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MULTICHANNEL RETAIL AND INTEGRATED STRATEGIES: AN INVESTIGATION INTO RETAIL OF BOOKS IN BRAZIL

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1) Introduction

It is growing the number of Brazilian retail chain stores such as Lojas Americanas, Pão de Açúcar and Ponto Frio, adopting virtual retailing as a means of expansion of their businesses and to better meet the needs of their clients. The use of retailing with different formats, however is not new. For many decades American companies, like the pioneer Sears & Roebuck, and JCPenney in 1910, have been working with stores and catalogue sales with delivery by mail. With the appearance of e-commerce by the Internet, the idea of multichannels started to stand out. In the article about the advent of *cybermediaries*, SARKAR, BUTLER e STEINFIELD (1997) concluded that one of the results of the " omnipresent substructure of information " would be the reinforcement of an existing structure of intermediation instead of its elimination as previously considered (SHETH, SISODA, 1997). The companies used to see the Web as a threat to their physical channels, but recently they realized that synergies could be obtained between the electronic and physical channels (SIMONS, STEINFIELD, BOUWMAN, 2002).

Although multichannels were considered a tendency in the administration of the marketing channel by STERN, EL-ANSARY, COUGHLAN (1996), it is a theme which needs development, as it is and ideal base on which to start the construction of knowledge. Another indicator that confirms that the concept is still at an initial phase of development is the fact that it has received various denominations: multichannel, multiple channel and multiretail. Emphasized by ROSEMBLOON (1999) it is common to have a confusion of expressions with the coming of new technologies and their incorporation into the concepts of marketing channels.

The adoption of Multichannel Retailing presents numerous implications to the marketing context, enlarging the complexity of marketing decisions. Should the price of the goods be the same on the website and in the store? Is the client given an option to receive the product at home or withdraw it from the store? What should be the product assortment offered in the catalog, in the store and on the Internet? Is the fidelity program worth as much in the store as on the non ethereal channels? These are only some of the possible questions faced by some retailers who adopted the multichannel.

In the Brazilian academic context, the concept of multichannels is an inexistent theme in the list of thesises and dissertations of Capes[1]. In the ENANPAD[2] there are only 2 articles, presented in 2001 and 2002, by the same foreign study focusing on the distribution of products via multiple channels in the

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[1] CAPES - Coordenação de Aperfeiçoamento de Pessoal de Nível Superior – Brazilian government program to improve researchers and professors.

[2] EnANPAD – Encontro da Associação Nacional de Pós-Graduação e Pesquisa em Administração – the most important annual conference at Brazilian Business Studies.

English banking sector (COELHO, COELHO, EASINGWOOD, 2001; COELHO and COELHO, 2002).

If this complexity in making decisions is proven, will there be advantages in adopting multichannel retailing? The most appealing approach found in the studies exploits exactly the factors which took the retailers to implement a multichannel strategy: cost reduction in transactions, reduced growth of demand, competitive strategy and differentiation, changing in the consumer's behavior, increase of efficiency in distribution, concentration of supply e convergence of channels roles (LAWSON, 2001; STONE, HOBBS, KHALEELI, 2002; SOUZA and SERRENTINO, 2002; EASINGWOOD and COELHO, 2003). Another reason mentioned by FORRESTER RESEARCH (1999) is that traditional retailers (store and catalog) believe that the association with a commercial website will help to recover the space gained by *pure Internet players.*

Once the inevitable adoption of multiple channels is identified, how should retailers manage them in an integrated strategy? The same way as it occurs in the integrated marketing "when all the company departments work together to meet the interests of the customers" (KOTLER, 2000, pg. 44), the multichannel retailer should also make his decisions in an integrated way, considering the characteristics of each one of the channels, according to customers needs.

