ORIGINAL RESEARCH:

The influence of Japanese customers' demographics on their perceptions of cooperative agri-food retailers: the case of Konohana Garten

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Abstract

Although Japan imports more than half of its food/agricultural products and there is a steady decline in Japan's domestic agricultural workforce, Japanese farmers are striving to supply domestic products to the agri-food market by differentiating their products' values and developing efficient retailing channels. This research has examined the case of Konohana Garten in the rural areas of Oyama town, Oita prefecture in order to identify the target population of customers, their perceptions of the agri-food market, and strategies to improve the marketing strategies of agri-food retailers. The study revealed that consumers' age, occupation, residence area and shopping role were strongly associated with agri-food consumption, and could be used as characteristics to idetify the target consumers of the agri-food retailers. Age and residence area were associated with the customers' perceptions such as store recognition, association and store choice, and their visiting frequency. Also, the customers' occupation, shopping role and age showed a strong association with the layout and design, and communication mix of the six retailing stores examined in the study. These results can improve marketing strategies through a better understanding of target customers and factors influencing on their purchasing behaviour.

Keywords: Agri-food products, Cooperative retailers, Demographic segmentation, Japan, Marketing strategies, Oita, Retailing mix

Introduction

Developing an effective marketing strategy in today's highly competitive food-retailing business requires an understanding of customer segmentation (Segal and Giacobbe, 1994). Food retailers have to manage their marketing efforts in various dimensions simultaneously. Potent retail strategies take the target market into account, use the retailer's format to satisfy the target customers' needs, and incorporate plans to create a sustainable competitive advantage (Levy and Weitz, 2009). Retail strategies can alternatively be illustrated in terms of four specific elements: target, location, retailing mix, and the retailer's value proposition (Dune et al, 2011). These retailing concepts may be applicable to any size of business.

In rural areas of Japan, most communities (depending on the geographical conditions) work in the agricultural sector. Cooperative agri-food retailers are one kind of community-based enterprise, operating as representatives of local communities and selling their agricultural products. They are private organizations founded by groups of local agriculturists, who seek mutual benefits, minimization of costs, and improvement of their community's socioeconomic well-being (Helmberger and Hoos, 1962). Cooperatives are sometimes viewed as simple and traditional markets because they have fewer intermediaries and simpler product displays. The cost of logistics in the agri-food supply chain is often controlled by middle men such as wholesalers or retailers, but cooperative agri-food retailers cut across the food supply chain to retain these logistics costs for agricultural producers (Van Der Vorst, 2006).

This research focuses on the demographics of Japanese customers visiting Konohana Garten, including their gender, age, occupation, residence area, marital status, parental status, shopping role, and car

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possession (after White, 1992; Segal and Giacobbe, 1994; LeHew and Fairhurst, 2000; March, 2003; Chamber of Commerce and Labour Department, Oita prefecture, 2008; Sato, 2011; Shirahase, 2011). The survey examined the influences of store recognition and about retailer association, visiting frequency, visiting preference, competitiveness, retailer originality, and the marketing policy found in the retailing mix. The results of these analyses may contribute to the knowledge of retail segmentation and marketing strategy in Japanese agri-food retailing, of which little can be found in the existing literature. The results can also support marketers and food-retail managers in gaining a better understanding of their target customers and of the demographic characteristics relevant to the management of retail marketing, and marketers can use them as key information in generating proficient retail strategies and developing competitiveness in the food-retail business.

Cooperative agri-food retailing:Food is one of the basic physical necessities of human life (Maslow, 1943) and agricultural products form the core of it. In 2010, the World Bank divided agricultural products into four main categories: (1) tropical products, (2) temperate products, (3) seafood, fruits, and vegetables, and (4) other processed products (Aksoy and Ng, 2010: 18). Laroche et al (2003) have pointed out that consumers perceive the quality of a food product to reflect its origin. Thus, where to buy products from is included in the buying decision. When Japanese consumers buy food items, they mostly go to either modern traders or conventional channels. This has been called the ‘two extreme end phenomenon’ (Tsunetoshi, 2012).

