

## **A Study on Unfairness of Customers according to New Management Strategy at Polarization of Retail Business**

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### **Abstract**

The study examined effects of psychological change of distribution environment upon commercial areas to investigate consumers' experience and theory and to suggest power of new management strategy for growth of retailers. The study investigated actual conditions of business transaction of hyper market by blind interview. In April, 2016, the author visited 6 manufacturers to do depth interview. The questionnaire between food manufacturers and hyper market investigated the Association of Food Industries in Korea, NH Nonghyup and large manufacturers in July 2012. Questionnaires of 25 companies were used after excluding questionnaire having poor and inadequate answers. The sales commission with large scaled distribution business decreased (0.3 ~ 0.7) to increase additional expenses such as number of salesmen, interior expenses and economic costs (0.7 ~ 40%). (source: Fair Trade Commission). Fair Trade Commission released types and notice of unfair trade of large scaled retail business based on monopoly regulation and fair trade (hereinafter called 'notice of large scaled retail') to prevent large scaled distribution business from doing unfair trade. The notice controlled unfair trade at different position between large scaled distribution business and small vendors.

**Keywords:** Polarization of Retail Business, New Management Strategy, Classification of Retail Business.

### **1. Introduction**

In the past, distribution business in Korea consisted of small-sized shops and stores except for some of department stores and chain supermarkets: In 1996, distribution market was completely opened to reconstruct all of distribution businesses. Not only advanced distribution businesses in foreign countries but also large businesses in Korea that had good finance, organizations and management skills triggered economy of scale at distribution markets to make change of structure of the markets(Cho, Hwang, & Lee, 2011).

Since 1996, distribution market was completely opened to make change of distribution market in Korea rapidly and to have large-scaled distribution businesses and to have influence upon distribution market, economy and society and to create conflicts between businesses from negative point of view. Large-scaled distribution business could increase effectiveness to strengthen competitiveness of distribution business and to elevate productivity and to provide consumers with convenience by better shopping environment(Hwang, Shin, 2012).

On the other hand, small-sized distribution decreased sales to lose market to increase unfair trade by large scale and buying power and to promote sales promotion at excessive competition and create impulse buying and unreasonable consumption and to produce social conflict and expenses(Cho, Hwang, & Lee, 2011).

Growth of large-scaled distribution and weakened small-sized distribution created polarization of distribution business to let large-scaled distribution business occupy market(Hwang, Shin, 2012).

Share of the sales of large-scaled retailers (number of employees at ordinary time was more than 200 persons) increased from 42.3% in 2001 to 61.0% in 2009 to let large-scaled retailers such as hyper market and department store governed distribution market(Cho, Hwang, & Lee, 2011).

Market share of top three department stores increased from 61% in 2001 to 88% in 2010, and that of top three hyper market did from 41% in 2001 to 87% in 2010 to let large business monopolize retail market.

The purpose of the study was to inspect actual conditions of market control and to understand problems of high market control of large-sized distributors and to examine cases of foreign distribution market and to suggest policy for development of distribution and manufacturers as well as competition of distribution business.

All of the enterprises have looked for new platform under homogeneous market competition to require research on consumers' attitude toward retail businesses and effects upon consumers' buying values and behavior(Cho, Hwang, & Lee, 2011).

The study examined effects of psychological change of distribution environment upon commercial areas to investigate consumers' experience and theory and to suggest power of new management strategy for growth of retailers(Hwang, Shin, 2012).

## **2. Theoretical Background**

### **2.1. Current Situation of Retail Businesses**

Department stores took the lead in growth of retail market to have marketing mix in connection with management outcome of new management strategy.

Department stores could sell commodities to give shopping values and to satisfy consumers and to increase consumers' buying power rather than pleasure and to invite more visitors and increase sales. Complex shopping mall, a kind of distribution business, shall give one stop service of shopping, outeating and entertainment: In the 2000, large-scaled complex shopping malls were opened at downtown in Metropolitan areas and others to consider renovation and remodeling of first generation shopping mall. Most of complex shopping malls in foreign countries took renovation 15 to 20 years after opening. Complex shopping mall's renovation gave influence upon consumers' shopping environment and expenditure. The Effects of Mall Renovation on Shopping Values, Satisfaction and Spending Behavior of Journal of Retailing and Consumer Services by Jang Charles Shevat, professor of HEC business administration, Montreal, Canada, and Richard Mission, professor of Ryerson University, Canada.