When we consider more specifically the integration among channels, we discover that there are a still few empiric studies that exploit its synergies in the adoption of a multichannel retailing strategy (SIMONS, STEINFIELD and BOUWMAN, 2002). What we find are articles that analyze separately the types and functions of the channels used, the marketing mix (price, product and promotion/communication), the information and the logistics, as well as the consumer profile. Different authors treat separately,as disarticulated and not structured the various elements related to the multichannel strategy. There is not a clear definition of what the integration consists of in multichannel retailing that distinguishes, judges and evaluates its adoption. The question that comes to mind is how to enhance the advantages of each channel, identifying its synergies and integrating them into a proper strategy for the optimization of the retail company's results? An Ernst & Young research mentioned by LAWSON (2001) shows that in spite of the online sales in 2000, at Christmas, reached US$ 1,1 billion (US$ 7,5 million in 1999), it is considered as a US$ 38 billion loss in potential revenue because of the retailers' deficiency in the integration of the offer of products among the channels.

There might be differences among the retail companies concerning the degree of integration that is intended, therefore, to investigate if it is possible to relate them with performance. If integration and results are related, it is expected that the greater the degree of integration the better will be the results obtained by retailing with multichannel strategies. One of the purposes of this study consists exactly in an attempt to investigate: how the different levels of integration, that might be identified, affect the results of multichannel retail companies, that is, how much a good sales performance is the outcome of a strategy more integrated to multichannels.

Based on questions about multichannel retailing, **the research objetive** of this study is to look at the integration phenomenon of the formats in a multichannel retailing strategy, and the **specific purposes** are:

- Identify the different dimensions that characterize the phenomenon of the integration in the multichannel retailing.
- Develop a classification that determines the different degrees of the integration in the multichannel retailing.
- Identify the degree of success with the adoption of the integrated multichannel retailing strategy.
- Identify if different levels of integration affect the results of multichannel retailing companies.

2) Preliminary theoretical referential

2.1) Definition of multichannel retail concept

BERMAN e EVANS (1998) classifies retailing on *based store* and *non-store*. Multichannel Retailing would be the connection of the *non-store retailing* with the *based store*. According to the authors, retailers engage in non store retailing when they use strategy mixes that are not store-based to reach consumers and complete transactions" (pg. 165). However, one can deduce that in the multichannel retailing, the retailer defines his strategic mixes considering not only the physical store but also the channels without a store, so that consumers may have various options of formats to buy and complete their transactions.

Multichannel retailing can be defined as an opportunity given to the consumer to obtain the same product from the same retailer by multiple purchase channels. The multichannel marketing strategies attempt to foster the consumers' behavior to be multichannel (NICHOLSON, CLARKE and BLAKEMORE, 2002, pg. 132). Although some authors identify up to ten kinds of channels (STONE, HOBBS, KHALEELI, 2002), the greatest part of the studies is focused basically on physical stores, printed catalogues and commercial websites on the internet.

To EASINGWOOD and COELHO (2003) those companies that obtain part of their sales from 2 different channels, are classified as having adopted the multichannel system, while those with 100% of sales proceeding from one channel, adopt the only one channel model.

IBGE[3] (2002) in its annual research on Brazilian commerce (PAC) considers different *systems of commercialization* which define the commercialization procedures of predominantly retailer companies, according to the percentage distribution of the net resale earnings. At PAC the researched commercialization procedures are:

- *Stores* – sales performed in establishments situated in buildings surrounded by walls and with independent entrances.
- *Out of store* (kiosks and trailers) – sales carried out in establishments situated in public spaces, such as: squares, sidewalks, streets with pedestrians or aisles in malls

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[3] IBGE – Instituto Brasileiro de Geografia e Estatística – sector of Brazilian government responsible for census and statistics.

