RETAIL MARKETING STRATEGIES AND INNOVATIONS IN THE PRACTICE OF A RETAIL CHAIN

Each retail activity, regardless its financial base is related to applying various marketing tools and territorial strategies. At present, the application of key retail marketing is associated with a wide range of activities, developing retailer, allocating sufficient capital and adapting to the market conditions of the area. Successful retail companies have become easy to copy, therefore they are constantly trying to innovate and looking for new opportunities in the battle for their customers. In the domestic market which is torn by strong multinational competitors, our retailers are able to ensure the right timing and adjusting marketing only by forming alliances such as COOP Jednota Slovakia. Using guided dialogue and laser device for measuring the distance we have revealed many deficiencies in the implementation of unified marketing strategies and we obtained data for the calculation of location indicators in different types of sales forms. The paper also includes the evaluation of areal retail marketing and its subsequent adaptation to the conditions of the region, together with the strategic deployment and innovation of different types of stores in the area. In the conclusions, we give suggestions for more effective retail marketing, innovations and application of positioning strategies that will contribute to the increase in sales and the efficiency in the consumer cooperative COOP Jednota Brezno.

Key words
Retail marketing, Positioning strategy, Innovations, Retail, Location

Introduction
Trade is simply the exchange (buying and selling) of goods or services. It happens every day, all over the world, on both a large and small-scale. Modern trade can be defined as any organised form of retail wholesale activity (both food and non-food, under multiple formats, which is typically a multi-outlet chain of stores or distribution centres run by professional management. Trade is the intermediary between producers and consumers. Even producing subjects

can do business activities. Trade is a specific economic activity which involves the exchange of commodities for money or money's worth. It is the connecting link between various sectors of economy and focuses on the movement of goods.

The origins of retailing are as old as trading itself. Retailing is one of the oldest businesses of mankind and almost close to settled agriculture, as its origins can be traced back to the time when exchange of goods started taking place. Any business to consumer interaction in the present context can be termed as retailing. The term retailing is an expression for the so-called large retail. Retailing is conducted by large-scale, high-capacity retail units, usually operating in transnational space. Retailing is delivering goods to consumers in the place or situation providing a space for the exchange of goods and services. It is direct selling to the consumers of smaller quantities of goods.

A key achievement of retail chains is a combination of unique strategy with excellent performance, as well as customer acquisition and retention which is a key issue for all companies offering their products on the market. Retailing and especially its modern electronic forms are clearly becoming an area of intense interest of venture capital. The result is shortening the time period when a new idea is imitated and expanded. The future success of any retail company requires excellent competence in all processes. Retail business and its efficiency is also closely linked to its workplace, local conditions and territorial factors deployed in the location. The innovation, change, speed, interconnection of modern and sophisticated technologies used in the mutual communication between retail chains and consumers is increasingly presented as today's phenomenon. The paper deals with the evaluation of retail marketing, innovations and assessment of location strategies of retail company COOP Jednota Brezno, a member of the areal system COOP Jednota Slovakia. Based on collecting available material and its subsequent processing we point out which tools of centrally managed retail marketing are applied in the cooperative COOP Jednota Brezno. Next, we highlight the extent to which are the tools adapted to the region and how which localization strategies are applied in different areas. The paper also includes the calculation of location indicators in the surveyed areas.

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Aims and methods
The main aim of the paper is to make proposals to improve the effectiveness of retail marketing, innovations and application of localization strategies in the consumer cooperative COOP Jednota Brezno as the regional member of COOP Jednota Slovakia.

The survey was conducted through guided interviews with ten heads of store in different sales formats deployed in specific areas, documented by using video technology. Each location was selected based on the assumption of important factors operating in the area such as the impact of tourism, different shopping momentum, population and last but not least the competition. Store leaders in the survey responded to 21 questions which were designed so that they can be confronted with answers given by the management itself. When obtaining data for the calculation of localization strategies, we used laser device designed for fast, accurate and simple measurement. Through the device mentioned above, we simply measured the length and width of individual stores which created the base to subsequently calculate sales and storage area according to the following ratio:

\[ S = a \times b \text{ (m}^2\text{)} \]

where:
- \(S\) – sales area
- \(a\) – width of the store
- \(b\) – length of the store

