



LITERATURE REVIEW EXAMPLE

Impact of Extended Trading Hours

Executive summary

Trading hours is a key concept to retailers as it guarantees customers have access to their respective business entities. However, due to the complexity of the operation of the various business establishments, there are instituted regulations that govern the operations of the diverse business. Different regions have a different set of regulations that are based on the trading trait of that particular region. One of the most regulated aspects of trading by the established regulation is the trading hours. However, there have changes made to the different regulation that has allowed more trading hours. In this literature review, an analysis will be done on various literature in an effort to bring out the various concepts that are elaborated and that are relevant to assisting to comprehend the various effects of extended trading hours.

1. Introduction

This literature review will evaluate various credible literature published from the academic and business worlds concerning extended trading hours. Unfortunately, there is only limited literature on this research topic available, as nobody has done any focus research to address the issue of extended trading hours in regards to answer the proposed



research question, if longer opening hours will attract more visitors to Chinatown in Broome, what attracts visitors to come to Chinatown and if it is lucrative for participating businesses to take part in the late-night trials in Chinatown. Therefore, the areas that will be covered within this literature review have unfortunately only limited similarities or resemblances with the topic of the planned research.

The types of literature found through academic databases and open searches on the internet cover the following topics: extended trading hour regulations and deregulations, impact of extended trading hours on employment, Sunday and or Saturday trading, extended trading hours overseas, impact of extended trading hours on employment relations, and extended trading hours' effects on licensed venues and studies involving large retailers. The gigantic gap in research literature available in order to answer the research questions for Broome's retail industry and its community add to the factor that research needs to be done. The very little literature available relating to the research topic gave room in this literature review for conversations and discussions amongst the local retail community.

2. Analysis of the Literature

2.1 Extended trading hours overseas

Gruenhagen et al (2003) Saturday shopping in Germany need to be evaluated whereby comparison of the customer perception of Saturday shopping. Ideally, investigations done will focus on the relaxed restrictions with regards to hours of retail operation. In the past, store hours have only been conducted conceptually where only assumptions questions have been asked.





Evidently, there have been changes in shop hour regulations in Germany which has offered a timely opening to investigate retail hour change. However, recent market trends have indicated that business stores hours have expanded in the recent years whereby in particular weekend shopping has become an important alternative for the customers. Increasing the retail hours has become a public policy ingenuity that can be inspected in various ways. Fundamentally, it is crucial to comprehend there are individuals who support the initiative whereas there are individuals who are completely against the initiative.

Primarily, it is important to investigate the various arguments that are presented in the support of both arguments. In the case for those who oppose the initiative for extending business hours but recommend restricting hours of conducting business offers their arguments on the basis of higher operation costs with the expansion of operating hours, encouragement of family relationship, favouritism of larger business entities, longer working hours for the employees, religious concerns, and the possibility of higher prices for the customers in order to offset the operational costs Gruenhagen et al (2003, p.1802). Alternatively, arguments made for less restrictive operational hours include more efficient utilization of facilities, boost employment and economic growth, and increase accessibility for customers.

Essentially, the core aspect of increasing the customer response in order to improve their shopping experience. The various arguments have to be scrutinized in order to have a better conceptual understanding of the various elements that contributed towards the conclusion of both those are for the idea of extending business hours and those who are against it Gruenhagen et al (2003, p. 1813). Fundamentally, these concepts for either accepting or rejecting the idea will have a great basis in broadening the comprehension of this research.



2.2 Impact of extended trading hours on employment relations

The longer working hours resulting from extended retail trading hours may actually provide significant benefits to the community in terms of the increased workplace flexibility. Extended trading hours are likely to result in greater part-time employment opportunities, which will benefit particular sectors of the workforce such as women, students, older workers, and those with a preference for part-time employment, CCI (2007, p.50).

2.3 Extended trading hours' effects on licensed venues

Lyons (2005) argues that there is need to investigate the circumstances that led to the introduction of extended retail trading in New South Wales in the mid of 1980s. However, despite the strong opposition from unions and employers, the government was able to come to a consensus with the various involved parties in regards to employment conditions for retail workers which permitted Saturday afternoon trading to commence. Still, there was a dispute over the appropriate penalty rate applicable for staff Lyons (2005, p.109). It was identified that there was the need for a tribunal that would deal with the industrial relations that would be fundamental to the retail industry in regards to the licensing of business establishments.

Methodically, it is important to understand that in the retail industry, there are various regulations that ensure that the various stakeholders in the industry have to adhere to strictly. Each party presents their recommendation but it is only through an impartial body that can



guarantee that all players in the industry operate a standardized field. In this research, it is important to identify the various institutions that are put in place in order to ensure no business entrepreneur is at a disadvantage.