In particular, department stores, traditional distribution business, decreased sales to be internationalized and to have marketing strategy of supply of higher level of values rather than product quality, design and service of traditional marketing. Department stores are demanded to have online mobile service enough to compete with discount stores, new power, at distribution market. In the era of information, new type of marketing mix strategy shall be used to give consumers experience rather than information(Chang, Park, & Yoon, 2014).

Experience marketing allows enterprises to give commodity and brand images by services and events when selling commodities and to create loyal customers of consumers(Kim, 2014).

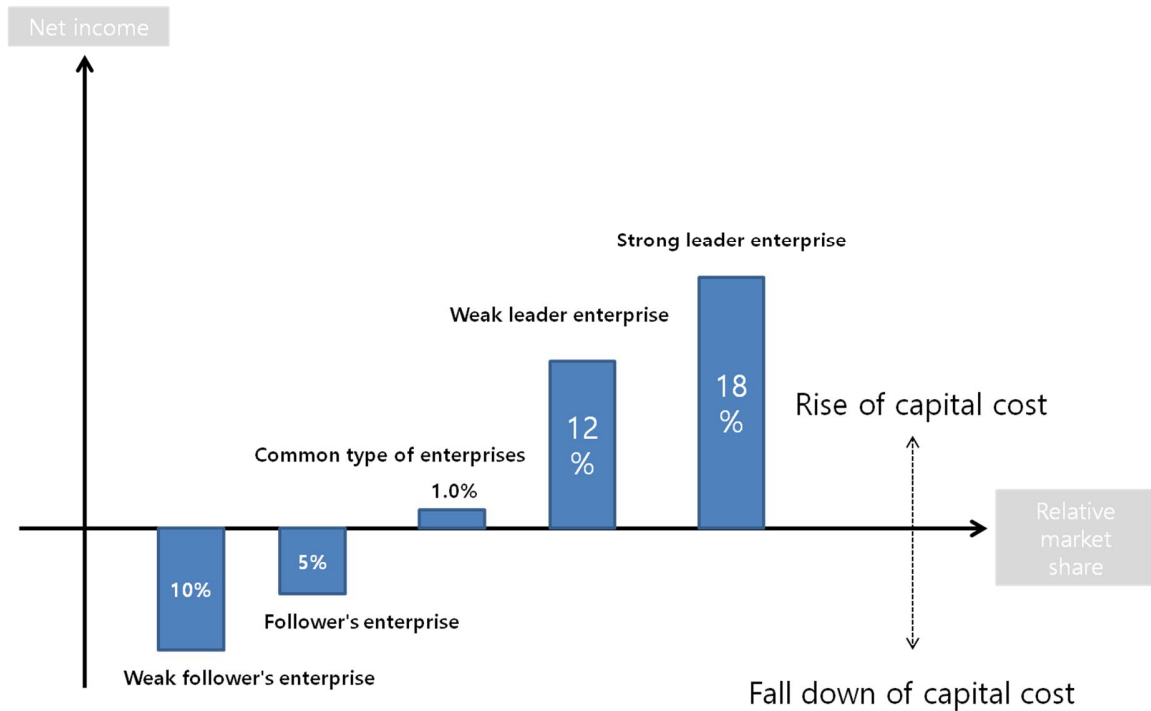
This study investigated effects of experience marketing factors at marketing mix strategy and effects upon shops by using new marketing strategy, and examined relations between variables of the models to give strategy(Chang, Park, & Yoon, 2014).

#### **2.1.1. Retailer's growth and strategic risks**

Success ratio of retail business that is placed far from important commercial area is less likely to succeed to increase strategic risks. Risk profile of success strategy can be controlled considering strategic access and strategic risk that reflect growth initiative(Kim & Bae, 2005).

Distance from important commercial area may be likely to fail according to cross section of distance from important commercial area, access and strategic risk, access and strategic risk type, and success of strategic growth(Kim & Cho, 2013).

