business efficiency of retail business (estimate $\beta = 0,190$ and Sig.value less than 0,05).

MARIN is the first largest influence on BUEF factor and composed of four observation variables (MARIN1, MARIN2, MARIN3, MARIN4) and remained unchanged through Cronbach's alpha and EFA (Table 2, 3).

Hypothesis 6: Customer psychology has a positive effect on the Technology application (estimate $\beta = 0,238$ and Sig.value less than 0,05).

Hypothesis 7: Market information has a positive effect on the Technology application (estimate $\beta = 0,567$ and Sig.value less than 0,05).

Hypothesis 8: Technology application has a positive effect on the Business efficiency of retail business (estimate $\beta = 0,344$ and Sig.value less than 0,05).

The results show that it is appropriate to use SEM to examine the Business efficiency of retail business in Ho Chi Minh city in an enhanced model. Therefore, retail businesses in Ho Chi Minh city in particular and in Vietnam in general must increasingly satisfy the needs of customers to improve competitiveness as well as business efficiency.

6. IMPLICATIONS AND CONCLUSION

6.1. Regard to Company Size

The retail industry has made strong progress after 2 years of being affected by the COVID-19 epidemic. Currently, the purchasing power of people and businesses in the city is still affected by the COVID-19 epidemic, making people focus on essential items and cut many spending. Therefore, business establishments and retailers must also reduce costs to maintain and stabilize prices. Retail businesses not only should have more investment to develop, increase the scale of modern retail store chains, but also trade in general goods or specialize in food, foodstuffs, and essential consumer goods to serve people's daily needs. Encouraging retail business households to operate inefficiently converted to modern retail store models.

The city's economy gradually recovered, leading to an increase in consumer demand after being affected by the pandemic. Therefore, retail businesses have accelerated investment and cooperation to increase brand coverage in the market. The companies have caught up with the world's modern shopping trends to successfully develop a series of modern retail models.

6.2. Regard to Supplier

Suppliers are one of the important factors in retail, because suppliers are considered as input partners in the chain of store operations. The larger the scale of your business, the more suppliers you need with more competitive prices. For producing goods businesses, suppliers also play an important role of their own and contribute to the value of the entire supply chain. If any supplier has a problem, the whole chain will be affected and the supply of goods will not be guaranteed to the market. Therefore, choosing the right supplier is extremely important because it affects the quality of products provided to customers, and it is directly related to input costs, financial resources of the stores.

6.3. Regard to Commodity Price

With the biggest pressure being the effect on consumer spending in the context of complicated epidemic, most businesses need to make efforts to negotiate with suppliers to keep prices stable so that consumers can buy goods at the best possible price. In addition to price stabilization, product pricing plays an important role in the existence and development of businesses. because it affects the level of revenue and profit of the business: high selling price creates a large profit, low selling price can cause damage to the business. In fact, the selling price of products also shows the level of organization and management of the managers. On the other hand, the selling price is a measure of the value of the product, so it affects the reputation and brand of the business itself in the market.

6.4. Regard to Customer Psychology

Businesses wanting to sell goods and optimize sales need to understand customers . Once understood, businesses will know what customers really want from their product, when they want it, where they want to buy it and how. Businesses can apply omni-channel experiences to complete the customer experience journey, giving customers a great experience, or businesses can also personalize and customize products, messages for

each customer journey. Currently, there are many different ways to collect and capture the customer psychology with the development of information technology. Big Data and AI should be thought of by businesses to apply in the process of analyzing and understanding users. No matter how attractive flash sale programs, golden hour discounts, or promotions are without understanding customer psychology and failing to solve user problems, the results are still ineffective. Customers are the purchasers of the retail business. For any business, customers are always the most important factor, deciding the survival of the business. Each customer has different requirements, but they all share some psychological characteristics. If you know how to grasp it, your retail business can develop quickly and effectively.

6.5. Regard to Market Information

Before the manager makes a decision on what product to produce, it is necessary to immediately calculate in which market the product is sold and for whom, capture information about the number of customers in need, the level of customer revenue. The number of the same type of products on the market and the volume of products of each supplier to the market. Managers also need to predict market demand trends to make timely product pricing decisions to maximize profits. Retail business managers note that market research helps to collect necessary information for strategic planning and marketing planning, organization and implementation of Marketing strategies. Market research supports all business activities of the company through studying customer attitudes and behaviors towards products of the enterprise.

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