A sales area is the unique combination of sales organization, distribution channel and division.\(^{14,15}\) The manager must assess the performance of sales areas in relation to the number of units sold and the total sales.\(^{16}\)

The calculation of the location indicators and strategies is based on several relations:

1. Balance of shopping momentum:
   - it is the summary of the positive or negative expenses of the population
   - the absolute amount of balance in €
   \[ SM_{lc} = RT_{lc} - ARTP_{lc} \text{ (€)} \]

where:
- \(RT_{lc}\) – real retail turnover of the location
- \(ARTP_{lc}\) – average retail turnover per capita x population of the location

The more purchases are made, everything in the store becomes more attractive. Once shoppers pick up a number of items, it gives them the momentum to buy


more. Just as with the other forces in play in the store, the impact of the forces at play such as shopping momentum will vary across individuals.\textsuperscript{17}

2. The local realization rate:
- it measures the direction and intensity of the shopping momentum in %

\[
\text{LR} = \frac{RT_{lc}}{ART_{SR} \times P_{lc}} \times 100 \quad (\%)
\]

where:
- $RT_{lc}$ – retail turnover of the area of interest
- $ART_{SR}$ – average retail turnover per capita in Slovakia
- $P_{lc}$ – population of the location

The rate of turnover of retail accounts is important in analyzing the retail situation. Wherever data on retail accounts are available, it will be possible from the sales records of the company to determine rather quickly the extent to which the company is forced to open new dealer outlets in order to replace those which are lost.\textsuperscript{18} The direction and intensity of the shopping momentum:

<table>
<thead>
<tr>
<th>MR=100%</th>
<th>equilibrium</th>
<th>rather theoretical state</th>
</tr>
</thead>
<tbody>
<tr>
<td>MR&gt;100%</td>
<td>positive shopping momentum</td>
<td>influx of effective purchasing ability demand</td>
</tr>
<tr>
<td>MR&lt;100%</td>
<td>negative shopping momentum</td>
<td>outflow of effective purchasing ability demand</td>
</tr>
</tbody>
</table>

3. Index of retail saturation (IRS):
A possible indicator of understored versus overstored markets is the index of retail saturation (IRS) which measures the level of demand in a market based on the population, consumer expenditure, competing retail space and a particular product or product area.\textsuperscript{19} The IRS is the ratio of demand for a product (households in the geographic area multiplied by annual retail expenditures for a particular line of trade per household) or service divided by available supply (the square footage of retail facilities of a particular line of trade in the geographic area)\textsuperscript{20} and can be measured as follows:\textsuperscript{21}

\[
\text{IRS} = \frac{POP \times EXP}{CRS} = \frac{H \times RE}{RF}
\]

where: IRS – index of retail saturation in area for products

POP (H) – population (number of households) in the area who can buy products
EXP (RE) – per capita (per household) retail expenditures in the area on products
CRS (RF) – current retail space (square footage) in area selling products

Comparison of efficient and real return of sales area:

<table>
<thead>
<tr>
<th>IMS&lt;sub&gt;k&lt;/sub&gt; = reality</th>
<th>balance between efficient and real capacity of sales area</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMS&lt;sub&gt;k&lt;/sub&gt; &gt; reality</td>
<td>the sales area in the location is lower than efficient</td>
</tr>
<tr>
<td>IMS&lt;sub&gt;k&lt;/sub&gt; &lt; reality</td>
<td>the sales area in the location is higher than efficient</td>
</tr>
</tbody>
</table>

Research results and discussion
The research was conducted in the autumn of 2012 in the retail system COOP Jednota Slovakia c.c. which has built the largest and at the same time the densest retail network of stores in Slovakia. Each store within the retail network is divided into one of the three basic retail formats which differ in the size of sales area, depth and width of assortment, the level of additional services as well as the height of achieved retail sales. Within each regional cooperative, the three basic formats are subdivided into narrower formats according to local and regional conditions.

