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THE IMPACT OF PROCESS, PEOPLE AND PHYSICAL EVIDENCE ON SMALL RETAIL BUSINESS PERFORMANCE IN DURBAN CENTRAL, SOUTH AFRICA

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Abstract. The vibrant commercial landscape of Durban Central, South Africa, is greatly influenced by the dynamic contributions of small retail businesses. Beyond their economic impact,

small businesses also generate employment opportunities. However, despite their significance, small businesses are often hindered by obstacles to achieving and maintaining sustainable performance. To overcome these obstacles, it is essential to comprehend the influence of different factors on their performance. This study aims to evaluate the impact of process efficiency, people (human factor) and physical evidence (3 selected Ps) on the performance of small retail businesses. Existing research highlights the significance of these 3 selected Ps in propelling the success of small businesses, with a focus on streamlining operations, motivated staff and creating aesthetically pleasing storefronts. A quantitative approach was implemented in this study. This involved the distribution of self-completed surveys of a 5-point Likert scale questionnaire ranging from “strongly agree to strongly disagree”. 190 out of 217 small retail business owners in Durban Central completed the survey, resulting in a response rate of 87.56%. Quantitative data was analysed using the SPSS version 29. Pearson’s Chi square was used to test the formulated hypotheses. The findings showed that small retail business owner/managers hold a strong belief that there is a positive influence between the 3 selected Ps and business performance. This underlines the significance of investing in a favourable physical environment, streamlining internal processes and prioritising employee development and involvement to improve business performance. However, it is worth noting that while many businesses reported positive outcomes, there were also varying perceptions of performance among small retail businesses, indicating that external factors may also play a role in their success. It is recommended that small businesses invest in creating a friendly physical space, streamlining internal processes and providing thorough employee training and engagement.

Keywords: Small retail business, Business performance, Process, People, Physical evidence.

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ВПЛИВ ПРОЦЕСУ, ЛЮДЕЙ ТА РЕЧОВИХ ДОКАЗІВ НА ЕФЕКТИВНІСТЬ МАЛОГО РОЗДРІБНОГО БІЗНЕСУ В ЦЕНТРАЛЬНОМУ ДУРБАНІ, ПІВДЕННА АФРИКА

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Анотація. На жвавий комерційний ландшафт Центрального Дурбану, Південна Африка, значною мірою впливає динамічний внесок малих підприємств роздрібної торгівлі. Крім економічного впливу, малі підприємства також створюють можливості для працевлаштування. Однак, незважаючи на їхню важливість, малим підприємствам часто заважають досягти та підтримувати стійку ефективність. Щоб подолати ці перешкоди, важливо розуміти вплив різних факторів на їх ефективність. Це дослідження має на меті оцінити вплив ефективності процесу, людей (людський фактор) і фізичних доказів (3 вибраних підприємств) на ефективність малих роздрібних підприємств. Існуючі дослідження підкреслюють важливість цих 3 вибраних для сприяння успіху малого бізнесу, зосереджуючись на оптимізації операцій, мотивованому персоналі та створенні естетично привабливих вітрин. У цьому дослідженні було реалізовано кількісний підхід. Це включало розповсюдження самостійно заповнених опитувань за 5-бальною шкалою Лайкерта в діапазоні від «повністю згоден до категорично не згоден». 190 із 217 власників малого роздрібногo бізнесу в центральному Дурбані заповнили

опитування, що призвело до рівня відповіді 87,56%. Кількісні дані аналізували за допомогою SPSS версії 29. Для перевірки сформульованих гіпотез використовували Хі-квадрат Пірсона. Результати показали, що власники/керівники малого роздрібного бізнесу твердо переконані, що існує позитивний вплив між трьома вибраними підприємствами та ефективністю бізнесу. Це підкреслює важливість інвестування у сприятливе фізичне середовище, оптимізацію внутрішніх процесів і пріоритетність розвитку та залучення співробітників для покращення ефективності бізнесу. Однак варто зазначити, що хоча багато підприємств повідомили про позитивні результати, існували також різні сприйняття ефективності серед малих підприємств роздрібною торгівлі, що вказує на те, що зовнішні фактори також можуть відігравати роль у їх успіху. Рекомендується, щоб малий бізнес інвестував у створення зручного фізичного простору, оптимізацію внутрішніх процесів і забезпечення ретельного навчання та залучення працівників.

