STORE IMAGE ATTRIBUTES AFFECTING RETAIL SHOPPING PREFERENCE: AN EMPIRICAL STUDY
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ABSTRACT: PURPOSE: To identify store image attributes which consumer prefer while shopping. DESIGN/METHODOLOGY/APPROACH: A random sample of 300 retail consumers from Delhi & NCR was surveyed using a self-administered questionnaire. Descriptive and inferential statistical techniques (ANOVA) were used to analyze the data. FINDINGS: 24 store image attributes were identified and they were grouped into five factors using factor analysis. The five factors were named as Retail Merchandize, Shopping Convenience, Service Convenience, Atmospherics and Retail Communication. The most important attributes were found to be variety of merchandize, quality of merchandize, store opening hours and convenience of handling the packaged units. RESEARCH LIMITATIONS/IMPLICATIONS: There was limitation in terms of time, fund and willingness of respondents to participate in the study. There was a possibility of respondent bias. The accessibility of the consumer was a problem. PRACTICAL IMPLICATIONS: This research provides retailers who operate within the India specific knowledge of the attributes that consumers consider to be most important when making store choices (e.g., cleanliness, price competitiveness, product assortment, courtesy of personnel), and identifies the demographic characteristics of these consumers. The results suggest marketing strategy implications for retailers that operate in Indian market. As competition in the sector continues to evolve and consumer demographics change within the Indian market, understanding the consumer-store choice linkage will be critical to retailer to perform in the industry. KEYWORDS: Consumer, Factor Analysis, Shopping, Store Image Attributes.

INTRODUCTION: Retailing in India is expanding. Modern Retail which is estimated to be at Rs. 2,23,572 crores in 2012 has now increased its share to 7.3 percent in the total retail market and is expected to expand at CAGR of 29.7% to Rs. 4,87,423 crores by 2015. This has drawn attention of Indian consumers bringing them to shop at organized retail stores and malls in India. Organized retail provides the Indian customer with the product and services that enhances the shopping experience of consumers. The need is to find out whether the consumers get attracted by the key attributes which the store offer them while shopping.

Several academic researchers have taken place but uncertainties are there as how consumer behavior affects store choice (Knee, 2002). Since store image can be expressed as function of different attributes of a store that consumer evaluate against each other, store image can be defined as the combination of consumers perception about the store according to different salient attributes. Inspite of several studies about store image which have taken place in the world, there is a vast scope for research in an evolving retail environment.

The purpose of the study is to assess consumer behavior in retailing scenario in India. There is a growing need to evaluate true drivers of shopping behavior in Retailing in India. There is a vast scope for research and analysis as the retailing environment changes rapidly, leading to changed shoppers.
expectations and realignment of the choice of set of stores. It is important for Indian retailers to understand consumer evaluation of store image attributes. Based on these evaluations, retailers could manipulate relevant marketing strategies to capture customer's inference of store image attributes. The study is expected to contribute to the knowledge about the consumer needs of retailing services. Such knowledge is anticipated to assist supermarket management in the process of formulating marketing strategies necessary to retain existing customers and to influence attitudes and perceptions of potential customers.

**REVIEW OF LITERATURE**: Store image is complex in nature. This is one of the reasons why about as many definitions of store image as scholarly publications can be cited. Early scholars, such as Martineau (1958), described store image as a store's personality and the way in which the store is defined in the shoppers' mind, partly by its functional qualities and psychological attributes. Another perspective is that store image is a set of attitudes based on the evaluation of those store attributes deemed important by consumers (James, Durand & Dreeves, 1976). Ditcher (1985, p.75) followed a more holistic approach stating that store image is "...the total impression an entity makes on the minds of others". Store image definitions have some communality, in that they include tangible and intangible aspects of perceptual processes together with cognitive and affective dimensions that contribute to the formation of store image.

Kunkel and Berry (1968) found that the factors deemed to be important for shoppers when they come to shop in retail stores were price, quality and assortment of merchandise, fashion of merchandise, sales personnel's, advertising, location convenience.

In a research on finding important store image attributes, Skinner (1969) identified basic consumer motive in selecting supermarkets. His study revealed six variables friendliness of staff, assortment, cleanliness, parking, fast checkouts and ease of shopping.