<table>
<thead>
<tr>
<th>Type of sales format:</th>
<th>The number of stores:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Tempo</strong></td>
<td>13</td>
</tr>
<tr>
<td><strong>SUPERMARKET</strong></td>
<td>321</td>
</tr>
<tr>
<td><strong>POTRAVINY</strong></td>
<td>1905</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>2239</td>
</tr>
</tbody>
</table>

Source: www.coop.sk, Own processing 2013

Consumer cooperative COOP Jednota Brezno in this area currently operates almost 69 sales units evenly spaced throughout the Horehronie region, own bakery and deli production of cold food. Most of these shops has undergone a complete makeover, some of them partial, but there are still stores that are in
original state. However, mostly these are stores which are not wholly owned by the consumer cooperative or do not dispose sufficient potential of retail sales.

**Tab. 2 The number of operating units under COOP Jednota Brezno by store formats**

<table>
<thead>
<tr>
<th>Retail format in the area</th>
<th>Type of format</th>
<th>The number of stores</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>coop Tempo</strong></td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>coop SUPERMARKET</strong></td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td><strong>coop POTRAVINY</strong></td>
<td>MIX</td>
<td>18</td>
</tr>
<tr>
<td><strong>coop POTRAVINY</strong></td>
<td>I.</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>II.</td>
<td>18</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>67</td>
</tr>
</tbody>
</table>

Source: www.coop.sk/sk/zakaznik/o-nas/druzstva/brezno/o-nas/profil, Own processing 2013

**Guided discussion about marketing trends in COOP Jednota Brezno c.c. with the management of the company**

The management is fully aware of the need for continuous innovations on the current retail market as well as of the fact that higher standard of shopping environment is increasingly important in the orientation towards customers. Therefore, the company tries by all means to survive in the difficult competition fight with multinational companies and to get closer to its customers and provide them with what they like.

**Tab. 3 Internal division of sales formats of COOP Jednota**

<table>
<thead>
<tr>
<th>Retail format:</th>
<th>Type of format</th>
<th>Sales area:</th>
<th>The number of cash desks:</th>
<th>Assortment width:</th>
<th>The number of parking places:</th>
<th>Additonal services:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>coop Tempo</strong></td>
<td>1</td>
<td>more than 1500 m²</td>
<td>min. 10</td>
<td>extended</td>
<td>more than 60</td>
<td>*1 VISA</td>
</tr>
<tr>
<td>Store Type</td>
<td>Size</td>
<td>Min. Employees</td>
<td>Extent</td>
<td>Rent bracket</td>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>---------------</td>
<td>----------------</td>
<td>----------</td>
<td>--------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Tempo</td>
<td>2 1000-1500 m²</td>
<td>min. 6</td>
<td>extended</td>
<td>40-60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Supermark</td>
<td>1 500-1000 m²</td>
<td>min. 3</td>
<td>extended</td>
<td>20-40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Supermark</td>
<td>2 200-500 m²</td>
<td>min. 2</td>
<td>full</td>
<td>10-20</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Potravin</td>
<td>MIX 100-200 m²</td>
<td>1</td>
<td>full</td>
<td>5-10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Potravin</td>
<td>1 up to 100 m²</td>
<td>1</td>
<td>full</td>
<td>2-5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>coop Potravin</td>
<td>2 up to 100 m²</td>
<td>1</td>
<td>incomplete</td>
<td>0-2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* 1 – Own bakery within the store, extended offer of confectionery, meat mincing, CASH BACK, selling gift vouchers, making baskets on request
Source: The management of the company, Own processing 2013

The survey was conducted in central Slovakia, district Brezno, particularly in the villages Čierny Balog, Podbrezová, Brezno settlement, Beňuš, Mýto pod Ľubniersom, Brezno countryside, Bacúch, Polomka, Podkorčová and Drábsko. Due to the localization marketing strategy, we conducted the survey in areas with significant impact of tourism, specific shopping momentum and considering a representative sample of stores in the district. The sample of stores was selected based on geographic location, the impact of competition and touristic attractivity for visitors. Villages are located in all directions from the district town Brezno.

**Evaluation of localization strategies in COOP Jednota Brezno c.c.**
To be as close to its customers as possible, the seller logically places its stores to places with the largest population. Based on this assumption, there come the...
typical methods of territorial analysis. However, the location of many shopping stores is not related to dwellings. Other regional factors include the workplace, places of tourism, sports activities, recreational places etc.