Since the economic stagnation in the late 1990s, Japanese consumers have faced various changes in the retail industry. Japanese retailing was viewed as outdated, traditional, and inefficient in terms of its economic basis. This notion came from a large number of local small-scale grocery stores that supported daily consumption (Potjes, 1993). Convenience stores and small supermarkets began to emerge in neighbourhoods and served to address the lack of storage capacity in people’s residences. Food retailing has since seen significant changes; new competitors from general-merchandise retailing have entered the market by extending their product assortments to include food (Zentes et al, 2011), which has increased tension in the food-retail business. Changes in the pattern of food consumption and in market power have influenced supply-chain policies (Bunte, 2006); farmers may sacrifice a large proportion of the selling price of their products to middlemen who sell their product to customers.

In the Netherlands, the four major performers in the agri-food supply chain are suppliers (farmers and vegetable and fruit growers), cooperatives, wholesalers, and retailers. Each party performs its own role in moving the products to the customers. Farmers have four options for selling to customers, either directly or via one of those three channels. Thus, products may go through a short or long line of middlemen before reaching their end customers (Bijman, 2006). As farmers become more specialized in agriculture, they forward their sales and marketing activity to other parties. However, one practical option is selling through their own agricultural cooperatives. Agri-food producer cooperatives can sell to retailers or operate as wholesalers by gathering community agricultural products and selling them to customers. This method has been established to both help regain market power and decrease supply-chain costs.

Kagawa Toyohiko, founder of a Japanese cooperative in Kobe in the 1920s, considered that a cooperative was not just a retail operation but also a means to improve members’ lifestyles via educational and cultural activities (Grubel, 1999: 311). Small-scale retailers such as Konohana Garten were established partly with these aims but primarily to decrease costs and maintain market coverage and preferences in an environment of high competition with various types of modern trade food retailers. Konohana Garten was founded in 1990 and has since been operated by the Oyama Agricultural Cooperative in Hita city, Oita prefecture (Savitri, 2008). It has been studied as the original example of community retailers and its format has been adopted throughout the Oita prefecture in the context of the efforts of the OVOP (One Village One Product) movement. In addition, it formed a prototype for the michi-no-eki ('roadside stations'; Yokota, 2004) extensively introduced all over Japan by the government in order to support rural development. As of 2010 there were 936 such stations, according to Parker (2010: 343).

There have been plenty of successful uses of the Konohana Garten model and it is expected that the dominant retail marketing strategies and the target-customer characteristics of its imitators will be similar. There are few, if any, studies focusing on this kind of food retailer because of the small size of the business capital and earnings involved. However, such retailers provide an example of self-reliant agri-food cooperative retailing that can be replicated in the form of private enterprises that engage in agricultural development and contribute to economic growth. Hence, a research question is whether this kind of retailers shows the same characteristics of customer demographics and perceptions as the other kinds of modern trade food retailers, such as convenient stores, supermarkets, or department stores.

Previous Japanese consumer surveys: After the Second World War, Japan's baby boomers successfully revived the country's economy, which reached a peak in the 1980s and 1990s. Women's roles expanded widely in politics, the economy, and society. Japanese women now have equal job opportunities and equal access to higher education. In addition, the lifestyles and reasons for expenditure of the retired population are different from those of the younger (often single) population, since the former must spend their savings, pension, and investment profits while the younger generations still work to earn money.

> "Japanese women, particularly, housewives were increasingly viewed as knowledgeable and responsible consumers, aware of environmental issues, strong players in the development of consumer rights, and in themselves an active, identifiable, consumer group in the domestic market" (Machnaughtan, 2012: 96).

Machnaughtan (2012) highlighted a survey by the Japan External Trade Organization (JETRO) in 1981 reporting that 43% of married women had the sole responsibility for household finance and 40.7% shared this responsibility with their husbands. A mere 16.3% of women replied that their spouses controlled the family budget. It was noted that consumer purchases were primarily of domestically produced merchandise but if a household increased its purchasing power, a desire to buy imported goods appeared. The survey also commented that "the Japanese market is changing and it is not entirely coincidental that the Japanese woman-consumer and housewife - is also going through a process of evolution" (JETRO, 1981: 1).