- *Vending machines*– retailing format that involves the coin, cash or card operated dispensing of goods. It eliminates the use of sales personnel and allows around the clock sales.
- *Mail* – sales carried out by mail with the support or not of catalogues which have the product description and prices.
- *Door to door* – sales carried out by vendors that go to the potential consumers' house (with the support or not of catalogues which have the description of goods and prices), walk around town and settle themselves down on the streets.
- *Internet* – sales carried out through online interactive retailing conduct carried out through the global electronic superhighway of computers.
- *Telemarketing* - sales carried out by phone when the company on its own initiative calls a potential client or offers a phone number to contact.

2.2) Approaches of Researches on Multichannel Retailing

The subject multichannel retailing has already been dealt with by many authors with various perspectives: in the services sector (ZEITHAML, 2002), in the banking area (HOLMSEN et al, 1998) and comparing the present and not present channels (BALASUBRAMANIAN, 1998).

In Brazil in the SOUZA and SERRENTINO consulting books (2002) Multichannel is one of the 7 vectors that compounds the theoretical model called Multiretail ^{MR}.

STONE, HOBBS, KHALEELI (2002) indicate that many surveys show that many consumers use multiple channels during the purchase process: some channels are used to research (1) while others are used to carry out the purchase (2) or obtain services (3). According to the authors, if the company decides to adopt a multichannel strategy, it should be considered if all the channels will offer the same range of products and services, and if they will have every functional areas. If necessary, a channel should perform the 3 functions, no matter if it is on the online retail or in a conventional store. It is necessary to define the role of the various channels and how do they interact. This helps to identify and facilitate the use and preference of the target segment.

In a research made with companies of 19 sectors, SIMONS, STEINFIELD and BOUWMAN (2002) explained that the channels have different advantages depending on the type of interaction with the consumer. The stores are prepared for distribution and Web, for standardized sales processes. SOUZA and SERRENTINO (2002) affirm that the same consumer looks for different channels depending on the kind of product he aims to buy, the moment of the products purchase and the motivation he is feeling at the occasion. They classify these options in 3 parts: retail-emotion (in which the experience of purchasing performs a fundamental role), retail-reason (when the price is the main stimulating factor of the purchase) and retail-convenience.

CHARITOU and MARKEDIS (2003) consider the introduction of the Internet on electronic commerce as a strategic innovation which is a different way of competing in an existing business. Thus, if the established companies were to respond by adopting innovative strategies, they would run the risk of damaging

their business and undermining their existing strategies. Disruptive strategic innovation is a specific type of strategic innovation – a way of playing the game that is both different from and in conflict with the traditional way (pg. 56). To responding to this new scenario identified by the authors, companies could ignore the disruption or adopt it by setting up a separate organizational unit or by using the existing organizational structure. Their research project identified that the majority (62%) companies adopt the innovation by establishing a separate unit, adopting different names and hiring new executives. The remaining companies chose to compete in the new business using the divisions and the existing organizational structures. Multichannel retailing occurs when they could respond by making its traditional way of competing even more attractive and competitive, playing two games simultaneously.

To NICHOLSON, CLARKE e BLAKEMORE (2002) retailers of "brick and mortar" started the fight against those that only acted on the Internet, adopting renewal of multichannel marketing strategies in order to reach consumers not only by physical means but also by electronics with multiple routes of purchase. According to these authors, referring of Rosemblon held in 2001 at the *International Conference on Research in the Distributive Trades,* "it seems that Amazon will not be the Wal-Mart of the Internet – Wal-Mart will be the Wal-Mart of the Internet" (p. 132).

For BCG consulting (2001) the retailer that knows how to exploit the advantages of every channel will prevail. To date, only a few retailers have fully exploited their ability to leverage their offline assets to support the online channel. Many make the mistake of keeping their autonomous because they fear cannibalization, channel and price competition. They also doubt their ability to make economics of online retailing work. Yet many multichannel retailers that have thoroughly integrated all their channels have a strong advantage. Established retailers are uniquely positioned to gain share, increase loyalty and secure new sources of profitability by giving customers superior convenience in the form of coordinated offline and online offerings.