Jolson and Spath (1973) found that price/value relationship, store specialization, quality of merchandise, salesclerk service, and location were the factors considered most important in the selection of eight stores at a local shopping center.

Lumpkin and Greenberg (1985) conducted the study on the importance of attributes for elderly customers: the objective of the study was to identify store attributes which elderly shoppers seek when buying apparel and to assess the relative importance of these attributes. The five most influential attributes are related to quality/value relationship and finding satisfactory products.

Shim and Kotsiopoulos (1992) stated that store attributes are criteria important to consumers in deciding where to shop. Attributes may include merchandise and service dimensions (e.g., quality, assortment, return policy, delivery) which retailers use to satisfy their target consumers.

Finn and Louviere (1996) demonstrated that the perceived shopping center image, especially such components as good service, wide selection, and lower prices, accounted for a significant proportion of the variance in center patronage which is measured by share of choice and the aggregate level of consideration.

Birstwistle (2001), in his study "Customer and Company perspective of store positioning: A study of UK specialist men's wear fashion sector explored the key issues of consumer and retailer's perspective of store positioning and how customer perceive this image. The important attributes identified were product quality, customer service and store environment.

Paulin and Geisfeld (2003) examined consumer's perception of retail store attributes to determine their effect on store preference. Four variables were found to effect store preference using
forward stepwise logistic regression, they were type of clothing desired in the stock, outside store appearance, shopping hours and advertising. Significance of the effect of store attributes on store preference varied by store type.

Sinha and Banerjee (2004), in their study titled “Deciding Where to Buy” examined the store choice behaviour of shoppers from buyer characteristics. The results revealed that shoppers gave prominence to proximity of the store, merchandise and service.

Ghosh (2010), in his study “Customer expectations of store attributes: A study of Organized Retail outlets in India” attempted to address issues related to store attributes and their relevance in the store selection process. Eleven attributes were identified and factor analysis yielded three attributes, they were: Convenience and Merchandize mix, Store atmospherics and services.

Gundala (2010), in his study, “Retail store Image: A study of Cyprus clothing industry” identified store attributes and evaluated the strength and importance of influence of each attribute on consumer purchasing decision. It also examined the impact of various demographic variables on consumer evaluation of various store image attributes. The findings were price was the most important attribute followed by fashion and style. Gender has not shown any significance. Age showed some significance and finally occupation showed some level of significance.

Research Gaps: Researchers who investigated store image reported a wide variety of store attributes, but no consensus has been reached on those store image attributes that should be prioritized by retailers to maintain shopper’s patronage. Past studies have neglected to investigate the difference between shoppers in terms of priority they placed on different store image attributes. Both past and recent empirical studies mostly pertain to USA and Europe. Limited amount of Work has been done in India in this context.

Research Methodology: This study was descriptive in nature and used a survey based approach through administering a structured questionnaire at retail stores in Delhi & NCR. The sampling frame consisted of a list of retail stores in Delhi & NCR.

Objectives of the Study:
1. To identify key store image attributes which consumer perceive as important while shopping.
2. To find the extent to which consumer preferences vary with demographic characteristics of customer.

Hypotheses: There is no significant difference in the perception of about store image attributes across different demographic characteristics.

Instrument Development: The research instrument consisted of a self-administered structured questionnaire which was developed to collect data on the variables in this study. The questionnaire had 24 Store Image Attributes items pertaining to store choice. The questionnaire also consisted of questions related to demographic profile of the respondents. Before the final instrument was developed, a preliminary questionnaire was designed and tested to validate the scale items to be used in the study. The structured questionnaire was first pretested on a representative sample of 100 respondents. To obtain necessary inputs for refining the same, nearly all questions were close ended.

On the basis of preliminary analysis of responses obtained which was based on five point Likert scales it was decided to randomize the ordering of statements to minimize the respondent bias. To establish content validity, store managers and academicians were asked to compare and evaluate the
items the questionnaire with the research objectives. Their suggestions were helpful to identify and refine certain items.

Reliability of the instrument was tested using Cronbach's Alpha coefficients. Scale for this study was considered to have a good reliability with Cronbach's Alpha value of 0.761.

