

## CHAPTER 2

### LITERATURE REVIEW

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For the present study, the literature review can be classified into three sections followed by competitive positioning as follows:

1. Customer value perception for apparel retailing
2. Competitive positioning strategy strengthening factors
3. Competitive positioning strategy implementation barriers and their classification.

#### **2.1 Customer value perception for apparel retailing**

To establish and improve the competitive position, it is required to look at buyers' responses to products and services that influence buyers' buying decisions (Kardon, 1992). Customer value perception can be a powerful predictor of purchase intention (Chen and Dubinsky, 2003; Zeithaml, 1988). Perception can only a way to predict the service quality (Cronin and Taylor, 1994). For the competitive positioning of retail, it is essential to know about the values that can perceive by the customers. Kreis and Mafael (2014) introduced three types of customer-perceived value: economic, psychological, and interaction. In economic value, the reward points and discounts on products and services are considered. Under psychological value, the different type of services offered by the retailers is the focus. Under the interaction value, customers of retail stores and interaction with retailers are the focus. Further, Seegebarth et al. (2016) classified customer value perception into four categories: financial value, functional value, individual value, and social value. They showed their outcomes in terms of purchase intention, willingness to pay, and recommendation behavior. Rintamäki and Kirves (2017) observed customer value perception based on economic value, functional value, emotional value, and symbolic value. Under economic value, money and

discount are the focus. Under functional value, product availability, accessibility, responsiveness, and convenience are the focus. Under emotional value, mood and pleasure feeling is the focus. Under symbolic value, a good impression is a focus. Willems et al. (2016) focused on Efficiency, Product Excellence, Service Excellence, Social Value, Play, Aesthetic value, and Altruistic value for three retail formats: hard discounter, soft discounter, and non-discounter. Wang et al. (2004) used functional value, social value, emotional value, and perceived sacrifices impact on customer satisfaction. Perceived sacrifices are related to the price and discount that give instead of getting benefits. Sweeney and Soutar (2001) focused on quality, emotional, price, and social values. Chen and Quester (2006) focused on staff performance as customer perceived value and tested the impact of staff performance on customer satisfaction and loyalty. Verhoef et al. (2009) focused on the social environment, service interface, retail brand, customer experience dynamics, atmosphere, price, assortment, customer experiences in alternative channels to test the full detail of customer experience. Theodoridis and Chatzipanagiotou (2009) focused on personnel, atmosphere, products, Pricing, Merchandising, In-store convenience in-store, and supermarket. Brengman and Willems (2009) used store atmosphere (store design, social factors, ambient factors), merchandise (price, quality, assortment style), store reputation (CSR, Advertising, word-of-mouth, retail brand attitudes), and service (store format and location) to test on different types of perception like Sophistication, Enthusiasm, Genuineness, Solidity, and Unpleasantness. The findings clearly showed that store atmosphere and merchandise have a high impact on all perceptions. Under the merchandise factor, the price and assortment have a high impact on all perceptions. Islam et al. (2012) considered Physical appearance and policy, promises and problem-solving, personal interaction convenience, and product and store size as the dimensions of service quality.

Whereas they considered the retail image, brand image, quality and price as the dimension of customer satisfaction. Paulins and Geistfeld (2003) focused on store attributes like advertising, displays, outside look, reasonable price, type of clothing, convenient hours, flexible return policy, helpful sales assistant, pleasant dressing room, easy to find the product needed the customer perception. Indian researchers also focus on some factors that can be perceived and have an impact on customer satisfaction. Thomas (2013) focused on Price, product assortment, quality, store service, store image. All these factors have positively impacted customer satisfaction. Findings showed that most stores have competed on price, but the quality and store service dimensions have significantly impacted customers. Brengman and Willems (2009) stated regarding store personality that accurate determinant or building method is not clear yet. Bouzaabia et al. (2013) focused on in-store logistics that is first time used in the retail store. Further, the authors used merchandise, layout, and personnel as the dimension for the store image. In-store logistics positively impact store image and customer satisfaction. In the apparel retailing context, few research studies have been conducted to find the dimensions of customer perceptions. Thus, this study takes product availability, product information, product accessibility, return, shopping facility, merchandise, layout, personnel, price, and communication-based on the above literature. Bouzaabia et al. (2013) stated that the product availability, product accessibility, product information, return, and shopping facility is the dimension of in-store logistics that is a most important function for retail stores. Thus, this study starts with this consideration and with two new variables like price and communication. It can be the extension of the existing above manuscript Bouzaabia et al. (2013).

### **2.1.1 In-store logistics (ISL): A multi-dimensional construct**

In-store logistics is the term introduced by Kotzab and Teller (2005) in studying an Austrian supermarket chain retail store's dairy product. Further, the framework was used by Trautrimis et al. (2011) in a study on one grocery and one do-it-yourself (DIY) retailer and Holweg et al. (2016) in the study of the grocery retailer. Holweg et al. (2016) argued that the ISL framework is also useful in less complex product settings and sectors like apparel retailing. ISL framework mainly focuses on the prevention from the out-of-stock situation in the store shelves. ISL's main task is transportation, inventory carrying, shelf management, handling, picking/packing, labeling, and order management/replenishment (Kotzab and Teller, 2005). These tasks are related to store performance efficiency, but customers are also affected by these tasks. Services offered by retailers and perceived by the customers can create a position in customers' minds over their competitors. ISL's tasks create value to the customer regarding the product's return, product accessibility, shelf availability, and product-related information (due to labeling) (Ltifi and Gharbi, 2015; Bouzaabia et al., 2013). ISL provides the ease of shopping experience and shopping convenience also come under the ISL by providing the facilities like enough cash counter to provide ease of transaction, shopping carts, the convenient hour of operations, and sufficient carrier bags provided by the cashier (Bouzaabia et al., 2013).

#### **(a) Ease of return**

Return of unwanted and defective merchandise is the center of focus for all online and physical stores in the current scenario. Many retailers follow the policy like no question arises while returning merchandise. Powers et al. (2013) stated that liberal return policies are believed to have a competitive advantage in customer retention and

goodwill for retailers. Janakiraman et al. (2016) noted that ease of return could enhance the purchase in the store.

### **(b) On-shelf availability**

On-shelf product availability is a critical task for retailers (Dabholkar et al., 1996). Even Walmart's recent failures to enhance on-shelf availability were explained mainly by understaffing (Greenhouse and Tabuchi, 2014). Towill (2005) considers product availability as a market winner for "fashion goods". On-shelf availability has induced customer loyalty and market share (Ettouzani et al., 2012; Zinn and Liu, 2008). For instance, a customer liked an item that was not his size and required an item not available on the shelf. In contrast, that item may be stocked in another retail store location that can negatively affect customer satisfaction. On-shelf availability is the central part of the in-store logistics operation.