<table>
<thead>
<tr>
<th>Location:</th>
<th>Číerny Balog</th>
<th>Podbrezová</th>
<th>Brezno s.</th>
<th>Beňuš</th>
<th>Mýt o</th>
<th>Brezno c.</th>
<th>Bacúch 1</th>
<th>Polo mka</th>
<th>Podkorėňová</th>
<th>Bacúch 2</th>
<th>Dráb sko</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales format:</td>
<td>SM</td>
<td>SM</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
<td>POT</td>
</tr>
<tr>
<td>Type of format:</td>
<td>1</td>
<td>2</td>
<td>Mix</td>
<td>Mix</td>
<td>Mix</td>
<td>1</td>
<td>1</td>
<td>1-serv</td>
<td>1-serv</td>
<td>2</td>
<td>2-serv</td>
</tr>
<tr>
<td>The number of inhabitants:</td>
<td>997</td>
<td>3985</td>
<td>6145</td>
<td>1191</td>
<td>528</td>
<td>263</td>
<td>1020</td>
<td>3200</td>
<td>480</td>
<td>1020</td>
<td>222</td>
</tr>
<tr>
<td>Retail turnover 2011 in thousands of €:</td>
<td>1500</td>
<td>1180</td>
<td>341</td>
<td>364</td>
<td>226</td>
<td>204</td>
<td>333</td>
<td>219</td>
<td>170</td>
<td>244</td>
<td>50</td>
</tr>
<tr>
<td>Competitors:</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Retail turnover of competitors in thousands of €:</td>
<td>0</td>
<td>5069</td>
<td>9960</td>
<td>226</td>
<td>457</td>
<td>0</td>
<td>244</td>
<td>1535</td>
<td>0</td>
<td>333</td>
<td>0</td>
</tr>
<tr>
<td>Retail turnover of location in €:</td>
<td>1500</td>
<td>6249</td>
<td>1030</td>
<td>1</td>
<td>590</td>
<td>683</td>
<td>204</td>
<td>577</td>
<td>1754</td>
<td>170</td>
<td>577</td>
</tr>
<tr>
<td>The local realization rate in %:</td>
<td>101%</td>
<td>105%</td>
<td>113%</td>
<td>33%</td>
<td>87%</td>
<td>52%</td>
<td>38%</td>
<td>37%</td>
<td>24%</td>
<td>38%</td>
<td>15%</td>
</tr>
<tr>
<td>Sales area in m²:</td>
<td>452,5</td>
<td>317,0</td>
<td>210,2</td>
<td>122,0</td>
<td>97,8</td>
<td>67,9</td>
<td>81,4</td>
<td>64,7</td>
<td>57,6</td>
<td>48,2</td>
<td>25,9</td>
</tr>
<tr>
<td>Sales area of competitors in m²:</td>
<td>0</td>
<td>780,4</td>
<td>1080,0</td>
<td>0</td>
<td>58,0</td>
<td>82,7</td>
<td>0</td>
<td>48,2</td>
<td>262,4</td>
<td>0</td>
<td>.40</td>
</tr>
<tr>
<td>Profitability of sales area in €/m²:</td>
<td>3315,1</td>
<td>3091,9</td>
<td>1622,4</td>
<td>2984,4</td>
<td>2310,8</td>
<td>2506,0</td>
<td>3006,2</td>
<td>4090,9</td>
<td>3386,9</td>
<td>2949,9</td>
<td>50,0</td>
</tr>
<tr>
<td>Index of retail saturation in €/m²:</td>
<td>3,3</td>
<td>3,1</td>
<td>5</td>
<td>7</td>
<td>278</td>
<td>784,2</td>
<td>3</td>
<td>451</td>
<td>5</td>
<td>2</td>
<td>451,1</td>
</tr>
<tr>
<td>Efficient sales capacity in m²:</td>
<td>99,7</td>
<td>597,8</td>
<td>106,1</td>
<td>9</td>
<td>52,8</td>
<td>26,3</td>
<td>122,4</td>
<td>480,0</td>
<td>48,0</td>
<td>122,4</td>
<td>4</td>
</tr>
</tbody>
</table>