Business grows up based on new product and services by customer segmentation and new distribution channels from 1st stage to 3rd stage, and by integration of front area and rear area from 4th stage and thereafter **Figure 1**. The distribution business switches business from individual growth to integrated growth to lessen business strategic risk and to have growth strategy structure(Kim & Bae, 2005).



**Figure 1:** Market share depending upon retail business income and leadership

Far distance from important commercial area may decrease success ratio of retail business to increase risks. Risk profile can be used to control growth strategy of strategic risk considering not only distance from important commercial area but also growth initiative(Kim & Cho, 2013).

Far distance from important commercial area is likely to fail according to cross section of distance from important commercial area, access and strategic risk, access and strategic risk type, and success of strategic growth(Kim & Bae, 2005).

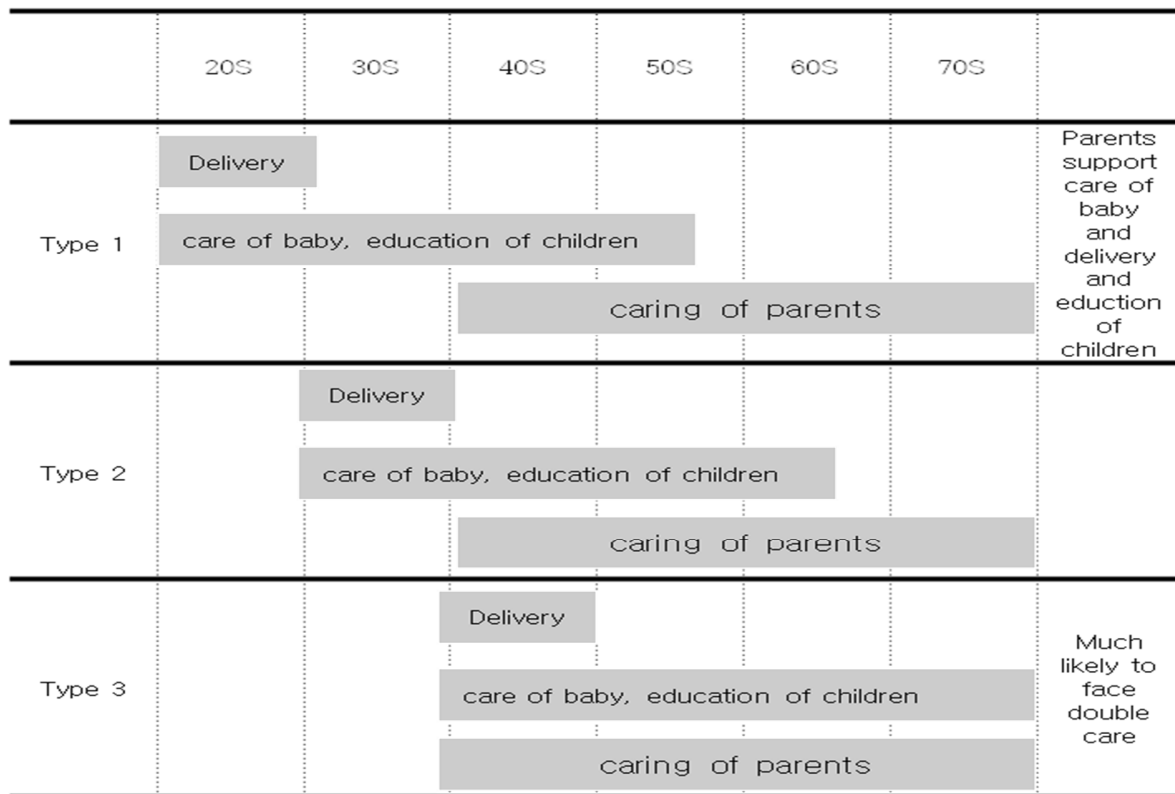
Businesses grow up by customer segmentation and new distribution channel based on new product and services from 1st stage to 3rd stage, and integration of front and rear by diversification. The integration may switch retail business from individual growth to integrated growth to lessen risks of business strategy and to have growth strategy(Kim & Cho, 2013).

### 2.1.2. Retail business in Korea

Since 1990s, retail business in Korea has grown up slowly at low population growth and maturity of the economy to make change of retail business(Kim & Kim, 2016).

Not only start of decrease of the population from the year of 2017 but also decrease of total population in the year of 2030 may make change of retail business greatly(Kim & Bae, 2005).