### **(c) Product accessibility**

Kotzab and Teller (2005) stated that in-store logistics is also responsible for the merchandise presentation. Why merchandise presentation? Visible products and organized merchandise presentation, and shopping convenience help achieve shopability (Burke, 2005). Burke and Payton (2006, p.66) define shoppability as "the capacity of the shopping environment to transform consumer needs and desires into purchases". Product accessibility in the display itself will facilitate the shopping approach, whereas shoppability has not been researched in terms of product display (Damminga et al., 2012).

### **(d) Shopping convenience**

Customers avoid the time and efforts associated with the shopping process (Moeller et al., 2009). Shopping convenience is the global motivation to save time and effort during

the shopping process (Padmavathy et al., 2019). The time associated with waiting time in a queue for checkout, product search time, and other waiting time whereas effort related to ease of use (e.g., shopping carts, carrier bags, and facilities to save physical energy) (Padmavathy et al., 2019; Khare et al., 2012).

#### **(e) Product information**

The potential task of in-store logistics is labeling. Labeling is responsible for ease to search product and their related information (Padmavathy et al., 2019; Alba et al., 1997). Different types of product-related information (Ha et al., 2007) are used to help customer decision making like product characteristics (e.g., *Price, Size, Color, Style number, Fabric construction, Country of origin, Item availability, Size chart, Alternative images of products* and wash information), product availability information, and order information (Kim and Lennon, 2010; Bouzaabia et al., 2013). Product-related information directly affects the buying decision and consumer satisfaction (Kim and Lennon, 2010).

The above review suggests that ISL is a multidimensional construct comprising ease of return, on-shelf-availability, product accessibility, shopping convenience, and product-related information. Conceptually each sub-construct is not the same. Only a few studies have considered all five sub-constructs of ISL in a single theoretical model (e.g., Bouzaabia et al., 2013). Bouzaabia et al. (2013) have not tested the hypothesis for dimensions that reflect the ISL i.e. their construct (i.e., in-store logistics) is based on prediction. Research that considers all five sub-dimensions of ISL and tests the theory whether they represent an accurate representation of the latter is needed. Based on the discussion, the following hypothesis is proposed:

**H1:** In-store logistics is a second-order factor, comprised of the sub-dimensions of ease of return, on-shelf-availability, product accessibility, shopping convenience, and product-related information.

### **2.1.2 In-store logistics and customer satisfaction**

In terms of customer perception, ISL is responsible for the shopping experience and convenience (Bouzaabia et al., 2013) by providing the five sub-constructs mentioned above. ISL has been seen as a method of on-shelf-availability (e.g., Trautrimis et al., 2011). Bauzaabia et al. (2013) and Ltifi and Gharbi (2015) found the positive relation of ISL with five sub-constructs on satisfaction. Therefore, the following hypothesis was developed.

**H2:** In-store logistics positively influence customers' satisfaction in apparel retailing scenario.

### **2.1.3 Store environment and customer satisfaction**

Levy and Weitz (1995) argued that the store environment is a market differentiation tool. The store environment consists of store design and merchandise assortment (Damminga et al., 2012). Fashion products' display is an essential element of the retailing environment and responsible for planned and unplanned purchases (Kerfoot et al., 2003; Wood, 1998; Kalla and Arora, 2011). Here, the main focus is on the design and merchandise display rather than ambient because ambient (e.g., music) can be imitated easily and less critical than the above two (Baker et al., 2002). Further, Baker et al. (2002) stated that physical design affects the customers' perception of merchandise price, quality, and service quality. Guenzi et al. (2009) argued that customer perceptions of the store environment (primary focus is on layout) influence their cognitive and affective responses. Titus and Everett (1995) argued that store layout

has a significant impact on customer satisfaction. Thus, the following hypothesis was developed.

**H3:** Store environment positively influences customer satisfaction in the apparel retailing scenario.

#### **2.1.4 Store communication and customer satisfaction**

Communication is an essential part of establishing a relationship with customers (Guenzi et al., 2009). Store communication has used in the study of Pharmacy (e.g., Castaldo et al., 2012), bank (Ndubisi et al., 2011; Agariya and Singh, 2011), and grocery retailing sector (e.g., Tripathi and Dave, 2013; Prasad and Aryasri, 2011) and found positive impact on the customer satisfaction. Communication is the ability to serve rapid and trustworthy information during shopping and post-shopping (Prasad and Aryasri, 2008). Provenance and transparency are essential communication elements (Rutter et al., 2017; Vehmas et al., 2017). Communication is the critical driver for customer satisfaction (Agnihotri et al., 2009) and is perceived as reliable, transparent, and completes (Castaldo et al., 2016). Based on the above, the following hypothesis was proposed:

**H4:** Store communication positively influences customer satisfaction in apparel retailing scenarios.

#### **2.1.5 Merchandise assortment and customer satisfaction**

Merchandise assortment affects the shoppers' store choice, retail patronage, consumption qualities, and preference and purchase decisions (Chotekorakul and Nelson, 2013). The quality of merchandise affects the customer's decision, and retailers' different quality levels create a possibility to select a relatively expensive one (Simonson and Tversky, 1992). The competitor in their locations can imitate many

successful offerings of one retailer. Therefore, the retailer can use its assortment to take advantage of its competitors (Guenzi et al., 2009). Customers' perception of merchandise assortment is proposed as price, quality, and merchandise variety (Bauer et al., 2012; Lombart et al., 2018). Based on the above, the following hypothesis was proposed:

**H5:** Merchandise assortment positively influences customer satisfaction in apparel retailing scenarios.

### **2.1.6 Perceived price and customer satisfaction**

According to Ailawadi and Keller (2004), "No matter how the characteristics of the consumer, product, store or purchase situation might differ, price represents the monetary expenditure that the consumer must incur to make a purchase". There are two types of price, one is objective (i.e., the actual price of the product), and the other is perceived (i.e., product price that may vary across consumers, products, purchase situations, and time) (Beneke and Zimmerman, 2014; Jacoby and Olson, 1977; Dodds et al., 1991). Perceived Price plays a significant role in purchase decision-making (Chiang and Jang, 2007). Voss et al. (1998) suggested that perceived price decision has an impact on customer satisfaction. Munnukka (2005; 2008) indicated that customers' price perception is closely related to the perception of quality, value, and other beliefs. Based on the above, the following hypothesis was proposed:

**H6:** Perceived price positively influences customer satisfaction in the apparel retailing scenario.

### **2.1.7 Employee and customer satisfaction**

Kumar and Kim (2014) argued that the three cues (i.e., stimuli) are controlled by retailers as a social cue, design cue, and ambient cue in the apparel retailing context.

Baker (1987) stated that social cues refer to employees and customers in the store, design cues refer to visual elements (e.g., color, layout, and architecture), and ambient cues refer to non-visual elements (e.g., temperature, music, light). Above, in the environment section, design and ambient have been discussed, and due to easy imitation and adoption by approx all retailers, the ambient was not considered in this research.