A later survey, conducted in 2003 by the Hakuhodo advertising agency, separated 'silver' consumers (Kohlbacher and Cheron, 2012) into five groups according to levels of heath, social communication, and financial status: 'happy' elders, 'independent' elders, 'isolated' elders, 'cooperative' elders, and 'depressed' elders (Cheron, 2011: 69). These five groups have distinct patterns of buying products and food. Meanwhile, Datamonitor (2010) indicated that the working population and productivity in Japan are shrinking and that part-time employment is replacing lifelong career-type employment. These phenomena illustrate the deeper economic stagnation of Japan. As a result of these constraints, Japanese consumers are increasingly likely to have lower disposable incomes.

The Japanese society is also confronting the NEETs ('not in education, employment, or training') phenomenon where an increasing number of young people in this category are statistically excluded from the Japanese labour force and classified as unemployed (Genda, 2011). Consequently, with the tighter family budgets, Japanese consumers are becoming more price sensitive (Haghirian and Toussaint, 2011). They tend to be cautious with their spending, and save money in order to keep their quality of life (Hughner et al, 2007). However, this assumption may not be applicable to all segments of the population because the consumer price index and consumption index are still high.

In 2008, the Chamber of Commerce and Labour in Oita prefecture conducted a survey of 3,468 people, mainly in central city areas throughout the prefecture. The primary finding was that Japanese consumers chose to purchase all kinds of products locally more than 90% of the time. The most common occupations of the respondents were corporate and government employees. Of the respondents, 85.7% owned a family car and used them as the means to buy products; public transportation was used by fewer proportions but no number was given. Respondents bought fresh food products because of their good quality, variety, and cheap price. They bought other kinds of non-food products because of their cheap price, wide variety, and convenience. The most frequent retailer choices were convenience stores and supermarkets, in that order.

The outcomes of Oita prefecture's survey have provided an overview of consumers' perceptions and behaviour in food purchasing. However, it focused on the abundance of modern trade retailers established by both nationally and globally gigantic corporations, and did not provide an explanation of consumer preferences and behaviour in the niche market of cooperative agri-food retailers. There is no evidence yet that the target markets of these two types of retailers share characteristics or opinions. Consequently, this research identifies the target markets of cooperative agri-food retailers based on the eight demographic factors mentioned above. Moreover, it reveals the primary perceptions of customers regarding store recognition, association, and visiting frequencies, and also enumerates customers' reasons for choosing a particular store for buying agri-food and their opinions regarding the store's best and most original and competitive aspects. These various perceptions can help lead to retailer's equity by applying the same tactics of brand equity (Ailawadi and Keller, 2004).

The existing literature on Japanese consumers contains plenty of studies of food-purchasing behaviours and preferences, mostly at modern trade retail stores, such as convenient stores, supermarkets, or department stores. In contrast, there is not much evidence concerning how customers' demographic factors relate to their perceptions of agri-food retail cooperatives. The results of this study will therefore point out which factors have a strong association with customers' perceptions of the store. The study also examines the major relationships between customers' demographic identities and the perceived retailing mix of local agri-food retailers. The main contribution of this study is the application of demographic segmentation in order to determine the key markets for possible market expansion. In addition, it will help managers to generate effective retail strategic planning for community agri-food retailers.

Target market: Prior to selecting target markets, the market should be divided into meaningful groups, or segments (LeHew and Fairhurst, 2000). Each group may perceive the marketing efforts of retailers, or the retailing mix, differently according to their individual demographics, socioeconomics, psychographics, or lifestyles. The most basic method of forming groups is to use demographic segmentation, for example by age, gender, education, occupation, income, marital status, and so on. These characteristics are often used in targeting markets (Kotler, 2003). This study adopted eight demographic aspects of Japanese consumers as used by Hackett and Foxall (1994): gender, age, occupation, residence area, marital status, parental status, shopping role, and car possession. These characteristics were considered in an attempt to identify the target market of the agri-food retail cooperative and investigate the market's attitude towards the store's retailing mix. The research examined whether these demographic characteristics were related to the customers' perceptions and behaviours.