Labor productivity is likely to rise 2.5% a year from 2005 to 2013, and employment rate shall keep 0.4% a year after 2000, so that decrease of the population shall decrease domestic market.



Source: Cabinet office, Japan (2015)

**Figure 2:** Ages of delivery and life plans

These days, ages of first marriage and delivery of first baby in both Korea and Japan are similar each other **Figure 2**. In 1995 and 2014, ages of first marriage and delivery of first baby were similar in Korea and Japan. Couples got married 3 to 4 years old in about 10 years to increase age of delivery of first baby to have bad influence upon retail market at aging society and poor system of baby care and nursing **Figure 2**(Kim & Kim, 2016).

In Korea, raising of grandchildren is said to be the most risk factor. Caring of grandparents who helped child raising could be double care to decrease consumption and expenditure without preparation. In Japan, 15.9% of the one who experienced double care said 'no one' to rely upon at difficult time(Kim & Bae, 2005).

Type 1 of not only age of delivery but also life plan said parents' support for delivery, child care and child education, and type 3 was likely to face double care **Figure 2**. Delivery of child at the forty of type 3 may face double care of child care, child education, and parents care **Figure 2**(Kim & Kim, 2016).

## 2.2. Changes of Distribution Industry Structure

Distribution industry increased scale in appearance and decreased relative scale. In advanced country, ratio of distribution industry decreased to develop technology and industry and to decrease distribution margin. Distribution industry's added value (nominal) increased from 202 trillion and 840 billion KRW in 1990 to 987 trillion and 800 billion KRW in 2011, 387% up, while ratio of total added value decreased from 11.8% to 8.9%, 2.9% down during same period. The distribution industry sells and buys commodities with margin to have high ratio of national economy owing to mass production and consumption in the stage of industrialization, and thereafter has kept specific ratio(Kim, 2015).

Ratio of the distribution industry has decreased than before: In other words, industries have lessened distribution cost by sales control technique, restructuring of industries, and better sales control technique. Ratio of distribution industry has been lowered owing to effectiveness of the industry. The distribution industry has been effective based on retail business that can be evidenced by changes of number of retail business and employees. The distribution industry (wholesale and retail business) can be divided into vehicle sales, vehicle fuel, wholesale business, and retail

business (excluding automobiles), and wholesales than vehicle sales and fuel retail has increased sales, number of business entity and employees, while retail has increased sales slightly and number of business entity has decreased 1.3% a year on average and number of employees has done 0.2% a year. The distribution industry was restructured based on retail business(Kim, Hwang, & Song, 2014).

### **2.2.1. New Business Types**

New business type of hyper market has grown up rapidly owing to good service, good quality of the products and inexpensive prices. Hyper market, convenience stores and online shopping have recorded high annual growth rate than department stores and super markets did(Kim, Hwang, & Song, 2014).

In 1996, supermarket had recorded sales of 14 trillion and 900 billion KRW to rank the highest among retail businesses, and in 2011, it did 25 trillion and 400 billion KRW to rank third highest retail business following hyper market and department store. In 1996, hyper market recorded third largest retail business by trillion and 900 billion KRW, and in 2011, it did 36 trillion and 800 billion KRW of sales to have annual growth rate of 28.2% and to rank the highest(Lee & Lee, 2014).

Other kinds of new business type of convenience store and online shopping sales also grew up 16.4% and 28.5% each a year to rank 4th and 5th highest in new type business.

Number of business entity and employees of new type of retail business made change: General merchandise retail business that allowed hyper market and convenience store to enter has rapidly decreased number of employees than retail business did, and number of hyper market and convenience store increased greatly. The retail business can be classified into two according to Korean Standard Industrial Classifications, in other words, the one is general merchandise retail business and the other is food product, tobacco retail, medical supplies, medical use apparatus and cosmetics retail. Number of general merchandise retail business decreased 2.3% and that of employees increased 0.5% each year from 1997. Number of special retail business decreased 1.2% each year and that of employees did 1.6% each year from 1997. Number of general merchandise retail business decreased at department stores, and food & beverage shops, while number of hyper market and convenience store increased 8.1% and 13.2% respectively every year. Number of employees of department store as well as general merchandise retail business based on food and beverage decreased 7.8% and 2.6 % respectively each year, while that of hyper market and convenience store increased 8.1% and 11.5% respectively each year(Kim, Hwang, & Song, 2014).