Service (e.g., Twing-Kwong et al., 2013) and behavior (Jayawardhena and Farell, 2011) of employees serve as tangible cues to reduce the perceived risk of format alternatives (Basu et al., 2014). In addition, employees' service quality can be a key retailing strategy to fulfill customer needs (Sum and Hui, 2009). Based on the above, the following hypothesis was proposed:

**H7:** Employee positively influences customer satisfaction in the apparel retailing scenario.

### **2.1.8 Customer satisfaction and loyalty**

Customer loyalty is the upshot of customer satisfaction (Parasuraman et al., 1991) and exhibits repeat patronage behavior and intention (Cronin et al., 2000). There is a contradiction in terms of the positive relationship between customer satisfaction and customer loyalty. One section of the researcher supports the positive relations (e.g., Parasuraman et al., 1991; Cronin et al., 2000; Chen and Quester, 2006), whereas others oppose (i.e., Oliver, 1999) the positive relations (i.e., customer satisfaction does not result in retention). Customer satisfaction is usually linked with responses against the retailers' offerings regarding what they expect and what they find (Yoo and Park, 2016).

**H8:** Customer satisfaction positively influences customer loyalty in the apparel retailing scenario.

The theoretical constructs and their relationships are based on the hypothesis shown in figure 2.1. The model was tested using data collected from the customers from multi-brand outlets.

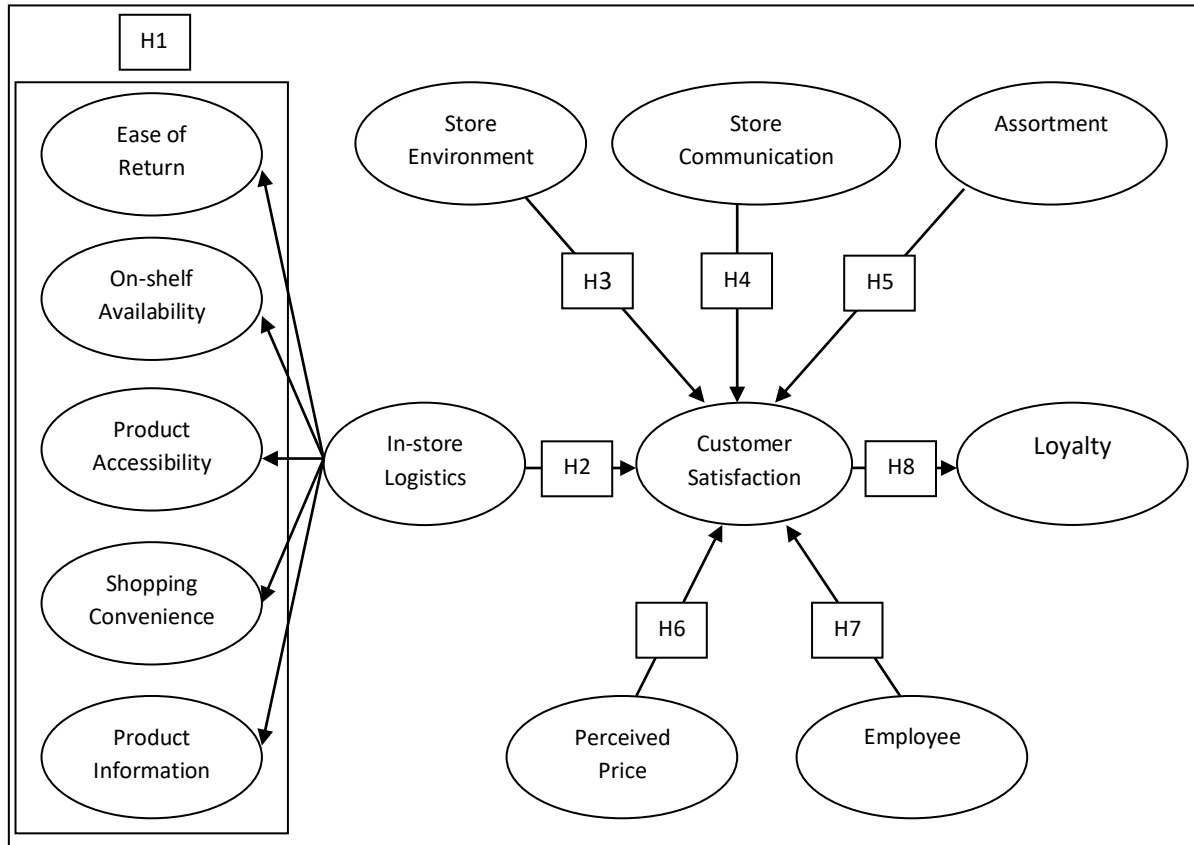


Figure 2.1: Hypothesized relationship model

## 2.2 Competitive positioning

There are two words, one is competitive, and the other is positioning. Several definitions of positioning focus on firms and services shown in table 2.1 (Source: Saqib, 2020). Competitive positioning is the second sophisticated step of positioning (Darling, 2001). Positioning mainly deals with offerings and positioning the product/services in the customers' minds (Ries and Trout, 1986). In comparison, competitive positioning deals with the formulation of firms' offerings (Darling, 2001).

**Table 2.1** Positioning definitions

Author/Year	Definitions
DiMingo (1988)	Actual positioning is the process of distinguishing a company or product from competitors and real dimensions benefits or values that are important and meaningful to customers to become the preferred company or product in a market.
Apostolidis et al. (1989)	Positioning tries to build or occupy a psychological place in relation to an identified competitor.
Quelch (1991)	Positioning is a management concept in which products or services stand in the marketplace comparative to competitors' products and services.
Engel et al. (1993)	Positioning is defined as the perception that targeted consumers have of firms offering relative to competitors.
Lautman (1993)	Positioning is defined as a strategy that enables a brand or service to occupy a preferred and unique place in a customer's mind that is consistent with the overall marketing strategy.
Palmer (1994)	Positioning is an attempt by the organization to distinguish its offerings from its competitors to give it a competitive advantage within the market.
Jobber (1995)	Positioning is the choice of the target market and differential advantage; the objective is to create and maintain a distinctive place in the market for a company and its products.
Oliver (1995)	Positioning concerns the perceptions and preferences of consumers regarding the organization and its products.
Trout and Rivkin (1996)	Positioning is simply concentrating on an idea or even a word that defines the company in consumers' minds.
Hooley et al. (1998)	Positioning is the act of designing the company's offering and image to occupy a meaningful and distinct competitive advantage.

Kotler et al. (2005)	Positioning is a process by which a marketer discovers in the consumer/customer, client, or prospect a unique niche for a product or service meaningful to such a person.
Armstrong and Kotler (2012)	Positioning is arranging for a market offering to occupy a clear, distinctive, and desirable place relative to competing products in target consumers' minds.
Boatswain (2015)	Positioning refers to decisions regarding the type of attributes the firm uses to position an offering and how it conveys information about its offering to the targeted consumers.
Lakshmi et al. (2017)	Positioning involves finding the proper location in the minds of a group of consumers or market segment so that they think about a product or service in the "right" or desired way.