Retailing mix: The retailing mix, or retail marketing mix, of a store is one of the most important factors in the sustainability and success of a retail industry (Berman and Evans, 2007; Levy and Weitz, 2009; Dune et al, 2011). A retailer's marketing strategy consists of its store location, operating procedures, goods and services offered, pricing tactics, store atmosphere, customer service, and promotional methods (Berman and Evans, 2007: 128). Pradhan (2009: 140) considered the primary retail strategies to be store location, merchandising, pricing, and marketing. She also emphasized that many experts claimed location to be the most important factor.

Levy and Weitz (2009: 21) cited six factors of the retailing mix as location, store design and display, communication mix, merchandise assortment, pricing, and customer service, whereas Zentes et al (2011: 202) gave only five: store location, merchandise and category management, pricing, in-store marketing, and customer-relationship management. Dune et al (2011: 61) suggested the six factors of location, layout and design, advertising and promotion, merchandise, price, and customer service and selling. Though Levy and Weitz and Dune et al use different terminology, their lists are similar and both cover all marketing activities necessary to create customer satisfaction. Hence, in this study it was decided to adopt the previous scholars' concepts of the retailing mix and to study the following six factors: store location, layout and design, communication mix, merchandise, pricing, and customer service and selling.

Methodology

A quantitative method was employed in all procedures, from acquiring the raw data to analysing it and deducing meaningful outcomes. A self-constructed questionnaire was used to collect data and the SPSS computer programme was used to process the data for statistical analysis. The descriptive analysis consisted of two parts; a general description, incorporating frequency, percentile, and mode to find the measure of central tendency, which can reveal the distributed values of each variable as well as the lowest and highest values, and a bivariate analysis (Malhotra, 2010). The technique used for comparing two variables in bivariate analysis was 'contingency table' or 'cross-tabulation' (Argyrous, 2011). Chi-square testing was used to investigate the existence of a relationship between any two assigned variables (Vanichbancha, 2012). The two variables were considered dependent if the (two-sided) significance for the Pearson Chi-square value was less than 0.05 (Kwankaew, 2009).

A questionnaire was developed and adapted from earlier research on related subjects. The questionnaire had three main parts: (1) nominal scales including multiple answers and open-ended questions regarding general perception of the target retailer; (2) five-point Likert scales regarding the six factors of retailer's marketing mix; (3) an open-ended question requesting any comments on subjects not covered by the main questionnaire or the questions on respondents' demography. Next, a pilot study of 20 sets of questions was self-distributed to test the statistical reliability and validity and the respondents' understanding of the Japanese wording of the questions. There were no major issues to correct or adjust in the questionnaire (the author was present at the site to affirm each respondent's comprehension if needed). The pilot test on the Likert scale questions was found to be reliable, by using Cronbachs' alpha coefficient test with values between 0.900 and 0.989 (over the minimum threshold of 0.7) (Kwankaew, 2009; Vanichbancha, 2012). The questions are presented in Table 1.