In the study undertaken by SIMONS, STEINFIELD and BOUWMAN (2002) their research questions were identifying what is competitive advantage of each channel and how enhance these advantages.

2.3) Integration in Multichannel Retailing

According to BCG consulting (2001), the critical factors for the accomplishment of a multichannel strategy is exactly the integration of the online with the offline, in all retail aspects: brand, product position, inventory forecast, price, logistics, policy of return of goods and meeting the expectations of the clients (pg. 18 e 34). Studies attest that the adoption of integrated multichannel retailing brings positive results, such as increasing in sales volume of the client's base, cost reduction and increase control level of operation (COELHO, EASINGWOOD, 2003; LAWSON, 2001).Another advantage stated is that integrated channels affect positively brand loyalty and the customer *lifetime value* (STONE, HOBBS, KHALEELI, 2002). According to researches of FORRESTER RESEARCH (1999) "retailers who create a synchronous cross channel shopping experience by

harmonizing products, prices, and services will stave off online competitors and benefit by growing market share". (pg. 06)

In spite of the identified advantages of setting up a multichannel integration does not come without its challenges. STONE, HOBBS, KHALEELI (2002) identify problems experienced by companies:

- Heavy investment in unconvincing multichannel strategies and technologies that result in a poor return on investment (ROI).
- Problems in bringing together and standardizing data about customers or resulting from interaction with them
- Problems unifying different systems which may have very different models
- Difficulties in reducing or abolishing organizational boundaries

For NUNES and CESPEDES (2003) the most important thing is to find ways that, investments made in each one of the channels bring results to the others. For example, a company uses a catalogue not only to sell its products, but also to attract attention of new clients, to advertise inside the consumers' house and inform the physical stores address.

However, the integration does not seem to be an easy task. To HANSOTIA and RUKSTALES (2002) with many retailers offering multiple avenues and formats for shopping, the challenges and complexity in the decisions of marketing investments have increased considerably. Besides the challenge of operating servicing centres and websites 24 hours a day, 7 days a week the complexity of the infra-structure of systems and of making decisions increase considerably in a multichannel environment.

2.4) Complexity of Decisions in Multichannel Retailing

To investigate the complexity of the multichannel retailing strategy, studies already made and researched considered 3 basic make decisions in retailing operation: which price to sell at, which products to sell and how to deliver the sold product.

2.4.1) Price

With regard to price variables, STONE, HOBBS, KHALEELI (2002) ask if the companies should apply different prices to the same product sold in the store and on other channels. Many believe that different prices are unfeasible; the clients hope to pay the same price buying online and offline, even if it is more profitable for the company to sell online.

WILLIANS et al. (1999) affirm that the company's argument for same prices is unrealistic, because customer offline should pay more for the satisfaction on purchase experience at store. They wait for competitive prices, no matter which website they buy from and if they are *pure Internet players* or a virtual store integrated in a multichannel operation.

Based on mathematical models, ZETTELMEYER (2000) confirms that some companies charge lower prices on the Internet than on the conventional channels. He exemplifies by quoting Barnes & Noble that sells their books on the Internet with a bigger discount than in their stores.

According to BCG (2001) research, lower prices and free delivery or returns are the most effective ways to stimulate online purchasing.

Another important aspect mentioned by DOHERTY, ELLIS-CHADWICK, HART (1999) is the fact that virtual retailing increases competition because it is easy for customers search products and compare prices.

In a research carried out in the category DVD, TANG and XING (2001) the price behavior was compared between the traditional retailers' online branches (Multichannel Retailers - MCR) and the retailers that act only on the Internet (DotComs). The authors' aim was to identify if the efficiency of online prices tends to decline as a result of the presence of multichannel retailers. For this reason, they investigated if there were differences in the price policy of these 2 types of online organizations. The conclusions of the study were the following:

- Prices of retailers that act only on the Internet are considerably lower than multichannel retailers, on average from $3,27 to 14%;
- Price dispersion is lower between the pure Internet retailers than those who also have a store;
- There are few changes in spite of the argument that the changing cost of the menu is irrelevant in the Web environment;
- The evidences suggest that the domination of the multichannel retailing format may diminish the price efficiency of in the Web.