Positioning processes focus on occupying the customers' minds, whereas competitive positioning consists of two steps. One is to occupy the place in the customers' minds through offerings, and others are differentiating the offerings from their counterparts (Darling, 2001).

### **2.3 Competitive positioning strategy strengthening factors**

To achieve a position in the market, a large number of strengthening factors play a role. To identify the enablers, a literature review of papers published over 22 years (1995-2016) was covered. The only peer-reviewed articles have been targeted. Articles have been selected based on the criterion that the paper should include any aspect of keywords such as retail strengthening factors, CP factors of retail, and retail positioning factors. However, most of the articles on retail positioning were either case-based or qualitative. Therefore, to bring more clarity to the concept, there was a requirement for identifying factors. Nine factors (Table 2.2) were found to be relevant and valid by

academic experts (Deshmukh and Mohan, 2017). A brief discussion of each factor is presented in the following sections.

**Table 2.2:** Strengthening factors

<b>Strengthening Factors</b>	<b>Description</b>	<b>Reference</b>
Demand chain management (SF1)	<ul style="list-style-type: none"> <li>• “the chain of activities that communicates demand from markets to suppliers” (Jacobs, 2006).</li> <li>• “The alignment of demand creation and demand fulfillment processes across functional, organizational and inter-organizational boundaries” (Hilletofth and Ericsson, 2007).</li> </ul>	Walters and Rainbird (2004), Christopher (1998), Langabeer and Rose (2001), Wen and Song (2015), Agrawal (2012), Deshmukh and Mohan (2016), Santos and D’Antone (2014)
In-store logistics Performance (SF2)	<ul style="list-style-type: none"> <li>• in-store logistics is described as actual managing, organising, ordering and processing merchandise within the retail store (Samli et al., 2005).</li> <li>• It have two aspect of a coin one is the availability of items in the shelves is an essential key performance indicator for the purchasing transaction and other is inventory handling and carrying costs as well as costs for human resources are at that level of a supply chain quite intense (Liebmann and Zentes, 2001).</li> </ul>	Zinn and Liu (2008), Kotzab and Teller (2005), Fisher (2009), Ehrental and Stölzle (2013), Holweg et al. (2016)
Information and Communication Technology (SF3)	ICT allows enhancement in retailer services, saving shopping time and positively impacting the value of the retailer’s relationships with customers and its suppliers (Gil-Saura et al., 2009).	Hutt (1995), Singh et al. (2006), Sharafizad (2016), Chevers and Spencer (2017)
Collaboration among supply chain partners (SF4)	It is close and coordinated relationships of organizations with their major business partners (Sharma and Bhat, 2014) to get benefited. Still, the main beneficiaries are customers, and this collaboration is also	Stank et al. (1999), Lehtonen (2006), Villako and Raal (2007), Flint et al. (2011), Ventovuori and Lehtonen (2006), Nyaga et al. (2010),

	used to get a competitive advantage (Mehrjerdi, 2009).	Stank et al. (2001), Qrunfleh and Tarafdar (2013), Kumar et al. (2016)
Technology Adoption (SF5)	Advancements in various technologies have allowed for faster transmission of data resulting in the ability of buyers to react immediately on inventory and pricing issues (Fiorito et al., 2010).	Hopping (2000), Padgett and Mulvey (2007), Pfahl and Moxham (2012), Pantano and Timmermans (2014), Inman and Nikolova (2017)
Retail Environment (SF6)	The retail environment is the stores' first physical aspect by which the customer directly interacts. It also played an important role in unplanned buying (Sherman et al., 1997) and for impulse buying (Mohan et al., 2013).	Turley and Chebat (2002), Baker et al. (2002), Roschk et al. (2016), Newman and Foxall (2003), Tomazelli et al. (2017), Sherman et al. (1997), Mohan et al. (2013), Babin and Attaway (2000), Roschk et al. (2016)
Human resource management (SF7)	Human resource management can contribute to sustained competitive advantage through facilitating the development of competencies and employee motivations that are firms specific, produce complex social relationships, embedded in a firms history and culture, and generate tacit organizational knowledge (Barney, 1991).	Prowse and Prowse (2010), Gorane and Kant (2013), Senik and Verdier (2008), Gotsi and Wilson (2001), Aurand et al. (2005), Sartain (2005), Papasolomou and Vrontis (2006), Foster et al. (2010), Punjaisri and Wilson (2011), Matanda and Ndubisi, (2013), Delgado-Ballester et al. (2014), Anselmsson et al. (2016), Ferguson and Reio Jr (2010)
Merchandise management (SF8)	"The activities involved in the planning, developing, and presenting product lines for specified target markets with regard to prices, assorting, styling, and timing" (Kunz 1998 p. 391).	Park and Park (2003), Grewal et al. (2012), Fitzsimons (2000), Zinn and Liu (2008)
Customer value	It is a strategic concept that ties the	Payne and Frow (2014),

proposition (SF9)	customer and company perspectives together for value creation and competitive advantage Rintamäki et al. (2007).	Bower and Garda (1985), Anderson et al. (2006), Rintamäki et al. (2007), Lindič and da Silva (2011)
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### 2.3.1 Demand chain management

It is an essential factor to achieve competitiveness in the market. Christopher (1998) stated a new dimension in the supply chain called demand chain management (DCM), and according to DCM, the market should drive the chain, not the suppliers. Further, Langabeer and Rose (2001) defined the demand chain as a complex network of business processes and deeds that help firms recognize, manage and, ultimately, create consumer demand (Walters and Rainbird, 2004). Walters and Rainbird (2004, p. 474) defined the demand chain as “an understanding of current and future customer expectations, market characteristics, and of the available response alternatives to meet these through the deployment of operational processes”. The supply chain’s primary goal is to reward the shoppers with reduced prices (Walters and Rainbird, 2004), but this does not ensure that the firms’ competitive position is enhanced because competitors can drench the market with lower-cost substitutes (Langabeer and Rose, 2002; Wen and Song, 2015). The Indian firms still emphasize efficiency and cost reduction. DCM can sense real-time demand and develop an offering to meet market requirements (Agrawal, 2012; Deshmukh and Mohan, 2016). DCM studies are unclear on the processes essential for the demand-and-supply alignment inside the company (Santos and D’Antone, 2014). Based on existing literature and knowledge, DCM can be an essential and required factor.