Table 1- Questions used in the study questionnaire

Questions	***Reference sources***
Part I: Nominal scale	
1. Do you know Konohana Garten?	Aaker (1996), Yoo & Donthy (2001), Pappu et al. (2005)
2. How long have you known this store?	Author
3. Do you know other stores, having the same concept?	Aaker (1996), Yoo & Donthu (2001), Pappu & Quester (2006)
4. What aspects of this store do you know of?	Aaker (1996), Yoo & Donthu (2001)
5. What aspects of this store do you recognise?	Arnett et al.(1991), Aaker (1996), Pappu & Quester (2006)
6. How did you discover this store?	Lew (1989), Belch & Belch (2003)
7. How often do you visit this store?	Aaker (1991)
8. Which of the listed retailer here is your first choice of your visit?	Aaker (1996), Yoo & Donthu (2001), Pappu & Quester (2006)
9. Why is the above retailer your first choice?	Aaker (1996), Yoo & Donthu (2001)
10. What is the best aspect of this store?	Ellis & Clantone (1994)
11. Is the best aspect originality or compatibility with others?	Ellis & Clantone (1994), Aaker (1996)
Part II: Five-point Likert scale	
12. Good accessibility of public transportation	Hackett & Foxall (1994), Geuens et al.(2003) , Pappu & Quester (2006)
13. Location close to tourist attractions	Lew (1989), Weidenfeld et al. (2010)
14. Location within the city as the branch	Geuens et al.(2003)
15. The place of location is easy to find	Hackett & Foxall (1994), Pappu & Quester (2006)
16. Attractive appearance of shops as a whole	Hackett & Foxall (1994)
17. Interior and shelf design and arrangement	Ailawadi & Keller (2004)
18. Light and sound levels indoors	Ailawadi & Keller (2004), Pappu & Quester (2006)
19. Clean shopping and catering areas	Hackett & Foxall (1994), Pappu & Quester (2006)
20. Proper temperature within the places	Hackett & Foxall (1994), Ailawadi & Keller (2004), Pappu & Quester (2006)
21. Convenient parking lots	Hackett & Foxall (1994), Pappu & Quester (2006)
22. Toilet and resting areas availability	Hackett & Foxall (1994),
23. Regular advertising on products and service	Belch & Belch (2003)
24. Special advertising on shops bulletin	Belch & Belch (2003)
25. Mass media advertising such as TV, Radio, magazine	Schultz (2011)
26. Shops' signage and Banner in various places	Belch & Belch (2003)
27. Sponsorship of city events	Schultz (2011)
28. Individual info. on advertising and promotion	Belch & Belch (2003)
29. Internet website; online shopping and delivering	Belch & Belch (2003), Vanheems & Kelly (2009)
30. High quality of products	Aaker (1991, 1996), Hackett & Foxall (1994), Pappu & Quester (2006)
31. A wide choices of products and services	Hackett & Foxall (1994), Pappu & Quester (2006)
32. Healthy and safety of agricultural products	Yoo et al. (2000)
33. New products development	Aaker (1996), Salsberg (2010)
34. Worth value of money	Hackett & Foxall (1994), Aaker (1996), Pappu & Quester (2006)
35. Reasonable prices	Geuens et al.(2003), Ruiz-Molina & Gil-Saura (2008)
36. Getting bargain or discount	Hackett and Foxall (1994), Ailawadi & Keller (2004)
37. Helpful shop staffs	Hackett & Foxall (1994), Geuens et al. (2003), Ailawadi & Keller (2004), Pappu & Quester (2006)
38. Friendly shop staffs	Hackett & Foxall (1994), Geuens et al.(2003)
39. Knowledgeable staffs in answering and advising	Pappu & Quester (2006)

40. Home Delivery services	Geuens et al.(2003)
Part III: Respondent's demographic	
If you have any other comments, provide here. (open-ended)	
41. Age: (open-ended)	Hackett & Foxall, 1994; Oita Chamber of Commerce & Labour Department, 2008
42. Gender ☐ Male ☐ Female	Hackett & Foxall, 1994
43. Occupation: (open-ended)	Hackett & Foxall, 1994; Oita Chamber of Commerce and Labour Department, 2008
44. Married ☐ Yes ☐ No	Hackett & Foxall, 1994
45. Children ☐ Yes ☐ No	Hackett & Foxall, 1994; Oita Chamber of Commerce & Labour Department, 2008
46. Residence area: (open-ended)	Hackett & Foxall, 1994; Oita Chamber of Commerce and Labour Department, 2008
47. Car owner ☐ Yes ☐ No	Hackett & Foxall, 1994; Oita Chamber of Commerce & Labour Department, 2008
48. Are you the main shopper in the family? ☐Yes ☐No	Hackett & Foxall, 1994

Procedures and measures: The questionnaire was arranged in three parts. In part II of the questionnaire, respondents were asked to answer 58 questions based on the retailing mix aspects. These questions covered importance and satisfaction and were anchored at 1 ('least important') and 5 ('most important') in the first 29 items and 1 ('least satisfied') and 5 ('most satisfied') in the second 29 items. The outcomes of two rating parts were calculated into one score of that retailing mix's indicator. For example, if the customers rated importance level in item 1 at 5 and rated the satisfaction level at 3, then the calculated score of item 1 would be equal to 15 for of that customer. The rest of 29 scores (X1-X29) for each item were calculated the same way for every respondent.