2.4 Extended trading hours for large retail businesses

Price (2005, p. 135) states that there have been economic debates that primarily focus on Sunday trading on the retailer and the employee. In the case of the retailer, the perspective of large retailer greatly differs from that of a small retailer. It is crucial to note that most states have permitted small retail shops to open, but restricted large retailers from trading on Sundays. It is claimed that by allowing large retailers to trade on Sundays, it would lead to declining in the in sales for smaller retailers and an increase in sales for large retailers. Furthermore, it is argued Queensland Retail Traders and Shopkeepers Association (QRTSA) that with the introduction of seven-day trading in Queensland in 2002, the majority of small independent retailers claim they lost up to 50 percent of their Sunday trade. Additionally according to CCI (2007, p.15), before 2003, South Australia executed complex restrictions on retailing trading hours depending on the size, products sold, and location. Particularly, Sunday and evening trading by large general retailers was prohibited. However, longer trading was allowed in the central business district and Glenelg tourist district. It is important to note Tasmania eradicated retail trading hours restrictions in 2002 where prior, retail trading hours in Tasmania were regulated by the Shop Trading hours Act 198, which restricted large retailer from trading on public holidays, Sundays and after 6 pm from Monday to Wednesday CCI (2007, p.16).



According to CCI (2007, p.10), the retail trading hours in Western Australia are governed by Retailing Trading Hours Act of 1987. Essentially, this Act is applicable to all retail establishments operating south of 26th parallel. However, it does not affect the operations of fast foods outlets, cafes, and restaurants. Basically, the Act identifies retailer in four categories which include exempted retail shops, filling stations, general retail shops, and specialty retail shops. Depending on the classification, there are different trading hours allocated for each classification. In the case of general retail shops, they are allowed to operate on Monday, Tuesday, Wednesday, and Fridays as from 8 am to 6 pm, whereas on Thursday, they normally operate from 8 am to 9 pm. Finally, on Saturday, they operate from 8 am to 5 pm. Importantly, general retailers are not allowed to open on public holidays or Sundays.

Moreover, 'special retail shops' can be defined as a shop that has been issued with a certificate specifying it to be a special retail shop within an approved category of a shop. Essentially, shops that are categorized as special retail shops are those identified as necessary for recreation supplies or convince, and emergency. Presently prescribed categories include nurseries newsagencies, souvenir, and duty-free shops, motor vehicle parts shops, hardware shops, art and craft shops and shops located at international standard hotels CCI (2007, p.12). Shops that are issued with the special certificate are allowed to operate between 6 am to 11.30 pm every day of the week. A filling station is defined by the Act as a business that sells motor fuel CCI (2007, p.13). The act stipulated that the operating hours of the filling station is 24 hours every day due to the frequency of fuel needs by motorists.

2.5 Benefits of extended trading hours



CCI (2007, p.29) argues that one of the primary benefits from extended retail trading hours is that it will help generate higher retail sales, as a result of the increased choice and convenience available to consumers. It will provide consumers with greater opportunities to engage in retail trade, particularly those consumers whose lifestyle and working arrangements make it difficult to shop during the currently restricted trading hours. The broader economic effects associated with increased employment (and therefore wages) in the sector will also boost retail spending overall. Another important factor behind growth in retail sales is the emergence of shopping as a form of leisure activity. As a recreational and enjoyable activity, consumers are likely to increase time spent shopping if the opportunity is provided. By allowing greater shop opening hours, the amount spent on discretionary goods and services is likely to increase significantly, with higher retail sales as a result.

According to the CCI (2007, p.8) extended retail trading hours are also likely to boost the tourism industry and provide greater opportunities for WA suppliers. In recent years, the retail sector has become increasingly important to tourism with “shopping for pleasure” emerging as a key activity for tourists to the state, CCI (2007, p.38). Moreover, one of the core benefits which would be as a result of an extension of retail trading hours would be increased choice and convenience for customers. Presently under the current the current regime, customers are deprived of the choice of when and where one can shop.

Conclusion

Implementation of different business ideologies consequently yields different results. In this instance, it is important to have a better



comprehension of the effects of extended retail hours for the business, the retailer, and the customer. Essentially, it is important to investigate both the positive and negative effects of implementing extended hours as it will offer the viability of this strategy. The various stakeholders in the business will have their contribution towards the viability of extended retail hours, and all their contributions have to be considered in order to have an in-depth understating of the hypothesis. Notably, through intensive research, the feasibility of extended retail hours for a business can be determined. Furthermore, as the topic is not limited to a specific geological location, it is vital to properly have a chance to analyse the various aspects that affect both customers and retailers around the world.



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