Ключові слова: малий роздрібний бізнес, ефективність бізнесу, процес, люди, речові докази.

1. Introduction and Background of the Study

The bustling business landscape of Durban Central is powered by small retail businesses, which play a crucial role in the regional economy by offering a wide range of products and services and serving as significant job providers. Evidently, the indispensable contribution of SMEs to employment generation in South Africa, particularly in urban hubs like Durban cannot be overlooked [1]. Furthermore, the impact of small businesses on fueling innovation and promoting diversity in global markets has been highly emphasized [2]. These studies highlight the unique capacity of small businesses to introduce novel ideas and practices, fostering economic vibrancy and adaptability.

Small retail businesses in Durban Central face difficulties in obtaining and maintaining a reasonable level of performance, despite their acknowledged importance, especially considering the current global economic uncertainty [3; 4]. Previous studies by [5; 6] have examined the effects of several variables, including the business environment, on the performance of small retail businesses. Digging into the characteristics that directly impact small retail businesses' performance becomes crucial in their search for long-term success.

Studies conducted by [7; 8] highlight the role of process efficiency in improving the general customer experience and satisfaction within small businesses in the retail sector. Reduced waiting times, increased product availability and better customer service are all benefits of efficient processes, from inventory control to checkout procedures. Businesses that prioritise and optimise their processes can stand out in highly competitive markets, as customers value time and ease of doing purchases [9]. Providing a smooth and effective shopping experience allows small retail businesses that focus on and invest in streamlined operations to stand out in a competitive and highly populated areas like Durban, where consumers have many options. Easy and quick transactions, combined with a well-run supply chain, can make a good first impression in the eyes of the public, promoting positive word-of-mouth and repeat business.

One of the most frequently mentioned difficulties facing small businesses is the lack of resources, both human and financial [10]. Due to financial limitations, small retail businesses sometimes have trouble finding and keeping qualified employees, which makes it harder for them to successfully compete. To provide a satisfying and unique client experience, strong emphasis is placed on the importance of engaged and knowledgeable employees - people. Engaged staff members who have a thorough understanding of the products they sell and are responsive to their demands raise customer loyalty and satisfaction [11]. Motivated and well-trained employees are essential for establishing a pleasant and enjoyable shopping environment [12]. Investing in human capital can help small retail businesses in Durban stand out in a competitive business environment characterised by a struggle for trading spaces and

visibility. Investing in training and engagement of current employees can alleviate the impact of scarce resources on workforce difficulties [13]. Positive interactions with employees enhance the overall shopping experience by cultivating customer loyalty and favourable opinions about an enterprise.

The importance of physical evidence, such as store layout and atmosphere, on consumer behaviour and perceptions is emphasised in research on retail marketing [14; 15]. The physical surroundings of small retail businesses greatly influence customers' feelings, attitudes and purchase decisions. A pleasant and well-planned store layout improves the perception of product quality and enhances the shopping experience. An attractive and well-planned store may be a powerful differentiator in a crowded, competitive setting like Durban Central, where businesses compete for customers' attention. Strategic visual merchandising and retail layout can also help to overcome visibility obstacles. Even in highly competitive locations, a well-designed storefront and a welcoming physical environment can draw in more foot traffic, making the business more noticeable and enhancing its chances of attracting consumers [17]. A firm's physical space's visual appeal has a significant role in shaping its brand image and client perceptions [18].

The integration of people, strategic physical evidence and efficient processes can be significant strategies for differentiation and success for small retail businesses in Durban that are confronting issues connected to resource limitations and intense competition. These strategies (physical evidence, people and processes) help small retail businesses remain resilient and competitive in today's tough business conditions. This empirical study evaluates how process, people and physical evidence impact the performance of small retail businesses in Durban Central.

1.1 Problem Statement

Small retail businesses in Durban Central play a significant role in the regional economy by providing employment opportunities and contributing to economic growth. Despite their significance, these enterprises encounter persistent challenges in achieving adequate performance levels. Factors such as the current global economic uncertainty [4] and resource constraints [10] exacerbate these difficulties, necessitating a comprehensive understanding of the drivers of performance within this context. While prior research has examined various aspects influencing small retail businesses, including process efficiency [7], human resources [12] and physical evidence [14], there remains a gap in understanding how the integration of these factors (process, people and physical evidence) affects the performance of small retail businesses in Durban Central.