The study used purposive sampling (Babbie, 2007). Konohana Garten is well known in the island of Kyushu (with a population of 13,230,000 people) as a part of Japan (population of 128,060,000) (Kyushu Bureau of Economy, 2012). Slovin's formula (Yamane, 1967) was used to determine the size of the sample for the questionnaire survey:

$$n = \frac{N}{1+Ne^2} \quad , \quad n = \frac{128060000}{1+(128060000)(0.05)^2} \approx 400 \ (399.99)$$

N represents the population size, n is the sample size, and e is the standard error (0.05). Applying the Japanese population to the above formula, the sample size was found to be 400 people. Therefore, 400 complete questionnaires were collected at four locations where Konohana Garten has stand-alone shops: Oyama, Hita (103 respondents), Akeno, Oita (122 respondents), Nomaoike, Fukuoka (88 respondents), and Momochihama, Fukuoka (87 respondents). The proportion of questionnaire sets at each site was equally distributed, but the numbers of people who agreed to participate by completing the questionnaire were not parallel. The expected sample size was sufficient to proceed to analysis.

Findings and Results

Of the respondents, 89% were female and 11% male. The age group with the highest proportion was 51–60 years (25.5%). The average respondent age was 50.52, but the most frequent respondent age was 60. Almost exactly the same number of responses were received from people aged 31–40 and 41–50 (67 and 65 respondents respectively). Most respondents (77.25%) were married and most (75%) had one or more children. Most (40.5%) were housewives and 81% were the main shopping decision-maker in their households. Respondents tended to live in the city areas in Fukuoka (26.8%) and Oita (25%). Moreover, 81.5% owned a car or vehicle, whether or not they had used it to travel to the shop. In brief, the majority of respondents were female, the main family shopper, aged between 51 and 60, married, had children, owned a car, and lived in cities. The demographic findings are presented in more detail in Table 2.

Table 2: Demographics of the respondents

Demographics	Sub-division	Freq	%	Demographics	Sub-division	Freq	%
Age	Less than 20	12	3	Marital Status	Single	92	23
	From 21 to 30	36	9		Married	308	77
	From 31 to 40	67	16.75	Car possession	Possessing of car	326	81.5
	From 41 to 50	65	16.25		No car possession	74	18.5
	From 51 to 60	102	25.5	Gender	Male	44	11
	From 61 to 70	86	21.5		Female	356	89
	From 71 to 80	27	6.75	Parental status	Yes	300	75
	More than 80	5	1.25		No	100	25
Residence area	Hita town	32	8	Shopping role	Main shopper	325	81
	Oyama town	1	0.3		Follower	75	18.75
	Akeno Minami town	5	1.3		Not answer	1	0.25
	Oita city	100	25				
	Momochihama, Fukuoka	19	4.8	Occupation	House wife	162	40.5
	Minami, Fukuoka	63	15.8		Retirement	50	12.5
	Fukuoka city	107	26.8		Employee	76	19
	Kurume town	1	0.3		Student	16	4
	Saga town	6	1.5		Business owner	22	5.5
	Yufuin town	18	4.5		Farmer	1	0.25
	Others; Tokyo, Osaka, Hiroshima, Nagasaki, etc.	48	12		Others; Gov' officer, Nurse, teacher, etc.	73	18.25

Perceptions of the store: About 92.5% of the respondents confirmed that they knew Konohana Garten store. The longest any respondent had known of the store was six or more years. However, 54.75% of respondents said that they knew other places with similar characteristics to this store. These other places were different branches of this store and other brands, such as *Michi no eki* and *Itosaisai*. The known aspects of the store (Konohana Garten) were with 'farmers' fresh vegetables and fruits products', followed by 'Oyama town', 'local agricultural products' and 'healthy food buffet', as the four dominant viewpoints regarding the store, followed by 'One Village One Product (OVOP) shops', 'natural food materials', 'healthy food materials', and 'cooperative retail store'.