### **2.3.2 In-store logistics performance**

This factor plays an essential role inside the store and affects the sales directly. Frequent stock-outs can endanger future sales and diminish store and brand loyalty (Zinn and Liu, 2008). In-store logistics' ultimate goal is operational efficiency, which means to offer the quantities of products as requested by end-users at the lowest possible costs (Kotzab and Teller, 2005). As Fisher (2009) illustrates, inaccurate inventory-related decisions in the store have led to remarkable markdowns. In the retail store, stock-outs generally occur because of poor logistics processes. Better supply chain management execution is the leading cause of variation in the profit margin. According to Fisher (2009), it focuses on four realms: pricing, range of products, store execution, and stocking. On-shelf availability is vital to store success. Ehrenthal and Stölzle (2013) observed that improvements in-store operations and the coordination of store delivery and shelf replenishment are most effective for improving on-shelf availability. Holweg et al. (2016) addressed what happens to unsalable items and suggested the answer for this question in terms of logistics components. Here, we need to change the location, value of the products, quality, and quantity; those are the logistics components.

### **2.3.3 Information and Communication Technology**

Information technology is a vital source to achieve a competitive advantage. Information and communication technology (ICT) facilitates the firm to establish communication between interacting parties (Hutt, 1995). It can enhance shoppers' satisfaction and provide a competitive advantage (Singh et al., 2006) and its tools to get tangible and intangible resources (Sharafizad, 2016). The tangible resources are sales and transactions, while the intangible resources are information and advice. Chevers and Spencer (2017) have drawn a scatter plot showing that when the ICT component increases, customer satisfaction also increases. ICT components in the retail stores are

high-speed internet service, theft-detection system, point of sale (POS) systems equipped with the card-accepting facility, telephone service, and RFID enabled system, radio communication service (to convey information of products and offers to provide more satisfaction level to shoppers), wireless talkies (to aware managers about store status) and others. POS can provide stock-out information to manufacturers or suppliers through EDI and facilitate the customer through easy transactions. The RFID-enabled store can help quickly seek products and location, quick payment, and security from shoplifting. RFID can also identify the shoppers, and retailers' behavior can offer their customers actual value rather than a retailers' self-offering.

#### **2.3.4 Collaboration among supply chain partners**

Collaboration among supply chain partners deals with automatic replenishment of inventory based on actual demand rather than long-range forecasting (Stank et al., 1999). Collaboration among supply chain partners depends on information sharing, clear mutually defined and agreed goals, joint problem solving, and collaborators' ability to fulfill performance expectations (Lehtonen, 2006). When the service importance is high for the customer or end-user, a business needs to share sensitive and strategic information. Customers always want to get more value for their money (Villako and Raal, 2007). The service frame of mind driving increased collaboration enables suppliers to have a deeper perceptivity to customers' value (Flint et al., 2011). Purchasing volume is high or managing the purchasing situation due to market condition or purchased service package then a Collaboration among supply chain partners selected (Ventovuori and Lehtonen, 2006; Lehtonen, 2006). The household income of Indians is now improved, and it influenced the customer attitude. Now, customers need good quality products and convenience.

Firms build Collaboration among supply chain partners with their partners to achieve flexibility, efficiencies, and sustainable competitive advantage (Nyaga et al., 2010). Stank et al. (2001) Suggested, internal and external collaborations are necessary to ensure supply chain performance. Further, Qrunfleh and Tarafdar (2013) find in their research paper that supplier relationship plays a mediating role between lean supply chain strategy and supply chain responsiveness. Vendor-managed inventory (VMI), coordination, and cooperation practiced before the Collaboration among supply chain partners. Kumar et al. (2016) analyzed how culture involvement and relationship strength positively impacted other collaborative activities as market-based information sharing, operational resource sharing, and joint planning for executing schedule and supply chain performance.

### **2.3.5 Technology Adoption**

In the retailing evolution, the primary strengthening factor is a technology that played an important role (Hopping, 2000). Innovation in Technology is the foundation of a successful business (Padgett and Mulvey, 2007). The customer always remembers the shopping experience, and the technology can help to achieve them. Pfahl and Moxham (2012) stated that integration in ECR, RFID, and Supply chain visibility could be considered a strategic capability within the retail supply networks. The term 'smart retailing' is introduced to improve shopping experiences (Pantano and Timmermans, 2014). Technology that is customer-facing plays a vital role in increasing the revenue and decreasing the cost. According to King and Gribbins (2002), the primary focus of technology adoption understands individual behaviors rather than an entire organization. Thus, because the new technology may need some new infrastructures and skills beyond individual control, it may not benefit its customers (Kamaruddin and Udin 2009). Inman and Nikolova (2017) argued in their study that technology adoption,

especially customer-facing technology, affects customers' perceptions. They also argued that new technologies also provide value by decreasing costs associated with the customer, increasing revenue by attracting new customers, increasing the share of volume from existing customers, or extracting a more significant consumer surplus.

### **2.3.6 Retail Environment**

The environment of the retail store is the first physical aspect by which the customer directly interacts. Therefore, the retail environment can affect customer shopping behavior. Turley and Chebat (2002) suggest that the retail environment can be divided into five categories. Those are as follows: Exterior cues (parking availability), general interior cues (lighting, music, and atmosphere), layout and design (traffic flow, merchandise grouping and placement of cash register), point of purchase, and decoration (display and signage) and the human factor (employee and crowding). Baker et al. (2002) also suggest three categories like design, ambiance, and social factors. Consumer satisfaction and behavioral intention are also affected by the color, scent, and music verified by Roschk et al. (2016). Newman and Foxall (2003) stated that the store's layout could affect the customer's mood. Tomazelli et al. (2017) also suggest that the physical aspect of the store is important for an older customer and customer-to-customer interaction. The shopping decision is dependent on the customer-to-customer interaction, especially in old shoppers. The retail environment played an essential role in unplanned buying (Sherman et al., 1997) and impulse buying (Mohan et al., 2013). A study on the Canadian grocery chain explores that if each shopper purchases one extra item, the profit will increase more than 40 percent (Babin and Attaway, 2000). A well-designed store environment positively enhances the shopping experience and increases sales (Roschk et al., 2016).

### **2.3.7 Human resource management (HRM)**

The most important factor in achieving competitiveness is the skills and competence of employees. Skills and competencies can be achieved by providing training and education to employees, maintaining a pleasant and secure working environment, treating all employees fairly and consistently, and encouraging involvement by teambuilding, mutual respect, and open communication (Prowse and Prowse, 2010, Gorane and Kant, 2013). Undeveloped human resource encumbers employees' commitment to achieving organizational goals (Senik and Verdier, 2008). HRM has been focusing on training, recruitment, and inducement programs for existing employees (Gotsi and Wilson, 2001; Aurand et al., 2005; Sartain, 2005; Papasolomou and Vrontis, 2006; Foster et al., 2010; Punjaisri and Wilson, 2011; Matanda and Ndubisi, 2013). HRM impacts customer engagement and may enhance the quality of interaction with customers (Matanda and Ndubisi, 2013). Since the 1960s, store image has been the research focus to understand the customers' perceptions of retail stores and chains (Delgado-Ballester et al., 2014; Lindquist, 1974; Keaveney and Hunt, 1992; Timmermans, 1993; Oppewal and Timmermans, 1997). HRM has extended from operative work such as salaries and benefits administration to strategic initiatives such as mergers and acquisitions, talent management, succession planning, industrial and labor relations, and sometimes even corporate branding (Anselmsson et al., 2016 p. 1190).