This study fills a significant gap in the literature by investigating the relationship between process, people (human factor) and physical evidence and their impact on performance of small retail businesses in Durban. The study also provides insightful empirical data with important policy implications for South African policy decisions concerning small business development and support of small businesses. Using such data, policymakers can create focused efforts that target challenges that small retail businesses in Durban face, creating an atmosphere that supports their expansion and long-term viability.

This study is structured as follows: first, it offers a survey of the literature that includes empirical observations about people, processes and physical evidence regarding the performance of small retail businesses. After that, a conceptual framework was developed based on how people, processes and physical evidence affect success. Next, the research study technique was described. Following the data analysis section, a detailed discussion of the empirical findings is presented. To conclude the empirical study, the authors discussed the findings, conclusions and recommendations.

1.2 Empirical Literature

In the world of small retail businesses, achieving optimal performance requires a multifaceted approach that considers various elements. These include the strategic analysis of processes, the active involvement of people and the tangible aspects represented by physical evidence. In this discourse, the authors explored the empirical perspectives on how processes, people and physical evidence shape the overall performance of small retail businesses.

Empirical thoughts on process and small retail business performance

Business process reengineering

Business process reengineering proponents argue for a comprehensive overhaul of organisational procedures. In their book "Reengineering the Corporation," the proponents make the case that process streamlining and optimisation can greatly improve the performance of small retail businesses [17]. This entails dispensing with pointless tasks and critically analysing workflows. Businesses may increase productivity, lower expenses and ultimately improve client satisfaction by doing this. Emphasis on continuous improvement is reflected in the Deming's Plan-Do-Check-Act cycle, which is in line with this viewpoint [18]. Adopting an attitude of continual improvement and adaptation to shifting market conditions is crucial for small retail businesses. This strategy not only guarantees the effectiveness of ongoing processes but also puts businesses in a position to react quickly to new challenges.

Empirical thoughts on people and small retail business performance (Herzberg's Two-Factor Theory)

A useful tool for understanding employee motivation and satisfaction is Frederick Herzberg's Two-Factor Theory. Herzberg makes a distinction between hygiene factors and motivators, highlighting that although fundamental working circumstances are necessary (hygiene factors), genuine motivation originates from elements intrinsic to the job itself [19]. By focusing on both, small retail businesses can improve employee performance. A motivated and high-performing staff can be achieved by offering a favourable work environment (hygiene), opportunities for skill development and meaningful tasks (motivators) [19]. Small businesses must draw attention to the importance of autonomy, mastery and purpose as motivators to expound on the motivational elements [20]. By allowing employees to make decisions on their own, providing opportunities for skill development and integrating work with a larger sense of purpose, small businesses can empower their employees [21]. In addition to enhancing individual performance, this promotes a culture of innovation and commitment within an enterprise.

Empirical thoughts on physical evidence and small retail business performance

Physical evidence is crucial in the marketing mix and provides an opportunity for an enterprise to send message they want regarding the nature of service they want [22, p.497]. The store's layout, signage and general presentation are examples of physical evidence in the context of small retail businesses. Consumer perceptions are significantly shaped by the tactile components of physical evidence. Customer satisfaction and, by extension, business performance can be greatly impacted by a physically well-designed and welcoming space [22]. Small retail businesses ought to go beyond simple transactions and instead concentrate on crafting unique customer experiences. This covers the entire physical surroundings in addition to the product itself. Small retail businesses can improve their overall performance by creating a welcoming and stimulating environment that draws in and retains consumers [23].

1.3 Conceptual framework

The success of any small retail business hinges on a delicate interplay amongst three independent variables: processes, people and physical evidence. This research study delves into a conceptual framework that explores these elements and their interconnectedness, ultimately influencing the overall performance (dependant variable) of the small retail

businesses. The subsequent framework (Figure 1) shows how optimising each element and fostering their interactions can lead to a thriving retail environment.