### **2.2.2. Hyper Market and Small sized Distribution Company**

Opened distribution market helped new type of distribution company grow up to advance distribution company in Korea and to worsen polarization between hyper market and small sized distribution business. New type of distribution business expelled small sized retail business with 4 or less employees. Number of small sized retail business decreased 1.2% each year from 627,000 retailers in 1997 to 617,000 retailers in 2010. On the other hand, number of 5 persons or more retailers increased(Kim & Kim, 2016).

Sales of small-sized retailers increased 5.3% each year from 52 trillion and 800 billion KRW in 1997 to 10 trillion and 300 billion KRW in 2010, and sales of 50 persons or more retailer grew up 13.8% each year from 2004 when statistical material was released. Increase of the sales of small sized retail business was negligible considering commodity price rise. Polarization between small sized retailer and big distributor was worsened: For instance, sales of large-sized distribution business with more than 200 employees occupied 26.6% to say worsening of polarization(Kim & Bae, 2005).

Number of 1 to 4 person small sized retailers occupied 95.1% in 2001 and 93.3% in 2009, 1.8% down, and sales also decreased from 39% to 39.4% at same period, 0.1% down. On the other hand, number of large-sized distribution business with more than 200 employees increased a little from 0.03% to 0.12% during same period, and ratio of the sales did from 20.3% to 26.6% by 6.3% during same period. In 2009, large sized distribution business occupied 26.6% of total sales of retail business to concentrate on retail distribution market(Kim & Kim, 2016).

Distribution margin made change to evidence polarization between large sized distribution business and small sized distribution business. Large sized distribution business could lower cost by economy of scale and buying power, and small sized distribution business had weak buying power and distribution system than large sized distribution business had(Kim & Bae, 2005).

Distribution margin of small sized retailers with 1 to 4 employees decreased from 33.5% in 2004 to 30.9% by 2.6%, while that of large scaled distribution business with more than 50 employees increased from 35.3% to 39.3%, 4.0% up during same period(Kim & Bae, 2005).

Small sized retailer of general merchandise retail business had lower distribution margin. Distribution margin of small sized retail business decreased from 28.8% in 2004 to 27.5% in 2009, 1.3% down, while that of general merchandise retailer with more than 50 employees increased from 32.3% to 26.4% at same period, 4.1% up. The general merchandise retail was concentrated on department stores, hyper market and other shops managed by large business to have plenty of finance and big scale and to worsen market concentration and to have polarization between small sized distribution and large sized distribution(Kim & Kim, 2016).

### 2.2.3. Concentration on Retail Market

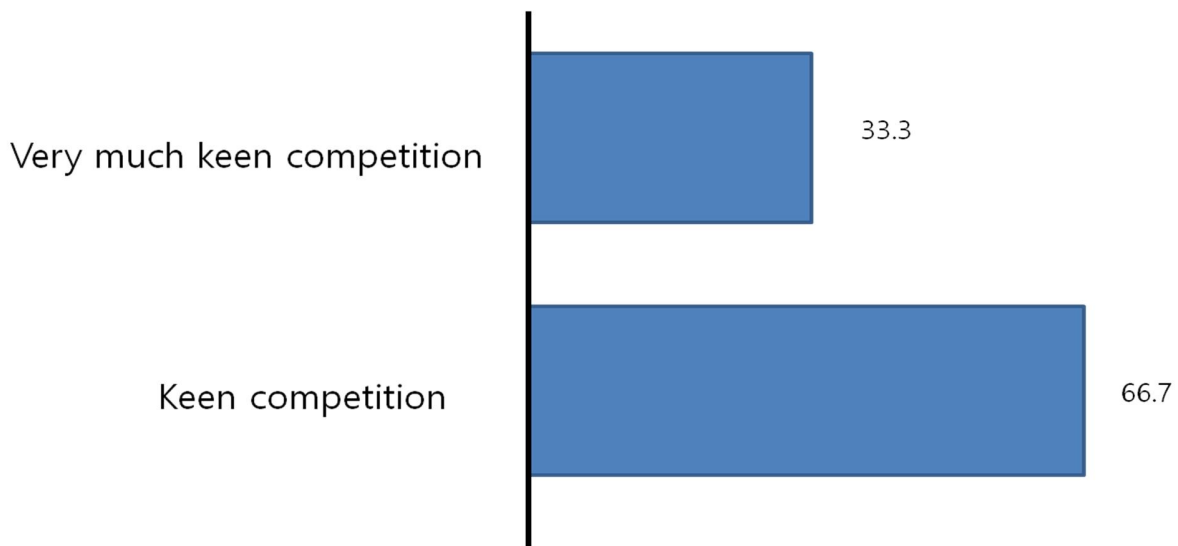
Large scaled distribution business had grown up based on new type of distribution business to elevate productivity and to weaken conditions of small sized distribution business and to create polarization in industries. Market concentration of hyper market was in dispute. Large-sized retail business had polarization, and ratio of polarization of retail business increased slightly, for instance, 0.515% in 2001 and 0.676% in 2009, 0.121% up. Market concentration of large scaled retail business increased from 25.54% in 2006 to 26.63% in 2009 by 1.09%(Kim & Bae, 2005).