Table 3: Frequency and percentile of perceptions about the store

Item	Answers	Freq.	%	Item	Answers	Freq.	%
Q1:Awareness of Konohana Garten	Yes	370	92.5	Q2: The length of time in knowing the store	Less than 1 year	51	12.7
	No	30	7.5		1-3 years	85	21.2
Q3: Do you remember other places?	Yes	219	54.7		4-6 years	84	21
	No	166	41.5		More than 6 years	157	39.2
	Did not select	15	3.75		Did not select	23	5.7
Q4: Known aspects of the store (be able to answer more than one aspect)	Oyama town	273	68.2	Q5: Recognized aspects of the store (can name more than one aspect)	Oyama town	239	59.7
	Farmer's fresh vegetables and fruits	302	75.5		Farmer's fresh vegetables & fruits	243	60.7
	Organic vegetables & fruits	167	41.7		Organic vegetables & fruits	108	27
	Healthy food materials	91	22.7		Healthy food materials	50	12.5
	Healthy food buffet	215	53.7		Healthy food buffet	165	41.2
	Fresh flowers & trees	152	38		Fresh flowers and trees	113	28.2
	Local agricultural products	238	59.5		Local agricultural products	179	44.7
	Natural food materials	117	29.2		Natural food materials	78	19.5
	One Village One Product (OVOP) shops	127	31.7		One Village One Product (OVOP) shops	88	22
	Co-operative retail store	58	14.5		Co-operative retail store	53	13.2
	Others; please specify	5	1.2		Others; please specify	10	2.5
Q6: Means of getting to know this store	Found it by chance while shopping	148	37	Q9: Chosen reason of first choice	Well known	66	16.5
	Travelled to Oyama	134	33.5		Good location	185	46.2
	Tourism advertising campaign	27	6.7		Good quality of products	178	44.5
	My friend tells me	91	22.7		Reasonable price	70	17.5
	Roadside signage	52	13		Nice layout	11	2.75
	My family member tells me	54	13.5		Good staffs' service	25	6.2
	Others; please specify	40	10		Other; please specify	36	9
Q7: Frequency of visit	Once a week	66	16.5	Q10: The best aspect of this store (open-ended) as theme	Freshness (of food & products)	138	34.5
	2-3 times per week	55	13.7		Product (quality & variety)	50	12.5
	Bi-weekly	16	4		Taste	21	5.2
	Once a month	89	22.2		Price	13	3.2
	Others; please specify	166	41.5		Health concern	63	15.7
Q8: Being the first choice of visiting to buy	Konohana Garten	322	80.5		Location	8	2
	Hibiki no Satou	8	2		Restaurant	37	9.2
	Michi no eki	72	18		Place design & layout	13	3.2
	Anonymous shops	12	3		Customer service	4	1
	Others (specify)	11	2.7		Others	14	3.5
Q11: Originality aspect (are there any other similar places?)	Yes & able to tell the name	59	14.7	Q11:Originality aspect (are there any other similar places?)	No	151	37.7
	Yes but unable to tell the name	73	18.2		Not specify	117	29.2

The analysis showed that 37% (148 people) of respondents had come to know the store by chance and 33.5% learned about the store as they had been to Oyama town. Thus we can imply that around 70% of the sample came to know the store by themselves. Conversely, 22.75% and 13.5% (respectively) of respondents primarily knew the store via friends or family members. The highest frequency of visiting the store was listed as 'other' (the open-ended option), at 41.5%, and the second-highest frequency was once a month, at 22.25%. In the 'other' option, respondents answered that it was only their first or second time of visiting or that they visited 'sometimes', 'whenever needed', 'once a year', and so on; all of these had frequencies lower than 'once a month' or 'once a week'.

Konohana Garten was the first choice for buying agri-food products for 80.5% of respondents, whereas *Michi no eki* was first choice for only 18%. The most common reason for visiting Konohana Garten as the first choice was its good location (46.25%). This was closely followed by its high quality of products (44.5%), reasonable price (17.5%) and well known (16.5%).

Respondents were asked to answer 'yes' or 'no' regarding whether the aspect they had given as their perceptions of Konohana Garten's advantage could be found at other stores. In total, 33% of respondents answered 'yes'.

Relationship between demographics and perceptions of the store: The results firstly show that the respondents' area of residence had the highest influence on most of the variables. As for perception of store recognition, out of eight variables, only two demographic factors, occupation and car possession, were significantly related. Factors such as marital status, occupation, gender, and parental status all had a weak association with the perception variables.