2.4.2) Product Offering

The decisions of product policy are related to the assortment and the type of product. HANSOTIA and RUKSTALES (2002) raise the following questions:

- What should be the assortment of products in the catalogue in the store and on the Internet?
- What kind of products are the web users more interested in?

For the BCG (2001) online penetration in the necessities categories – which include grocery and apparel - is less than in discretionary categories (books, computer hardware/software, music, video, financial services and travel). On the other hand, grocery and apparel are the most important categories in offline purchases. The reasons pointed for this discrepancy are:

1. Demographic profile of the Internet pioneers (young, male, affluent and educated) created a more attractive market for retailers selling discretionary products online than for those selling necessities.
2. Sites for necessities offer less choice and lower quality mostly because of operational and customer service problems. Online grocery retailers, for instance, have found difficult to ensure adequate quality and speed of delivery. Most online clothing retailers have offered a limited selection, and they have had technical difficulties giving consumers a sense of look, feel, and fit of a garment. What's more, poor color reproduction and inconsistent sizes have led to a high rate of returns.
3. Consumers tend to resist change when purchasing these products. Most people are accustomed to buying groceries at the same store and on the same day of the week. Moreover, they want to see and touch the products – especially produce.
4. Necessities can be bought nearly everywhere, in a variety of stores, which makes the convenience the Internet offers a less attractive draw than it is for discretionary products

To investigate the dfferences in the intentions of the purchase of music and clothes using catalogues online, VIJAYASARATHY and JONES (2000) built up an experiment to simulate purchasing using the Internet with one or more catalogues of Music (CD and K7) and clothes. The researchers' objective was to analyze why some products/services are better than others on the Internet. The study concluded that the orientation for the consumer to purchase products online is more similar to the catalogue than with the purchase in the store. The respondents preferred to buy music than clothes because there were more varieties of products, promotions, discounts and enough information about CD offers.

STONE, HOBBS, KHALEELI (2002) warn that the clients may be frustrated with the different assortment of the products offered in the channels. For the companies, however there might be commercial reasons for this, such as: costs of delivery and the risk that the clients choose products in the wrong way resulting in a high rate of returned products. According to the authors, to have consistency in the offer of products and services, the companies should start with products of high turnover, first focusing in the depth of its main category of products, then enlarge them adding complementary products and, finally, after obtaining critical mass, introduce differentiated categories and services, either online or offline. An alternative the authors suggested is to position the channels offline and online clearly as different.

ZETTELMEYER (2000) affirms that companies that offer a variety of products may define different strategies to each category, depending on the size of the potential segment that purchases them online. The companies may facilitate customer access to some products and make it difficult for others.

VIJAYASARATHY and JONES (2000) specify that some retailers of clothes catalogues opt for supplying a limited selection of goods in their catalogues on the Web, while others have the same assortment for the printed and for the online options. Despite product limitation it could be a prudent way to test customer interest. Once he feels confident in online environment, he will like to have in web catalogue, the same offering available in printed catalogue and in store.

2.4.3) Logistics and Information Flow

Considering the operational aspects of Multichannel Retailing, some studies demonstrate how the information should be made available (STONE, HOBBS, KHALEELI, 2002; ZETTELMEYER, 2000) while others have their focus on logistics (HANSOTIA, RUKSTALES, 2002; LAWSON, 2001; ANDERSON, 2001).

A good example of integrated logistics between the channels is if the retailer gives to the client the option to receive the product at home or withdraw it in the store. To make this happen it is necessary to have the client's database and his relationships centralized. Moreover, the client's information should transit in an effective way between the channel in which the transaction was carried out and the channel that will deliver the goods.