**Sample and its Characteristics:** The target population of the study included shoppers who come to shop in Delhi and NCR. The sampling frame consisted of a list of selected retail stores in Delhi &NCR. Intercept survey method was used to collect the data. Seven retail stores were randomly selected as primary sites for the study. Fifty questionnaires were distributed at each retail store. Shoppers were approached as per the convenience in the vicinities of selected location. Of the three hundred and fifty questionnaires distributed fifty were excluded for inconsistencies in responses and incompleteness of answers.

**Statistical Analysis:** Three hundred questionnaires were analyzed using SPSS software version 17.0. Frequencies were used to generate a profile of the key demographic characteristics of the respondents. Descriptive statistics was used to calculate the mean of the 24 retail store image attributes. A series of analysis of variance (ANOVA) tests were performed to explore the differences among customer with respect to their demographic characteristics across the identified image dimensions

**DEMOGRAPHIC PROFILE:**

| Gender    | Frequency | Percent |
|-----------|-----------|---------|
| Male      | 193       | 64      |
| Female    | 107       | 36      |

| Age (in Years) | Frequency | Percent |
|----------------|-----------|---------|
| <20            | 16        | 5.0     |
| 20-30          | 179       | 60      |
| 30-40          | 83        | 28      |
| 40-50          | 22        | 7       |

| Income (Rs in, 000) | Frequency | Percent |
|---------------------|-----------|---------|
| <25                 | 179       | 59      |
| 25-50               | 85        | 29      |
| 50-75               | 21        | 8       |
| 75-100              | 12        | 3       |
| >100                | 3         | 1       |

| Marital Status | Frequency | Percent |
|----------------|-----------|---------|
| Married        | 163       | 54      |
| Unmarried      | 137       | 46      |

| Educational Qualifications | Frequency | Percent |
|----------------------------|-----------|---------|
| High School                | 8         | 2       |
| Secondary School           | 13        | 5       |
| Graduation                 | 185       | 61      |
| Post-Graduation            | 94        | 32      |

**Table 1: Demographic profile of respondents**
The demographic profile is as shown in table 1. The majority of shoppers in the study was males (64%) and was married (54%). (60%) of the respondents were between the age group 20-30 yrs. (61%) of the respondents were graduates and (59%) of respondents had income less then Rs. 25000.

RESULTS AND DISCUSSIONS:
Identification of Important Selection Attributes: The means of the twenty tow retail store image attributes are shown in table 2 in a descending order. Attributes with mean score equals to or greater than three were considered important since this value denoted moderately important on the scale used. The descriptive statistics revealed that the respondents highly rated the importance of variety, quality, payment facility and store opening hours. All other attributes were also considered important by the shoppers. This finding is in line with findings of (Berry, 1969) and (Gundala, 2010).

| Attributes                                         | Mean |
|---------------------------------------------------|------|
| The product Variety is good                        | 4.21 |
| The store hours are convenient                      | 4.05 |
| The product quality is good                         | 4.03 |
| The payment facility is convenient                  | 4.03 |
| The packaged units are convenient to handle         | 3.97 |
| The store has a good range of fashion goods         | 3.94 |
| It is easy to locate the store                      | 3.94 |
| It is easy to find parking facilities               | 3.93 |
| The lighting in store is soothing                   | 3.93 |
| The store is neat                                   | 3.90 |
| The temperature in the store is comfortable         | 3.88 |
| It is very easy to locate the products              | 3.86 |
| The store layout is good                            | 3.84 |
| The smell is pleasant                               | 3.83 |
| The store has special offers                        | 3.78 |
| The music in the store suits my mood                | 3.67 |
| The store personnel has a very caring attitude      | 3.58 |
| It takes less time to be checked out                | 3.58 |
| The store personnel has a very good knowledge       | 3.56 |
| There is a new product advertizing in the store     | 3.47 |
| There is a high visibility & display of product in promotion | 3.30 |
| The prices with respect to competitors are low      | 3.25 |