## 3. Studies

(A) The study investigated actual conditions of business transaction of hyper market by blind interview. In April, 2016, the author visited 6 manufacturers to do depth interview. The questionnaire between food manufacturers and hyper market investigated the Association of Food Industries in Korea, NH Nonghyup and large manufacturers in July 2012. Questionnaires of 25 companies were used after excluding questionnaire having poor and inadequate answers, Vendors had ratio on average; business center/ agent (29.9%), hyper market (39.7%), supermarket (11.1%), convenience store (4.1%), retail shop (1.9%), special sales (5.3%) and miscellaneous (8.7%). Hyper market had the highest ratio of supply of 39.7%. Hyper market and SSM exceeded 50%(Lim & Chol, 2013).

### 3.1. Manufacturers' on-the-spot Interview and Questionnaire

Manufacturers said keen competition in the market (33.3%), and rather competition (66.7%). All of the interviewees thought of keen competition in the market; Manufacturers competed much each other at bad economy. Distributors were likely to have more power under such an economic condition(Liew, 2013).



(Unit: %)

Source: Manufacturers' in-depth interview in May 2016 (n=25)

Figure 3: Competition in the market

The manufacturers were found to keep large quantity supplier (44.8%), and keep market share (31.0%), and grow up at market expansion (20.7%). Even if manufacturers were dissatisfied with unfair trade at hyper markets' trade negotiation, they were forced to supply their products to enter market and to increase sales. Manufacturers wanted to sell their products to hyper market to enter market and to increase sales: At investigation of the Association of Food Industries in 2008, manufacturers wanted keeping of large quantity supplier (40.0%), growth at market expansion (31.1%), keeping of market share (20.0%), and no answer included easy account settlement (0%) and price stability (0%)(Lee, Hwang, 2014).

Manufacturers complained economic burden at unfair trade, for instance, incentive (19.7%), appointing of sales promotion employee (17.1%), request of lagniappe (10.5%), asking for sales promotion cost and/or advertising cost (7.9%), and sudden suspension of ordering (7.9%), Manufacturers complained hyper markets' unfair trade. The Fair Trade Commission asked for no abuse of rights at hyper market's trade with manufacturers by enactment of the Act on Trade Fair at Large-scaled Retail, and no asking for manufacturer's subsidy by manufacturer, and paying of sales promotion cost by distributor jointly at fifty to fifty. Most of respondents said affirmatively regulatory notice on sales promotion staffs entry to acknowledge sales promotion staffs. Businesses that could increase sales by sales promotion staffs acknowledged needs of the staffs not to support the notice. Manufacturer's no support raised doubt about effectiveness of 'the law on Fair Trade of large-scaled Retail Business' of Fair Trade Commission(Lee & Hwang, 2014).