### **2.3.8 Merchandise management**

Merchandise management is a strengthening factor in enhancing the store image in the shoppers' minds. Shoppers' expectation regarding in-store shopping experience is increasing nowadays. Customer needs good quality products from large varieties of the product line. Therefore, retailers should focus on purchasing a good quality product

with many varieties and have accurate forecasting of demand. Merchandise management deals only with human resources and is difficult to manage because many brands and merchandise are available. Merchandise management has three primary functions; these are as follows: Demand forecasting, purchasing, and evaluating and selecting (Park and Park, 2003). When a consumer makes a plan for shopping, he must consider two critical resources: time and money. When the customer visits the store, that is far away, and he believes that the required product will be available at that store (Grewal et al., 2012). When the merchandise is not available, it affects the consumers' store patronage decisions (Fitzsimons 2000; Zinn and Liu 2008).

### **2.3.9 Customer value proposition**

The value proposition is an essential factor in customer management's overall value creation practices (Payne and Frow, 2014). Bower and Garda (1985) briefly discussed the concept of a value proposition. Many authors agreed on two concerns: one is that the customer perspective should define a customer value proposition, and the other is that the customer value proposition has a key strategic role within the organization in chase of competitive advantage (Anderson et al., 2006; Webster, 1994). Rintamäki et al. (2007) suggested that identifying customer value proposition starts with understanding the key dimensions of customer value and finding the four dimensions – *economic, functional, emotional, and symbolic*. The emotional and symbolic dimension represents the point of difference to retailers who try to achieve a competitive position through differentiation. Lindič and da Silva (2011) have decomposed the value proposition into five parts: *performance, ease of use, reliability, flexibility, and affectivity* (PERFA). PERFA helps managers to decide what to innovate in terms of enhancement of value proposition to their customers.

## **2.4 CPS implementation barriers and their classification**

Grimmer et al. (2018) stated that resources directly affect the strategic planning capability and affect firm performance. Rahman et al. (2018) argued that having the resources is not adequate; firms must have requisite capabilities to identify and utilize those resources to take advantage. Resources help provide the service to create values (Song et al., 2016). A firm's success depends on the resources and capabilities that are controlled and owned by the firm (Galbreath, 2005). This study is an effort to identify the most relevant barriers to CPS implementation in apparel retail stores.

Further, these barriers have been classified in terms of resources and capabilities. The fashion business witnessed several tectonic shifts; one is the changeover of control from brands to retailers in global fashion trends (Deshmukh and Mohan, 2017) and required a new strategic plan. Further, implementing the strategic plan is more important than its strategy (Obeidat et al., 2017).

Competitive positioning is the statement of the market target (where to compete) and competitive advantage (how to compete) of a firm (Hooley et al., 2008). The retailers attempt to attract the customers to shop at their store and try to fulfill their needs by providing the best services and unique values compared to their competitors. Kharub and Sharma (2020) argued that competitive positioning is directly affected by customer satisfaction and firm performance rather than quality management. There are two types of strategies to achieve a competitive position: differentiation strategy and cost leadership strategy. The firm's differentiation strategy can explain the customers for purchasing any products or services rather than the cost leadership strategy (Hooley, 2008, p. 73, Hooley, 1998). This study focuses on the barriers of differentiation strategy implementation in the apparel retailing context.

The implementation of a CPS affects a firm's dimensions. The traditional firm dimensions are firms' structure and systems, whereas the resource-based theory of firms' capability is a new dimension (Voola and O'Cass, 2010). To achieve a competitive position, it is essential to see the firm's resources and capabilities inside (i.e., the firm's resources and capabilities). The resource-based view (RBV) coined by Wernerfelt (1984) highlights the resources of the firms to achieve a competitive advantage (Sirmon et al., 2007). Galbreath (2005) defined the resources as *firm-level factors* and divided them into two fundamental categories as Tangible resources and Intangible resources. Tangible include financial and physical values measured on firms' balance sheets, whereas intangible resources include non-physical and non-financial and rarely included in firm balance sheets. Further, if firms are not interested or, on the other hand, implement the differentiation strategy without understanding the related factors cannot reap the advantage (Howard et al., 2017).

The review includes papers from various journals like Knowledge-Based Systems, International Journal of Production Economics, Academy of Management Review, Decision Support Systems, International Journal of Production Research, Computers and Industrial Engineering, Academy of Management Journal, and Benchmarking: An International Journal. It also includes reports of current trends related to apparel retail in the Indian market by various prominent consulting companies like Technopak, WTO, etc. The second part covers the review on identifying the strategy implementation barrier of CPS in apparel from 2000 to 2018. A total of seventeen barriers have been identified from the literature and validated through experts. Barriers have been listed with description and reference in Table 2.3.

**Table 2.3:** Barriers of competitive positioning implementation for Grey-DEMATEL

Barriers	Description	Reference
Unclear organizational objectives (B1)	To implement a new strategy it is required that a firm has clear vision with two notions as firm mission and goal (Infinedo, 2008). Holsapple and Joshi (2001) argued that the organizational objective is the schematic resource of firm and if it found unclear then it may be detrimental to organizational performance.	Infinedo, 2008; Holsapple and Joshi 2001; Johnson and Scholes, 1999; Dangayach and Deshmukh, 2005.
Lack of understanding of competitive positioning benefits (B2)	Organizations lack belief in CPS benefits.	Expert Opinion
Lack of employee engagement (B3)	Employee engagement lacks adopting the change, whereas it has been shown to influence a range of behavioral, attitudinal, performance, and financial outcomes. In addition, lack of employee engagement can affect productivity, customer service, and performance (Mone et al., 2011).	Gorane and Kant, 2015; Albrecht et al., 2015; Christian et al., 2011; Halbesleben, 2010; Mone et al., 2011; Kahn (1990, 2010)
Lack of education and training to the employee (B4)	Organizations need skillful and competent employees to deliver value efficiently. Training develops the skills, knowledge, abilities, attitudes, and personal resources of employees by which they satisfy the needs of customers (Albrecht et al., 2015) and the firm's goal and positively affect employee engagement (Luthans	Konings and Vanormelingen , 2015; Albrecht et al., 2015; Demerouti et al., 2011; Luthans et al., 2010