Relationship between demographics and the store's retailing mix: The correlation test between demographic factors and the store's retailing mix showed that occupation had a strong association with most retailing mix variables. Shopping role (as the main shopper), age, and car possession had somewhat weaker relationships with the retailing-mix aspects, ranked as the second, third and fourth, respectively. Marital status and parental status had the least number of associations with the retailing mix variables.

Discussion

The results of this research partly supported and partly contradicted the consumer survey of Oita prefecture in 2008 (in Japanese), which examined retailer type, conditions when buying goods, range of buying time (weekday or weekend), means to access retailers, and patterns behind and reasons for buying goods outside one's city of residence (including non-store buying channels such as catalogues, mail order, Internet shopping). Besides, the previous research contained no test for possible relationships between specific demographics and buying patterns or perceptions. Our research fulfils this missing element and elaborates on the complicated aspects of consumer characteristics according to a variety of demographic factors**.**

In summary, the two most important demographic variables in perception towards retailer are residence area and age, whereas the most influential demographic variables in the attitude of the retailer's retailing mix are occupation, shopping role, and age. Many of the previous researches pointed to gender and age as the key factors influencing on the variance of perception and buying behaviour. However, they influenced on some but not on all aspects of the retailer perception. For instance, occupation has no influence on store recognition and choice to visit while it influenced on the store layout and design of the retailer and its competitiveness. Residence area of respondents was related to almost every aspect; store recognition, associated notions, means of knowing the store, frequency of visit, store choice, reason to visit, and originality, except for store competitiveness. Shopping role had no impact on the perceptions of store choice, merchandise, and communication mix, but it was strongly related to store recognition and store location. Meanwhile, age had a high impact on store recognition, associated notions, and store competitiveness, but no influence on store location, pricing, and customer service and selling. These results may be contradictory to most general studies, which cite age and gender as the key demographic factors affecting the perceived retail images and efforts.

Target market and their perceptions: The main target market of customers who buy agri-food products at local retailers were married women aged between 51 and 60 who had children (representing a large family size), are the key family decision-maker in terms of buying food, own a family car, and live around the central area of the town or city. This study found that more than 90% of respondents had known of Konohana Garten for more than six years. The store is recognized mainly for its fresh vegetables and fruits, as shown on the logo of the store.

The two dominant reasons for the store being consumers' first choice were its good location and good quality of its products. Most consumers discovered the store by chance while shopping or while visiting Oyama town for leisure. The factor most commonly mentioned as the best aspect of the store was the freshness of its agri-food ingredients and food products.Also it was not merely senior and retired people who shopped at this type of agri-food retailer as younger generations also bought agri-food items from this retailer. Their attitudes towards the retailing mix elements, especially the communication mix, were sufficiently different to affect the retailer's communication strategy, which is discussed next.

Regarding the relationship between customers' demographic factors and perceived retailing mix elements, the store layout and design, the communication mix, and the store location demonstrated fairly strong correlation with some of the customers' demographic characteristics, including occupation, shopping role, age, and car possession.

Conclusion

The findings of our empirical data and survey have shown the characteristics of the primary Japanese target market for local agri-food retailing. They may also highlight the critical issues concerning community retailing mix management. Local agricultural cooperative retailers, such as Konohana Garten, can identify opportunities to secure their target market and strengthen their competitiveness, derived from recognized and associated aspects as well as their best aspect and its originality. A good understanding of consumers and their buying backgrounds should be used to construct an effective retailing management.

The key demographic factors are age, occupation, residence area, and shopping role, as these can affect the buying decision-making and perceptions towards retail marketing strategies. Customers tend to be more individualistic and less dependent on the store choices of their peer groups.

The frequency of visiting differed based on residence area and car possession; however, most customers visited the store on a weekly or monthly basis, which indicates a strong tendency to be regular customers. The results of this customer-based retailing mix on this case confirm some of the findings of previous studies but present controversial issues concerning the current attitudes of Japanese consumers regarding their buying decisions and store selection for agricultural food products.

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