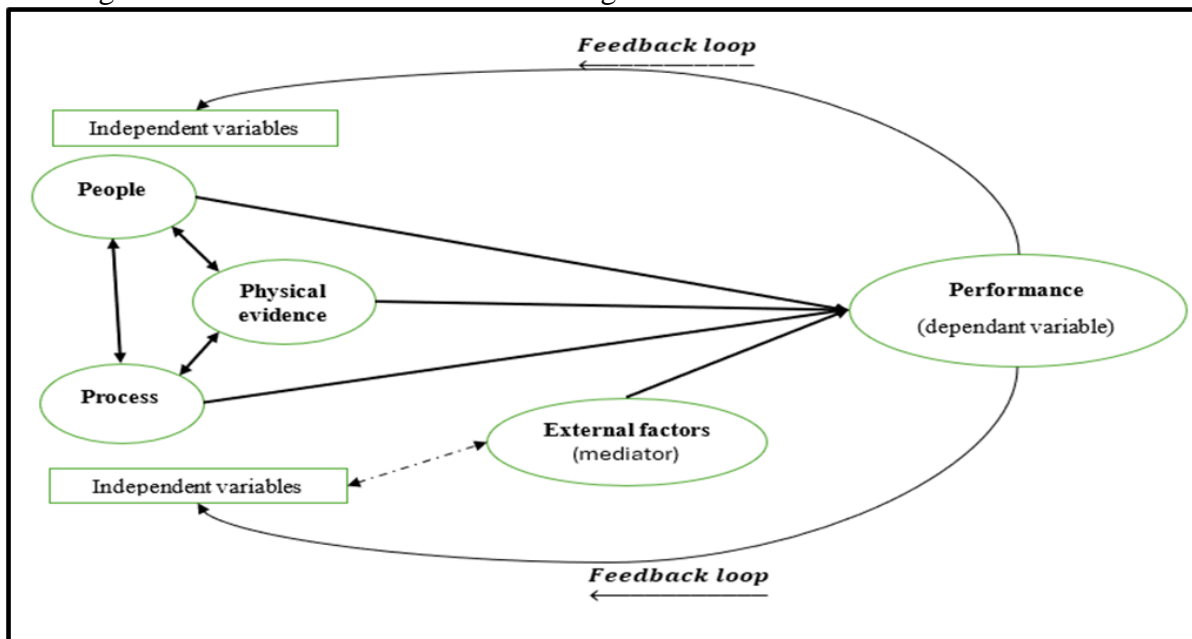


Fig. 1. Contribution of People, Process and Physical Evidence on the Performance of Small Retail Businesses (Authors' Construct).

A comprehensive view of improving business performance is offered by the conceptual framework that is suggested for small retail businesses in Figure 1. It incorporates key components, their interactions, performance results and feedback mechanisms. The foundation of the framework acknowledges the role that effective processes play in propelling commercial operations, such as order processing, inventory control and customer support [7]. Streamlined processes result in higher customer satisfaction and better service quality [24]. The people (human capital), which includes management and frontline employees, supports these processes because their abilities and motivation have a direct bearing on customer satisfaction and service performance [11]. Employees' interpersonal skills have a crucial role in shaping customers' attitudes and satisfaction levels [12]. Physical evidence is also very important because it includes the concrete environment that customers experience, such as store layout and visual merchandising [15]. A well-designed physical environment shapes consumer behaviour and purchase decisions by highlighting the significance of servicescapes in influencing customer perceptions. Knowing how these fundamental components interact dynamically is where the framework's real strength lies. The interdependence of people and processes is critical; employees are empowered by well-designed processes, which also facilitate more efficient execution. The total customer experience is also improved by the smooth interaction between physical evidence and effective processes [25]. These interactions have a cumulative effect on business performance, which includes financial success, operational effectiveness and consumer satisfaction [25]. Positive or negative performance results (feedback) drive adaptations to processes, employee training and the physical environment, guaranteeing continuous improvement and flexibility. Furthermore, acknowledged external factors (mediator) include economic trends and innovation in technology, emphasising the necessity for businesses to continue being proactive and responsive [26]. In conclusion, this conceptual framework offers small retail businesses a comprehensive strategy for maximising productivity and achieving sustainable success. Businesses may build a synergistic environment that encourages great performance and

fosters continuous improvement by understanding the interconnectedness of processes, physical evidence and people.

1.4 Formulation of hypotheses

Process Element

Process element is defined as the efficiency and effectiveness demonstrated by personnel in managing and optimising enterprise performance [27]. The ability of owner/managers to effectively manage daily operations creates a responsive and smooth business environment, which is indicative of the process element in small businesses [28]. This is consistent with the knowledge that the process element encompasses both technical expertise and the capacity to modify procedures in response to shifting market conditions [29]. The following are the developed assumptions regarding the relationship between process and small retail business performance, which are based on the body of existing literature.