	et al., 2010).	
Lack of responsiveness (B5)	Responsiveness is responsible for the speed of delivery to the customer and other is the degree of responsiveness to the customer enquiries and requests (Theoharakis and Hooley, 2003).	Shockley and Turner, 2015; Shockley et al., 2011; Barnes and Lea-Greenwood, 2010; Theoharakis and Hooley, 2003
Lack of continuous improvement culture (B6)	Organizations lack the motivation to implements new strategy. Koval et al. (2018) studied the impact of continuous improvement in the service sector of India and found that continuous improvement positively influenced the service sector and the impact on customer satisfaction.	Koval et al., 2018; Babbar, 1992;
Poor in-store operational performance (B7)	An in-store operation consists of handling, arranging, ordering, and processing merchandise in the store (Samli et al., 2005). Bouzaabia et al. (2013) contributed potentially to retail in-store logistics to create more value to the customers. They found that in-store operations influence customer satisfaction as well as a retail image too.	Bouzaabia et al., 2013; Samli et al., 2005
Lack of management commitment and support (B8)	<i>Management commitment and support are important</i> in the successful adoption and implementation of strategies (Cano et al., 2015). The success of major project implementation completely hinges on top management's strong and sustained commitment (Ifinedo, 2008).	Zhang et al., 2018; Cano et al., 2015; Schultz, 2004; Dong et al., 2009; Ifinedo, 2008; Bingi et al., 1999; Ellram, 1991; Camarinha-Matos and Afsarmanesh, 2007; Westphall et al., 2007

Lack of Corporate Social Responsibility (B9)	CSR leads to more contented customers and can improve connections with customers (Martinez and Rodriguez del Bosque, 2013) and can enhance the market value of the firms (Goyal and Kumar, 2017). European Commission accredited in 2011 and European Competitiveness Report (2008) that CSR is important to the competitiveness of enterprises.	Campbell and Park, 2017; Hasan and Habib, 2017; Hooley et al., 2008; Galbreath, 2009
Lack of collaboration among supply chain partners (B10)	Organizations lack collaboration opportunities in order to build unique value-creation capabilities (Fawcett et al., 2010). Collaboration's main goal is to enhance the competitive advantage of companies (Cao and Zhang, 2011).	kumar et al., 2017; Liao et al., 2017; Ramesh et al., 2010; Greenbaum, 2004; Cao and Zhang, 2011
Unwillingness to share information among supply chain partners (B11)	To get a higher level of sustainable and non-imitable performance, willingness in information sharing is required. If partners cannot share needed information, then opportunities for value creation and benefit will not accomplish (Gorane and Kant, 2015; Fawcett et al., 2009).	Dominguez et al., 2018; Zaheer and Trkman, 2017; Pandey et al., 2010; Gorane and Kant, 2015; Fawcett et al., 2009
Lack of communication (B12)	Organization lack of implementing the CPS without effective communication.	Kim et al., 2018; Van Woensel et al., 2007
Lack of new technology (B13)	Organization lack of new technology to overcome the mismatch among suppliers' technology and to facilitate the customers (Gorane and Kant, 2015).	Gorane and Kant, 2015; Lee et al., 2011; Tomlin, 1991

Lack of technical expertise (B14)	Lack of technical expertise hurdle the implementation of new technology as well as strategy (Garg et al., 2015).	Garg et al., 2015; Ifinedo, 2011; Ghingold and Johnson, 1998
Lack of demand chain practices (B15)	Christopher and Ryals (2014) argued that demand chain practice involves in creation of values (marketing perspective) and delivery of values (Supply chain perspective). Demand chain practice enables retailers to focus on pull thinking at the place of push thinking (Jacobs, 2006).	Aslam et al., 2018; Likoum et al., 2018; Deshmukh and Mohan, 2017; Deshmukh and Mohan, 2016; Christopher and Ryals, 2014; Jacobs, 2006; Foley and Fahy, 2004
Lack of financial resources (B16)	Financial resources bring more flexibility to create new ideas, bring new and well-qualified employees to generate ideas (Hoegl et al., 2008). Therefore, if a firm has much financial resources, it will help the firm participate in innovative activities (Demirkan, 2018) and also help to implement a new strategy.	Mohr and Batsakis, 2018; Hasan and Habib, 2017; Grimmer et al., 2017; Hoegl et al., 2008; Demirkan, 2018;
High cost associated with new strategy (B17)	Differentiation strategy cannot ignore the costs (Govindarajan, 1988). As a result, the top management hesitates to financial support due to the high cost of the system, technology, and strategy.	Govindan et al. 2014

These barriers are further categorized into resources, based on the proposed resource-based theory of Hall (1992, 1993) and Galbreath (2005) and dynamic capabilities (Teece and Leih, 2016). Due to changing customer needs, changing seasonal markets can make apparel retailing a volatile industry. With the rich literature on RBV, Barney et al. (2011) suggested that researchers focus on the resource-based theory (RBT). There are some arguments for the *revitalization or decline* of resource-based theory in the future. Barney et al. (2011) argued that the resource-based theory (RBT) would achieve revitalization and avoid future decline. RBT is not sufficient for the volatile nature (Wu, 2007; 2010) of apparel retailing. Dynamic capability can be best suited for a volatile environment (Wu, 2007; 2010; Teece, 2007). Barriers are categorized based on the RBT (tangible, intangible, and capabilities) and Dynamic Capability, those are as follows:

#### **2.4.1 Tangible resources**

It is essential to know the internal barriers to adopting new or modified technology, strategy, and systems. Retailers want to achieve more profit and economic value for their efforts, and lack of financial support and high cost of strategy implementation can cause strategy failure. Based on resource-based theory (RBT), any measurable physical and financial assets can be a tangible resource (Galbreath, 2005; Grant, 1991). From this review and firm background, two barriers are considered tangible barriers from table 2.3: *Lack of financial resources* (B16) and *High cost associated with the new strategy* (B17). The lack of financial resources is the significant factor for failure (Grimmer et al., 2017). Financially strong retailers can better expand into multiple new markets (Mohr and Batsakis, 2018).

## 2.4.2 Intangible resources

Intangible resources (non-physical or non-financial) are further divided into two categories like assets and capabilities (Galbreath, 2005; Hall, 1992; 1993). Assets are defined as resource endowments that a retail firm has accumulated over time and can be used to achieve a competitive advantage (Foroudi et al., 2017). Lin and Wu (2014) and Grant (1991) suggested implementing competitive strategies; resources play the main potential role where intangible resources are most important for differentiation strategy.