The companies should be attentive to the aspects related to the delivery of the product because consumers punish those who fail in the online operation. Research of BCG (2001) identified that clients who had problems in online purchases, 35% stop using the website to research, 32% stop buying and 6% did

not buy anymore in the retail store that failed on the Internet. Another interesting aspect revealed by the consultation is that almost all online clients affirmed that they would increase their purchases on the Internet if the companies offered free delivery products.

According to LAWSON (2001), nowadays there are technologies that allow retailers and customer access, in real time, to stock information and the processing of transactions from any point of sale. To the author this means that the consumer may find the product that he wants in the online channel, buy it and pick it up at the nearest store. Or, consumers may buy online, ask the product to be delivered at home and, if he is not satisfied, return it to nearest store.

According to SIMONS, STEINFIELD and BOUWMAN (2002) the utilization of the stores for its local quality of distribution and for other services, like the returning of the product, is increasing. To STONE, HOBBS, KHALEELI (2002) the physical stores may be used to provide local services and improve the convenience for online consumers.

Another aspect related to information pointed out by ZETTELMEYER (2000) is how much the company simplifies the clients' access to information, the type and quantity made available on the website, when compared to the conventional channels. He quotes the example of Barnes & Noble that makes available the review of books and the list of the best sellers in various categories only on the Internet.

3) Results Measurement and Performance

To NUNES and CESPEDES (2003) the adoption of a multichannel strategy should be followed by a revaluation in the way the results were measured. According to the authors; for the measurement of the *cross-channel* performance, the companies will have to reorganize themselves and reconsider the metrics that are used to measure and evaluate its performance. Many companies will be able to benefit with the development of the metrics that follows the total cost of serving the clients that move from one channel to the other. The inclusion of a channel on the Internet may raise the cost of the goods sold in the traditional channels (because the consumers research in the store, but buy online). This does not matter if the total cost of serving the client is less than it was before. But this will be important if due to the performance measurement method, the managers focus the profitability of each channel separately.

If integration and results are related, it is hoped that the bigger the degree of integration, the better will be the results obtained by retailing with multichannel strategies. STONE, HOBBS, KHALEELI (2002) point out some advantages obtained and how they should be measured:

- Identification and capture of opportunities to increase the client's value
- Increase of convenience and refinement of experience, reducing the cost per client (customer churn rates), expanding his motivation to buy more from the retailer.
- Capacity to lever an already established brand, creating positive impacts in perception and quelling risk of damage to the brand, encouraging the clients to remain more time and buy more. Increase of organizational flexibility

- Refinement in the relationship with partners, because they can reduce their costs.

Based on the bibliography review done up to now, it is possible to identify which aspects will be researched to identify the characteristics of the integration of the multichannel retail to answer a gap proposed by the studies objectives. Table 3.1 presents a summary of these characteristics with the respective proposed specific objectives:

Table 3.1 – Characteristics of Multichannel Retailing x Proposed Objectives

Objective 1	Objective 2	Objective 3
Identify the different dimensions that characterize the integration phenomenon of multichannel retailing	Develop a classification that indicates the different degrees of integration in multichannel retailing	Identify the degree of success in the implantation of the integrated strategy of multichannel retailing
Dimensions	**Degrees of integration**	**Degree of success**
- Price policy - Product offering - Logistics and Information Flow	- Channel function - Consistency of brand - Customer information - Channel experience - Infrastructure - Channel characteristic - Synergy	- Metrics used - *Cross-channel* performance - Customer-focused measures

4) Research design

4.1) Exploratory Research

To answer the proposed objectives, the general strategy to be used in empiric research consists of an exploratory study, in order to understand the general nature of a problem, the possible alternative decisions and the relevant variables that should be considered. Typically, there is little previous knowledge on which to build, as the research methods are highly flexible, disorganized and qualitative of the problem (AAKER, KUMAR and DAY, 1995). The adoption of this strategy seems appropriate to the proposed theme because the Multichannel is a recent concept with few academic papers. The development of the exploratory study will be focused on analyzing selected cases. It is an appropriated strategy when recent events are examined and when it is impossible to control relevant behaviours. According to Yin (1990), case study strategy is most likely to be appropriated for "how" and "why" questions, important to clarify precisely the nature of the study questions. A "how" and "why" question is being asked about a contemporary set of events over which the investigator has little or no control.