### **3.2. Problems between contract between large scaled distribution and manufacturers (sales commission and unfair trade)**

#### **3.2.1. Unfair trade between large scaled distribution and manufacturers**

Unfair trade between large-scaled distribution and manufacturer is said to improve greatly and to be unsatisfactory. Sales commission of each business in 2010 and 2012 is: Lower commission from 29.7% to 29.2% at department store; lower commission from 34.4% to 34.0% at TV home shopping (fixed rate); Lower from 5.4% to 5.1% at hyper market (sales incentive). Lower sales commission a little between 0.3% and 0.5% at department store, hyper market and TV home shopping from 2010 to 2012.

Lower sales commission of department store from 29.7% in 2010 to 29.2% in 2012 by 0.5%, and that of hyper market from 5.4% in 2010 to 5.1% in 2012 by 0.3%, and that of TV home shopping (fixed rate) based on the contract from 34.4% in 2010 to 34.0% in 2012 by 0.4%(Lee & Lee, 2014).

Department store and TV home shopping lowered commission of high commission group slightly, and hyper market lowered commission of product group having high sales incentive greatly. Department store lowered sales commission of more than 30% in 2010 of garment and miscellaneous goods 0.3 to 0.5% to keep more than 30% in 2012(Kim & Bae, 2005).

In 2010, TV home shopping lowered sales commission of garment, miscellaneous goods and others from nearly 40% by about 1% to keep 40% commission. Lotte lowered commission from 30.0% to 29.6% by 0.4%, and Hyundai did from 29.5% to 28.8% by 0.7%, and Shinsegye did from 29.2% to 28.4% by 0.8%(Kim & Bae, 2005).

In 2010, hyper market lowered sales incentive of processed food and home use product and daily necessities from 8 to 10% by 1 to 2% to keep about 8% sales incentive. E-mart lowered sales incentive from 7.2% to 6.3% by 0.9%, and Home Plus did from 8.6% to 5.2% by 3.4%, and Lotte Mart did from 7.5% to 7.1% by 0.4%(Lee & Lee, 2014).

#### **3.2.2. Unfair trade between large scaled distribution and manufacturer**

Large-scaled distribution business made vendor pay sales promotion, salesmen's labor cost, advertising, interior decoration cost, return of the product, and ARS expense (pay discount cost in the use of ARS) to increase all of costs than labor cost and advertising of salesmen of department store between 2009 and 2011.

Lotte increased number of salesmen by 4.2% from 2009 to 2011, and Hyundai did sales promotion cost by 100%, and Lotte did interior expense by 10.9%, and Hyundai did interior expense by 19.1%. Lotte increased number of salesman per shop by 4.8 persons and 4.2% from 2009 to 2011, and Shinsegye did from 3.1 persons to 3.2 persons by 3.2%, and Hyundai did by 3.0 persons. Lotte kept sales promotion per shop of 1.5 million KRW without change, and Hyundai increased from 0.7 million KRW to 1.4 million KRW by 100% from 2009 to 2011, and Shinsegye did from 0.5 million KRW to 0.7 million KRW by 40%. Lotte decreased advertising cost per shop from 0.4 million KRW to 0.3 KRW from 2009 to 2011, and Hyundai did from 1.8 million KRW to 1,3 million KRW by 27.8%. Lotte increased interior expense per shop from 2009 to 2011 by 10.9%, and Hyundai did from 36.2 million KRW to 43.1

million KRW by 19.1%, and Shinsegye decreased from 67.4 million KRW to 56.8 million KRW by 15.7%. Hyper market increased all of other expenses than sales promotion and less return greatly comparing with those in 2009. Number of salesman per vendor increased from 2009 to 2011: Number of salesman per vendor of e-Mart was 29.9 persons per 26.6 million KRW, 12.4% up, and that of Home Plus was 111.9 persons per 59.2 million KRW, 89% up, and that of Lotte Mart was 77.9 persons per 64.3 million KRW, 21.2% up. Sales promotion expense per vendor increased from 2009 to 2011: That of E-Mart increased from 51.1 million KRW to 106.6 million KRW, 108.6% up, that of Home Plus decreased from 292 million KRW to 280.5 million KRW, 3.9% down, and that of Lotte Mart did from 154.5 million KRW to 93 million KRW, 39.8% down. Logistics expense per vendor increased from 2009 to 2011: That of E-Mart increased from 147.7 million KRW to 184 million KRW, 24.6% up, and that of Home Plus did from 112.7 million KRW to 116.6 million KRW, 3.5% up, and that of Lotte Mart did from 95.1 million KRW to 123.7 million KRW, 30.1% up. Return per vendor increased or decreased from 2009 to 2011: That of E-Mart decreased from 409.5 million KRW to 391.9 million KRW, 4.3% down, and that of Home Plus increased from 384.5 million KRW to 562.7 million KRW, 46.3% up, and that of Lotte Mart increased from 127.1 million KRW to 206.2 million KRW, 62.2% up. TV Home Shopping increased additional expenses borne by vendor except for farming and fishery home shopping greatly from 2009 to 2011(Kim & Bae, 2005).