Source: Own research and processing 2013

**Balance of shopping momentum** is the summary of all positive and negative expenses of the population in the location. If these people spend their money outside their place of residence, we consider it as a negative balance. In the researched areas, we noticed a positive balance in Číerny Balog in the amount of
€ 17,000 due to the fact that it is the only large "supermarket type store in this area and is visited by customers from the close neighborhood of the village. Locations with positive shopping balance include the village Podbrezová and the settlement of the town Brezno. The worst shopping balance was observed in the village Polomka (almost € 3,005,000) due to the reason that many people commute to work to other areas. Even in the village Beňuš we registered an increased deficit. Most likely, it is because of the habit of people to buy goods in stock in the nearby town. Balance of shopping momentum in the surveyed areas is shown in the Figure 2.

Figure 2 Balance of shopping momentum in the surveyed stores
Source: Own processing 2013

The local realization rate informs us about the direction and intensity of the shopping momentum. As shown in Figure 3, only three areas have positive shopping momentum. The settlement of the town Brezno has the highest shopping momentum. The reason of this is the fact that the competitive store of the company CBA enables entrepreneurs to purchase at wholesale prices. Therefore, private entrepreneurs from the whole area purchase goods there with a 15% discount which is then reflected in the turnover of the store. Also the village Podbrezová has a positive shopping momentum because here we can find the only prosperous factory in the area and people commuting to work make
their purchases here. The village Čierny Balog has the third positive shopping momentum because it is a significant summer and winter tourist center.

![Local realization rate in %](image)

The village Mýto pod Žumbierom is another important tourist center. In this area, we notice negative shopping momentum but close to 100%. Despite the fact that less people live in the area, this location reaches significant shopping momentum and the investment of the company COOP Jednota in this area was worth the money. Areas with negative shopping momentum include the village Drábsko which is a small village where e.g. children of the locals buy goods to stocks for their parents in larger cities such as Brezno or Detva.

**Index of retail saturation** measures the level of demand in a market that the retailer is hoping to break into, or is perhaps already committed to. When the calculation has been performed, it provides some measure or index of attractiveness of the trading area for a particular product line or product area. The higher the index the better the chances are for the retailer, and a low index suggests that the area is saturated with similar competitors. Decisions about the suitability of a trading area will also take into account the number of customers that may be drawn in from the surrounding geographical areas. IRS presents what should be the profitability of sales area in particular locations. Based on the Figure 4, we compared the real profitability in the stores of the company COOP Jednota Brezno c.c. with the recommended profitability of the area.

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Almost identical was the recommended and real profitability in the village Čierny Balog, in the store Brezno countryside, urban part Podkoreňová and Drábsko. In areas where the recommended profitability exceeds the real one (such as in Podbrezová, Brezno settlement and Polomka), the capacity of the sales area is lower than efficient. On the other hand, exception is the "grocery shop type 2" store in the village Bacúch where the real profitability of sales area exceeds the recommended. This indicates that in the location there is larger capacity of sales area than efficient.

Based on these results, we developed several proposals that could contribute to more effective retail marketing in the surveyed company. Proposals are divided into the following sections:

• **Price**
  The most important change we propose is to change the strategy of standard prices combined with the strategy of diversifying prices. This strategy is based on the late imitation of the competitors' price as well as distinguishing urban and rural environments. Prices valid in town for supermarkets do not apply in the countryside. COOP Jednota c.c. currently comes with sales actions on selected products a week after the competing retailers. This means that people have bought durable goods in stock, so the sales action ongoing in COOP Jednota
stores is unattractive for them. Also significant sales actions are applied only in larger sales formats of the company, mostly located in towns, and therefore people living in rural areas are forced to travel for better prices out of their homes. The consequence is that in this purchase they favor the competition with lower prices and often buy goods that may not be in sales actions. This way the company is losing customers who make large thoughtful purchases and leave the most money in the stores.

We propose to carry out important sales actions in advance of the competition and reduce prices of selected products even at the cost of partial loss, with the use of the so-called loss-leaders. We believe that the loss on one product will be compensated several times by profit from other products. This can happen when many people, who come to buy goods for their interesting price, quality and even because of Slovak origin, combine this purchase with buying other products. It is very likely that many customers will follow this way of shopping, as more people realize the need of saving time.