4.2) Unit of analysis

All the research will be based on Brazilian bookstores. The analysis unit will be centered on Brazilian companies of the retail sector that have their business focused on the "books" category and that have introduced multichannel strategies, which means to say that they use at least two channels for consumers to acquire their products. Other researchers of multichannel retailing chose retail companies as the unit of analysis, like HANSOTIA and RUKSTALES (2002) and SIMONS, STEINFIELD and BOUWMAN (2002) who developed their research in 19 sectors, among them: supermarkets, car dealers, bookstores and CD stores.

Choosing only one sector and product category is to reduce the number of elements related to "product" variable to improve research control. The option for this sector is justified, because books are considered commodities, with a low perception risk by customer purchase, characterized by easy delivery and standardized titles (SIMONS, STEINFIELD, BOUWMAN, 2002; BARSH, CRAWFORD, GROSSO, 2000) and (TANG, XING, 2001). Besides, since the beginning of commercial internet, it has always been the products category that produced the greatest volume and market share in online sales, thus being a great threat to traditional retailers (DOHERTY, ELLIS-CHADWICK, HART, 1999). For the development of the case study, the bookstores will be selected in non probabilistic sampling (WEIERS, 1984).

4.3) Selection of Bookstores

The selection of the units of analysis was made based on a research carried out on the websites of class associations such as the National Association of Bookstores (ANL) and the Brazilian Chamber of the Book (CBL) in the Annual Financial Statement of GAZETA MERCANTIL (2003) that, under the heading "Retailing Commerce" identifies the subsector "Information Technology, stationery stores and bookstores", besides the online research company e-Bit that publishes notes for associated retailers that are evaluated by their respective consumers. A judgmental sampling for exploratory research will consist of 7 bookstores situated in São Paulo City. According to the Annual Balance Sheet of GAZETA MERCANTIL (2003) these bookstores represent more than 67% of the net income of the subsector "Information Technology, stationery stores and bookstores":

1. FNAC
2. Laselva
3. Cultura
4. Nobel
5. Saraiva
6. Melhoramentos
7. Siciliano

The 7 bookstores selected will be analyzing on case study method. According to YIN (2001) the evidence from multiple cases is often considered more compelling, and the overall study is therefore regarded as being more robust. A report will be prepared containing the **internal analysis** of the case of each bookstore and only afterwards will a report be written of the **cross case analysis.** The method of *cross-case analysis* was used by DOHERT, ELLIS-CHADWICK, HART (1999) to investigate the use of the internet in English retailing and examine its potential as a new channel. According to researches, the analysis between cases helps to highlight the degree of similarity or variability between them and some systematic association between variables.

4.4) Empiric Research

For YIN (2001) one of the principles for collecting data is the use of multiple sources of evidence, not only one. In the current study will be used:

- *Documents* – among the various documents mentioned by YIN (2001) to collect evidence, newspaper clippings and other articles published in mass media will be used, including the websites of selected bookstores. The catalogue will also be added when the company uses it to sell products.
- *Interviews* –is one of the most important sources of case study information. Although it is also the survey method, the interviews are essential sources of case study information.

4.5) Collecting data evidence

Among the studies researched in this phase of the project for the thesis, some were found that used two collecting data methods: research on websites of the selected companies (TANG e XING, 2001), interviews with executives responsible for strategic decisions in multichannel retailing (DOHERT, ELLIS-CHADWICK, HART, 1999; SIMONS, STEINFIELD, BOUWMAN, 2002) or both techniques simultaneously (EASINGWOOD, COELHO, 2003).