H₀: *Process element does not significantly impact the performance of small retail businesses.*

H₁: *Process element has a significant impact on the performance of small retail businesses.*

People Element

The concept of people element encompasses more than just individual skills, incorporating important factors such as interpersonal abilities, leadership prowess and the ability to cultivate positive relationships within the workplace [29]. In small retail businesses, the importance of the people element extends beyond individual capabilities, extending to the entire workforce. The success of people in small retail lies in the hands of owner/managers, who must build and lead cohesive teams, cultivate a positive work culture and empower their employees. A skilled and driven workforce is crucial for the success of the retail industry [30]. Building upon this understanding, the following hypotheses were formulated to explore the connection between people and the performance of small retail businesses:

H₀: *People element does not significantly impact the performance of small retail businesses.*

H₁: *People element has a significant impact on the performance of small retail businesses.*

Physical Evidence Element

Physical evidence is the carefully orchestrated management of a retail store's physical environment, including factors such as store layout, visual merchandising and the presentation of products and services [14]. Physical evidence is seen as a powerful means of creating an impactful and memorable customer experience through tangible elements, ultimately influencing purchasing decisions and shaping brand perception [31]. Building on these ideas, effective physical evidence in small retail businesses depends on the harmonious integration of the physical space with the unique brand identity, the preferences of the target customers and the creation of a distinctive shopping atmosphere [32]. Based on this existing literature, the formulated hypotheses for the relationship between physical evidence and small retail business performance were articulated as follows:

H₀: *Physical evidence does not significantly impact the performance of small retail businesses.*

H₁: *Physical evidence has a significant impact on the performance of small retail businesses.*

2. Task Statement

2.1 Research Methodology

This study aimed to investigate the impact of process, people and physical evidence on the performance of small retail businesses in Durban Central. The authors chose a quantitative design to validate and determine data accuracy in the study. The study took place in Durban

Central, South Africa, a crucial economic hub. Empirical data was gathered using self-administered questionnaires, employing a 5-point Likert scale survey ranging from “strongly agree to strongly disagree”. The study utilised a closed-ended questionnaire to collect empirical data. The questionnaire focused on three independent variables (process, people and physical evidence) and one dependent variable (performance). A pilot study was conducted to ensure the methodological robustness and feasibility of the primary research. The pilot study helped to test and refine the research instrument for small retail businesses in Durban Central. 217 small retail business owner/managers were selected as participants using random sampling, which enhanced the precision and generalisability of the findings. To ensure the trustworthiness and validity of the data, the authors conducted the Cronbach alpha test.

2.2 Data Analysis

After gathering primary data, the authors coded the empirical information into an Excel spreadsheet. The authors then exported the data file to Statistical Packages for Social Sciences (SPSS) version 29. To make sense of the data and test their hypotheses (both null and alternative), the authors utilised two statistical methods, descriptive and inferential statistics. A Pearson Chi-square test was conducted to further explore the relationships between the independent and dependent variables. Overall, this comprehensive approach allowed for a quantitative assessment of any potential association between the variables, given the specific nature of the study.

3. Results. In this study, the authors distributed 217 questionnaires and received 190 responses, yielding a high response rate of 87.56%. Upon examining the sample profile, it was found that the majority (47.4%) of respondents had between 1 to 10 full-time employees, followed by 44.7% with 11 to 20 employees. A smaller percentage of respondents (5.8%, 1.6% and 0.5%, respectively) reported employing 21–30, 31–40 and 41–50 employees. Interestingly, the data showed a strong male representation among owner/managers (67%), compared to female respondents (33%) in Durban Central.

3.1 Descriptive statistics

Descriptive statistics utilises sample data to create few summary measures from raw empirical data [33, p. 7]. This section is designed to provide a thorough examination of the research results, with the goal of evaluating the correlations between the data and drawing significant empirical conclusions.

Table 1

Physical Evidence Element vs Performance of Small Businesses

		Frequency	Valid Percent	Cumulative Percent
Valid	Strongly Agree	46	24,2	24,2
	Agree	123	64,7	88,9
	Neutral	19	10	98,9
	Disagree	2	1,1	100

Source: Authors’ construct based on sample findings.