• Location of the company
As another serious deficiency we consider the stores themselves where sales area is in its original state. The company hereby abuses the significant location position of its sales formats with little or almost no competition in different areas of this region; this is particularly true with the stores that are not owned by the consumer cooperative. However, there are also stores that are owned by the company and meet the required retail turnover, yet their sales areas are in original state. This greatly undermines the homogeneity presented by the layout and equipment of individual stores.

Therefore, we suggest at least minimal modifications of these sales areas, as an attractive point of sale is the foundation for successful retail marketing. At the same time, we believe that if a company wants to be successful in the future, despite its significant location it will have to adapt the stores to current trends because there is a huge threat of establishing multinational companies in rural areas. We recommend the funding for these modifications to be obtained from rentals of real estates, long rented by the company. Other costs related to the reconstruction of original sales areas can be covered by selling unnecessary property. Another motivation for modernization could be the return on assets.

• Merchandising of assortment
We found that especially smaller sales units do not use at all the tactic of "loving couples", nor the fact that different types of goods should have to follow each other within the merchandising in the store (the American way of sale). There are many expert opinions how to customize the layout of the assortment in these facilities (e.g. spices should be placed in wider streets as it is observed that the customer stays for a longer period of time here). For stores struggling with 80 cm wide streets it is completely unimaginable. We believe that even a
traditional store may be modern, but it should be suitably equipped and neatly arranged so that the customer can easily find what he searches for.

**Business environment**

Even though the stores of COOP Jednota in the countryside are mostly used as the places of purchase, they often become the only possible meeting place for people and their mutual conversation. It is good that these stores are places where people feel good, because it positively affects their loyalty. Young people also live in rural areas and they need to do their purchases as quickly as possible, but we found that many stores of the Brezno consumer cooperative established mainly in the countryside do not allow this. Especially in the smallest formats, there are problems with the layout of shelves. Width between shelves is only 80 cm, causing significantly less comfort when purchasing. Also "grocery shop type 1 and 2" stores are equipped with one computer which is also a cash register system. In case of delivering a new type of a product, despite the interest of the customer it is not possible to sell this product immediately as the technology in the store (the only piece of PC-cash register) does not allow blocking other customers' goods while generating prices of new goods. New types of goods can be recorded into the system only when it is not necessary to block customers' goods.

Therefore, for efficient registration process of new type of goods we propose to obtain other computer technology into "grocery shop type 1" stores and modify the sales area so that the width between shelves would allow free movement and not blocking other customers of the store. This is very important because the experience from the purchasing significantly influences how and where the consumer decides to buy in the future.

We recommend adjusting the stores so that the streets between the shelves were at least 120 cm. This change can be done in two ways: either by construction interventions at the expense of storage place or by a less costly solution, with the use of narrower shelves. The only disadvantage of narrower shelves is the need of more frequent refilling. Adjusting shelves can be accomplished through the maintenance staff, thereby significantly reducing the cost. Costs of adjustment of shelves and procurement of additional computer technology primarily for "grocery shop type 1" stores are currently not costs the cooperative could not afford. We believe that these costs will be repeatedly repaid to the cooperative through satisfied and quickly fitted customers.

**Conclusions**

By the research of retail marketing applied within the system COOP Jednota Slovakia and the subsequent adjustment of regional conditions in the district of Brezno we discovered a number of deficiencies, the elimination of which would contribute to improving the competitiveness, customer loyalty and time saving
and this can positively influence the future economic development of the society. It is important for the company to proceed in its location strategy of establishment, mainly in rural areas. However, it must take into account all the customs and differences in the regions in order to better penetrate the local market. Only then can the company defend its current market position in the future, and thus prove its customers they have a reliable partner by their side, proven over years.

Sources and references


Authors' details
Department of Marketing,
Faculty of Economics and Management,
Slovak University of Agriculture in Nitra,
Tr. Andreja Hlinku 2, 949 76 Nitra
e-mail addresses:
elena.horska@gmail.com,
jakubbercikxx@gmail.com,
galovajanka@gmail.com