## **4. Summary**

### **4.1. Conclusion**

Business relation between large-scaled distribution and vendor was not improved. Answer to question of manufacturer's market competition was 4.2% up to indicate worsened market competition. Large scaled distribution has raised market negotiation: At the questionnaire of vendors, business relation with large-scaled distribution was thought to be the most important to be 4.8% up than 2008. Manufacturers wanted to strengthen brand to be 7.9% up. Manufacturers wanted to strengthen brand considering difficult public relations of brand and company name when selling products. Manufacturer's unfair trade with large scaled distribution was improved slightly to expand additional unfair trade(Kim, 2014).

The sales commission with large scaled distribution business decreased (0.3 ~ 0.7) to increase additional expenses such as number of salesmen, interior expenses and economic costs (0.7 ~ 40%). (source: Fair Trade Commission). Unfair trade of large scaled distribution business and vendors were reluctant to report and/or disclose considering business relations as previous questionnaire survey said. Some of unfair trade seemed to neglect by loss, sales promotion event and gift event to open shop of new products, and to get customers. Penalty of unfair trade of large scaled distribution business seemed to be negligible, and some of large scaled retailers transferred penalty to vendors in various ways(Kim, 2016).

### **4.1. Political Suggestion**

Fair Trade Commission released types and notice of unfair trade of large scaled retail business based on monopoly regulation and fair trade (hereinafter called 'notice of large scaled retail') to prevent large scaled distribution business from doing unfair trade. The notice controled unfair trade at different position between large scaled distribution business and small vendors(Cho, Hwang, & Lee, 2011).

On September 29, 201, Fair Trade Commission announced action plan of win-win growth between large business and small business with help of Ministry of Planning and Finance, Knowledge and Economy, and Small Business Administration. The plan included sales commission of department stores and TV home shopping, and enactment and supply of standard agreement by each business type(Kim, 2015).

Large scaled distribution businesses such as department stores, TV home shopping specially bought to let vendor pay specific rate of sales commission and to pay extra expenses at inventory and sales.

Small vendors that supply to department stores and/or TV home shopping continuously ask to lower sales commission. 2009 Parliamentary inspection into political affairs said excessive sales commission (margin) of department stores and TV home shopping business(Cho, Hwang, & Lee, 2011).

Regular and/or irregular inspection shall inspect unfair trade such as large scaled distribution's unfair increase of sales commission. Structural solving shall be done to have competing conditions such as improvement of market monopoly. Agreement and standard trade agreement shall be made to create win-win culture(Kim, Bae, 2005).

40.3% of the vendors experienced legal violation. Large scaled distribution business still committed unfair trade, for instance, 14.7% of the vendors were asked to return product in unfair way, and 11.0% of them transferred sales



promotion expenses unreasonably, and dispatch of salesmen (7.1%), and buying of gift ticket (9.3%), receipt of unreasonable economic profit (0.9%), and unreasonable delay of payment (1.4%), and unreasonable rejection of receipt (0.8%). Vendors (74.6%) acknowledged notice of large-scaled retail of Fair Trade Commission, and vendors (64.2%) acknowledged report reward system. Vendors (68.6%) said that Fair Trade Commission's survey in writing was effective to prevent unfair trade. Vendors (71.4%) said that Fair Trade commission made effort to improve unfair trade practice(Lee, Lee, 2014).

Vendors said that Fair Trade Commission took corrective actions against unreasonable return (14.2%), paying of sales promotion expense (17.4%) and unreasonable request (14.7%). The study suggested legal enactment, authorized investigation, strengthening of punishment, and making fair trade agreement to prevent unfair trade(Cho, Hwang, & Lee, 2011).

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