Intangible resources are assets like intellectual property (Hall, 1992), organizational assets (Galbreath, 2005; Fernandez et al., 2000; Barney, 1991), reputational assets (Roberts and Dowling, 2002; Galbreath, 2005), and network (Hall, 1992). When a firm engaged in a differentiation strategy, CSR can be used as a co-specialized asset (Siegel and McWilliams, 2011; Lin et al., 2019). This makes other assets more valuable (Barney et al., 2011; McWilliams and Siegel, 2010) and treat as a reputational asset. Further, McWilliams and Siegel (2010) argued that employees are an essential RBT resource. In apparel retail, employees are directly connected with customers in the store. Knowledge and engagement of employees can affect the customers' buying decisions and firm performance. Organizational culture, organizational structure, human resource management policy, and agreements are the organization's assets (Galbreath, 2005; Xia et al., 2015). Patents, copyrights, registered designs, trademarks (Galbreath, 2005), and held in secret technology (Galbreath, 2005; Schroeder et al., 2002) are the intellectual property assets. There are five organizational culture determinants: strategy, structure, support mechanism, and behaviors that encourage innovation and communication (Inan and Bititci, 2015; Martins and Terblance, 2003). Knowledge is at the center of resource-based theory (Kogut and Zander, 1992; Grant, 1996). Firms' effectiveness is "the degree to which an

organization realizes its goals” (Daft, 1995, p. 98), and it depends on how well managed the knowledge (Zheng et al., 2010). Therefore, clear goals and knowledge about the competitive position can play a major role in implementing the strategy. Further, Corporate social responsibility can help differentiate a business and support implementing a strategy successfully (Campbell and Park, 2017). Hasan and Habib (2017) argued that CSR offers better access to resources and allows for better services. From such theory, nine barriers are related to intangible resources. Those are as follows: Lack of employee engagement (B3), lack of responsiveness (B5), lack of new technology (B13), lack of collaboration among supply chain partners (B10) (relational asset (kumar et al., 2017)), lack of communication (B12), lack of corporate social responsibility (B9) (as reputational assets), unclear organizational objectives (B1) (as schematic knowledge resource (Holsapple and Joshi, 2001)), lack of understanding of competitive positioning benefits (B2) and Unwillingness to share information among supply chain partners (B11) (as network assets).

### **2.4.3 Capabilities (skills)**

Capability is the organizational non-transferable resource due to its high level of causal ambiguity (Galbreath, 2005) that can create, modify and extend the resources in response to a dynamic environment (O’Dwyer and Gilmore, 2018). Teece and Leih (2016) suggested a definition of capability is as follows:

*“A capability is a set of activities the firm performs in a semi-routinised fashion to enable a particular set of tasks to be accomplished in a manner allows—against the opposition of circumstance—products and services to be made and delivered and profits to be generated.”*

Galbreath (2005) argued that capabilities enable firms to choose, develop, implement and realize value-creating marketing strategies. A significant difference

between ordinary capability and dynamic capability is that ordinary capability involves doing things right, whereas dynamic capability involves *doing the right things* (Teece and Leih, 2016). From such theory, two barriers are related to ordinary capabilities, and those are as follows: *poor in-store operational performance* (B7) and *Lack of technical expertise* (B14). In-store operation is responsible for improving on-shelf availability that can affect customer satisfaction (Garcia-Acra et al., 2020) and firm performance to help achieve a competitive position.

#### **2.4.4 Dynamic capabilities**

The significant difference between capabilities and dynamic capabilities is that ordinary capabilities are related to administrative, operational, or governance functions. In contrast, dynamic capabilities enable the firm to integrate, build and reconfigure internal and external resources to prepare the firm for rapidly changing business environments (Teece and Leih, 2016). Dynamic capabilities mainly focus on processes, positions, and paths (Teece et al., 1997). Teece (2007) argued that if a firm possesses resources and ignores the dynamic capabilities, it can return for a short period of time but not for the long run. Due to uncertain market demand, apparel retailing is volatile in nature. Therefore, RBV cannot handle the uncertainty, and the firm needs to sense and seize the opportunities with dynamic capabilities. Teece (2007) proposed three processes: integration, learning, and reconfiguring, which support sensing, seizing, and managing threads. From such theory, four barriers are related to dynamic capabilities, and those are as follows *Lack of education and training to employee* (B4), *lack of continuous improvement culture* (B6), *lack of demand chain practice* (B15), and *lack of management commitment and support* (B8). Bai and Sarkis (2013) included management commitment and support as a dynamic capability where management seeks to build up internal resources and capabilities. Lin and Wu (2014) included

education and training as learning capabilities under dynamic capabilities. The developmental (or say continuous improvement) culture focuses on growth, adaptability, and transformational change (Howard and Ulferts, 2017).

## **2.5 Summary of Literature**

This chapter is dedicated to the discussion of the theoretical background of this study. Different aspects of literature were analyzed, and research was conducted in a tier-II city of India. The conceptual model of research was presented in figure 1.1.

The literature is divided into three parts: Customer value perceptions and hypothetical relationship with customer satisfaction, strengthening factors of the retailer to fulfill CVPs, and Implementation barrier in light of resource-based-view.

Digitalization is increasing rapidly, and mobile devices with an internet connection are an example, which is responsible for changing shopping behavior and consumer practices (Hagberg, et al., 2016). Apparel retailing is highly affected by digitalization and needs to change the traditional model with a new value-creating model. To earn and maintain the digital world's customers, perceived value can be a crucial factor (Yeh *et al.*, 2020). An extensive literature review reveals that many studies have been made on customer perception, but there is little specific research in evaluating customer value perception for pure-play apparel retailers. Moreover, in-store logistics is a fresh factor that has not been tested before in the Indian apparel retailing context. To the best of the author's knowledge, this study is the first in the Indian context that considers potential perceived factors like in-store logistics and communication as customer value perception. Thus, the first objective is important to investigate CVPs.

For implementing the competitive positioning strategy in apparel retail stores, CVPs are needed. With the help of extensive literature, nine strengthening factors have

been identified. Few studies have been carried out to understand the strengthening factor for strategy implementation. However, strengthening factors have not been discussed based on the above CVPs to the best of the author's knowledge. There is no study reported to identify, classify and analyze the strengthening factors in competitive positioning strategy implementation. No study depicts ISM, MICMAC, and FMICMAC methodology in strengthening factor identification and relationships in the Indian apparel retailing context. Thus, the second objective is needed to understand the supportive actions that the retailer should take to fulfill the CVPs. Further, the combination of outcomes from the first objective and second objective prioritizes the design requirements of the retailer to satisfy the CVPs. Thus, the third objective is vital to assess prioritized design requirements.

In the way of implementation of competitive positioning strategy, it is essential to utilize the available resources. The firm's resource-based view helps identify the key factors that help them implement the CP strategy. If the misutilization of resources occurs in a firm, then these resources become a barrier. In this thesis, the potential barriers are identified from extensive literature and categorized into resources, capabilities, and dynamic capabilities. There is no study reported to identify, classify and analyze the barriers in competitive positioning strategy implementation. No study depicts Grey and DEMATEL methodology in barrier identification and relationships in the Indian apparel retailing context. There is no evidence that apparel retailing-related barriers are classified in resources, capabilities, and dynamic capabilities. Thus, it is required to understand the strengths and weaknesses simultaneously for implementing any strategy (Shibin et al., 2016). Therefore, the fourth objective is essential for this research.