According to the findings presented in Table 1, small retail business owner/managers hold positive views on the impact of physical evidence on the performance of their businesses. The majority (88.9%) express their support, with 64.7% either agreeing or 24.2% strongly agreeing that physical evidence has a positive influence. A smaller portion (10%) remain neutral on the matter, while only a minimal percentage (1.1%) disagrees that physical evidence affects performance. These results indicate a strong belief among small retail business owner/managers in the important role of physical evidence in shaping the success of their enterprises.

Table 2

Process Element vs Performance of Small Retail Businesses

		Frequency	Valid Percent	Cumulative Percent
Valid	Strongly Agree	47	24,7	24,7
	Agree	115	60,5	85,3
	Neutral	26	13,7	98,9
	Disagree	2	1,1	100

Source: Authors' construct based on sample findings.

The results of Table 2 depict the perspectives of small retail business owner/managers on the correlation between processes and the success of their businesses. The majority, 85.3%, holds optimistic views, with 60.5% either agreeing or 24.7% strongly agreeing that processes have a positive impact on business performance. A minority, 13.7%, remains neutral on the matter. Only a minute percentage, 1.1%, disagrees with the notion that processes play a role in business performance. These findings indicate a prevailing positive perception among small retail business owner/managers regarding the crucial importance of effective processes in driving the success of their ventures.

Table 3

People Element vs Performance of Small Retail Businesses

		Frequency	Valid Percent	Cumulative Percent
Valid	Strongly Agree	52	27,4	27,4
	Agree	129	67,9	95,3
	Neutral	9	4,7	100

Source: Authors' construct based on sample findings.

The opinions of small retail business owner/managers regarding the impact of people on business performance are overwhelmingly positive as shown in Table 3. In fact, a staggering 95.3% of respondents hold positive views, with 67.9% either in agreement or 27.4% strongly agreeing on the significant role that people play in influencing business success. Only a small minority (4.7%) remain neutral on the matter. These findings paint a clear picture of the prevailing positive perception among small retail business owner/managers regarding the vital role of people in driving the performance of their businesses.

Table 4

Performance ratings by small retail owner/managers

		Frequency	Valid Percent	Cumulative Percent
Valid	Very Successful	9	4,7	4,7
	Successful	51	26,8	31,6
	Neutral	43	22,6	54,2
	Unsuccessful	87	45,8	100

Source: Authors' construct based on sample findings.

Table 4 shows a diverse range of opinions with 31.6% considering their businesses successful, including 4.7% who deemed them very successful. An additional 22.6% described their businesses as neither successful nor unsuccessful. However, a significant proportion, 45.8%, expressed a perception of their businesses being unsuccessful. These findings indicate

a varied landscape of performance perceptions among small retail business owner/managers, reflecting a spectrum from success to challenges in their enterprises.

3.2 Inferential statistics

This empirical study sought to evaluate the impact of people, process and physical evidence on the performance of small retail businesses in Durban Central, South Africa. The research formulated hypotheses (null and alternate) with the intention of approving/disapproving them. Pearson chi-square was used as the main statistical tool to find the associations between the independent variables and dependant variable.

H₀: *Process element does not significantly impact the performance of small retail businesses.*

H₁: *Process element has a significant impact on the performance of small retail businesses.*

Table 5

Pearson Chi-Square Tests: Process vs Performance of Small Retail Businesses

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.581 ^a	9	0,015
Likelihood Ratio	21,123	9	0,012
Linear-by-Linear Association	5,863	1	0,015

Source: Authors' construct based on sample findings.

The Pearson Chi-Square test results (a lower p value of 0.015) for the relationship between process and the performance of small retail businesses reveal a statistically significant association. The relatively low p-values indicate that the observed associations are unlikely to be due to chance.

H₀: *People element does not significantly impact the performance of small retail businesses.*

H₁: *People element has a significant impact on the performance of small retail businesses.*

Table 6

Pearson Chi-Square Tests: People Element vs Performance of Small Retail Businesses

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	20.765 ^a	6	0,002
Likelihood Ratio	21,568	6	0,001
Linear-by-Linear Association	13,452	1	0

Source: Authors' construct based on sample findings.

Table 6 shows a highly significant association between the people element and the performance of small retail businesses. The low p-value (0.002) indicates that the observed associations are due to an effect. It is crucial to acknowledge the strength of this association, emphasizing the notable impact of the people element on small retail business performance.