4.5.1) Collecting Data from the Bookstores'websites

The bookstores' websites are a rich source of information. However, in order not to get lost in the amount of data, it will be done a data collecting tool. This research instrument will have a variable selection for the marketing mix, Internet operation and integration with other channels. The data will be collected in November, 2004 visiting the selected retailers' websites. The compilation of the research on the sites and its analysis will help to identify some subjects that will be brought up in the interview.

4.5.2) Executive interviewing

The interview will be conduct individually face to face with the respondent, in which the subject will be explored in detail. For the present study semistructed interviews were chosen, in which the researcher will cover a specific list of topics previously listed in a research script. The open structure is ensures that unexpected facts or attitudes can be pursued easily. Another important aspect of this mode of interviewing that is especially effective with busy executives and technician experts. It brings up trends in technology, market demand, competitive activity and similar information (AAKER, DAY and KUMAR, 1995).

YIN (2001) suggests the inclusion of a pilot-case study that usually represent the most complicated of the real cases, to ensure that all relevant data collection

issues will be encountered there. Others aspects to be considered in the selection of the pilot-case are convenience, data access and proximity. The retailer chosen as pilot-case is the Cultura Bookstore because it has been studied in the researcher's dissertation for a master (PORTO, 1999), adding its executive declaration, Sérgio HERZ (2004) that the aim of the company is to consolidate its multichannel strategy.

The activities to be performed during the interview phase with the people responsible for the decisions of multichannel strategies in the bookstores are:

- Elaboration of an introductory letter for the bookstores to identify the executive to be interviewed
- Elaboration of the script with reminders of how the interviews will be conducted with the selected executives
- Choice of the pilot-case to corroborate the protocol of data collecting
- Resume of the report of the pilot-case pointing out the necessary modifications for the performance of the next case.
- Organization and the carrying out of the rest of the interviews in the months of February and March, 2005
- Transcript of the interviews and compilation of information
- Write individual case reports of 7 bookstores
- Write cross-case analysis report

The two methods of data collecting (sites and interviews), with the addition of information in newspapers, magazines and catalogues, will be revised and analyzed together, in a way that the findings of the case study will be based on the convergence of information derived from different sources, and not from quantitative or qualitative data separately. In Table 4.1 the proposed specific objectives and the respective methodology to be used to clarify questions are given:

Table 4.1 - Summary of the methodology and respective objectives

Specific objectives	Methodology
1. Identify the different **dimensions** that characterize the integration phenomenon in multichannel retailing	- Conceptual- theoretical review - Collecting data from the websites - Interview with executives
2. Ddevelop a **classification** that indicates the different **degrees of integration** in multichannel retailing	- Conceptual- theoretical review - Collecting data from the websites - Interview with executives
3. Identify the **degree of success** in the implantation of the multichannel retailing strategy.	- Conceptual- theoretical review - Interview with executives
4. Identify if different levels of integration affect the results of multichannel retailing companies.	- Internal analysis of cases - Cross case analysis

The Table 4.2 presents the timetable of the activities for thesis development having as a base the deadline for its defense in November 2005.

Table 4.2 – Timetable of the activities for thesis development

Activities	2004							1º Semestre 2005						2º Semestre 2005				
	Jun	Jul	Ago	Set	Out	Nov	Dez	Jan	Fev	Mar	Abr	Mai	Jun	Jul	Ago	Set	Out	N
Thesis project	■	■																
I – Conceptual references		■	■	■	■	■												
II – Empirical research																		
Website research tool				■														
Collecting data on Websites						■	■											
Interview Organization									■	■								
Executives Interview										■	■							
III - Compilation																		
Interview information											■	■						
Individual case analysis reports											■	■						
Cross-case analysis report												■	■					
Results X Objectives														■				
Writing conclusions															■	■	■	
Thesis presentation																		■

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