H₀: *Physical evidence does not significantly impact the performance of small retail businesses.*

H₁: *Physical evidence has a significant impact on the performance of small retail businesses.*

Table 7

Pearson Chi-Square Tests: People Element vs Performance of Small Retail Businesses

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	22.022 ^a	9	0,009
Likelihood Ratio	20,052	9	0,018
Linear-by-Linear Association	2,317	1	0,128

Source: Authors' construct based on sample findings.

The Pearson Chi-Square test results for the relationship between the physical evidence element and the performance of small retail businesses indicate a statistically significant association. This finding indicates a statistically significant relationship between the physical evidence element and the performance of small retail businesses.

4. Discussion and Conclusions

This study aimed to understand how the elements of process, people and physical elements impact the performance of small retail businesses. The study used a survey with a 5-point Likert scale and employed descriptive and inferential statistics to analyse the data. The results showed that process, people and physical elements all have a significant impact on the performance of small retail businesses. The study found that small retail business owner/managers had a positive perception of the impact of physical evidence on business performance. The Pearson Chi-Square test results also indicated a statistically significant association between physical evidence and business performance. This aligns with existing literature that emphasises the role of a well-designed physical environment in enhancing the customer experience and overall business success [15]. The findings also highlighted the importance of processes in shaping business performance. Small retail business owner/managers had a positive perception of the role of processes and the Pearson Chi-Square test results showed a statistically significant association between processes and business performance. This aligns with research that emphasises the importance of efficient processes in improving operational efficiency and customer satisfaction [7]. Furthermore, the study revealed a significant relationship between the people element and the performance of small retail businesses. The Pearson Chi-Square test results showed a robust relationship between people and business performance. This aligns with research that highlights the crucial role of a motivated and skilled workforce in business success [34]. Despite the positive significance of these key elements, small retail businesses still face a substantial rate of failure. The study acknowledges that there is a diverse range of opinions among small retail business owner/managers regarding performance, indicating a complex landscape. This suggests that factors such as market dynamics, economic conditions, or external influences may contribute to the complexities of small retail business performance [35].

4.1 Recommendations

Small retail businesses should focus on creating a positive physical environment, optimising internal processes and investing in employee training and development. This will enhance the customer experience and improve business performance. The physical evidence element, such as store layout and presentation, is significant. Optimizing internal processes, such as inventory management and customer service, enhances customer experience and improves business performance. Regular assessments of operational processes can lead to improved overall performance. Priority should also be given to human resource management, with a focus on talent acquisition, employee motivation and skills development. Despite these improvements, high failure rates suggest that there are external factors influencing small retail businesses. Further research is necessary to identify and address these factors. These recommendations aim to guide businesses to leverage the positive findings of the study to

enhance their performance and contribute to a more holistic and strategic approach to business management.

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ЗМІСТ УСПІШНОЇ СТРАТЕГІЇ ЗЕД ПІДПРИЄМСТВ В УМОВАХ ЄВРОПЕЙСЬКИХ ІНТЕГРАЦІЙНИХ ПРОЦЕСІВ

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Анотація. Ефективність участі будь якої країни на світових ринках обумовлена активністю її суб'єктів господарювання різних форм власності їх ефективних стратегій просування товарів на зовнішні ринки та успішних зовнішньоекономічних угод, укладених з торговими партнерами. В статті розглядаються особливості врахування в стратегії зовнішньоекономічної діяльності підприємств світових правил та норм щодо принципів укладання, структури та виконання міжнародних угод в розрізі принципів вільного вибору характеру угод, відповідності цих угод міжнародним нормам та їх виконання за умов інтеграційних процесів до Європейської спільноти. Основна мета публікації: представлення необхідних важелів для застосування суб'єктами господарювання при підготовці, опрацюванні та укладанні зовнішньоекономічних контрактів купівлі продажу товарів, вільного вибору місця та норм правового забезпечення зовнішньоекономічної угоди. Представлений порівняльний аналіз застосування при укладанні міжнародних договорів купівлі продажу товарів принципів та норм Віденської конвенції про право міжнародних договорів та міжнародно-правової системи для регулювання відносин у сфері міжнародної торгівлі на основі комерційних правил та принципів (*lex mercatoria*). В представленій публікації як висновок і наукова новизна пропонується врахування в стратегіях зовнішньоекономічної діяльності підприємств і