Table 2: Mean of store image attributes

Grouping of Important Attribute: Exploratory factor analysis was utilized to group 24 important attributes into meaningful factors representing the image dimension of retail stores in Delhi &NCR. Before performing factor analysis the Kaiser-Meyer-Olkin (KMO) measure of sample adequacy and Bartlett’s test of sphericity were performed. The generated score of KMO was 0.74; hence it was appropriate to use factor analysis to explore the underlying structure of store image. The Bartlett’s test...
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of sphericity was highly significant (p<0.05) rejecting the null hypothesis that the 24 important attributes are uncorrelated in the population. Using principal components with varimax rotation only attributes with factor loadings of 0.5 or greater on a factor were regarded as significant. The factor analysis generated five factors explaining 67.68% of variance in the original data. The Cronbach’s alpha which measure the internal consistency of each of the identified factors fell within an acceptable range. The results are displayed in table

From the table it is found that four attributes had high loading on the first factor. The attributes were quality of merchandize, variety of merchandize, prices with respect to competitors and range of fashion goods. This factor was labeled as ‘Retail Merchandise’. The second factors had high factor loadings on ‘parking facilities’, ‘location of store’, ‘convenient store hours’, ‘location of products’ and ‘checking out time’. The third factor identified was service convenience which had high factor loadings on payment facility, packaged units, store layout, store personnel’s caring attitude and store personnel’s knowledge. The fourth factor identified was atmospherics which consisted of attributes neatness of the store, pleasant smell in the store, temperature in the store and lighting in the store. The fifth factor was retail communication consisting of new product advertising in the store, high visibility and display of product in promotion, special offers discounts and bargains.

| Attributes | Factors |
|------------|---------|
| ![Table](image) | |
The temperature in the store is comfortable 0.781
The lighting in the store is soothing 0.769

Factor: Retail Communication
There is a new product advertising in the store 0.834
There is high visibility and display of product in promotion 0.796
The store has special offers 0.729
I enjoy looking for discounts when I Shop 0.701
I look for bargains when I Shop 0.664

Eigen Values 9.076 2.499 1.511 1.296 1.063
Percentage of variance Explained 39.461 10.865 6.570 5.637 5.334
Cronbach’s Alpha 0.794 0.771 0.759 0.738 0.714

Table 3: Factor Analysis of Important Store Image Attributes

DEMOGRAPHIC CHARACTERISTICS AND STORE IMAGE ATTRIBUTES:

| Demographic Variables | Merchandize | Shopping Convenience | Service Convenience | Atmospherics | Retail Communication |
|-----------------------|------------|-----------------------|---------------------|---------------|----------------------|
|                       | F P        | F p                   | F P                 | F p           | F p                  |
| Age                   | 2.838 0.038 | 1.561 0.199 | 1.223 0.302 | 0.448 0.719 | 0.267 0.849 |
| Income                | 1.157 0.330 | 1.870 0.116 | 4.200 0.003 | 0.702 0.591 | 1.356 0.249 |
| Education             | 0.636 0.592 | 0.126 0.945 | 0.392 0.759 | 2.955 0.330 | 0.484 0.694 |

Table 4: Summary of ANOVA test

| Demographic Variables | Merchandize | Shopping Convenience | Service Convenience | Atmospherics | Retail Communication |
|-----------------------|------------|-----------------------|---------------------|---------------|----------------------|
|                       | T P        | t p                   | t P                 | t p           | t p                  |
| Gender                | 0.921 0.358 | 0.736 0.462 | 0.692 0.489 | 0.534 0.584 | 0.578 0.496 |
| Marital Status        | 0.474 0.636 | 1.576 0.116 | 0.344 0.731 | 0.292 0.770 | 0.252 0.801 |

Table 5: Summary of t-test

This section explored how respondents actually differ in terms of demographic characteristics across the identified five store image dimensions. One way Analysis Of Variance and t-test were performed to achieve this aim. A summary of results of this test has been shown in table 2 and table 3.

A major finding of this study is that the respondents do not differ with respect to the importance of Shopping Convenience, Atmospherics and Retail Communication dimension. Further with respect to the retail merchandize dimension the group with age greater 50 years placed importance on variety and price of merchandize. The group having less than 20 years of age placed importance on quality of merchandize. The shoppers in the age group 20-30 yrs place importance on the variety of fashion goods. Further, the shoppers having income less than Rs. 25000 placed importance on payment facility.
Shoppers having income between Rs. 50000-75000 placed importance on the convenience of handling the packaged units. Store layout, store personnel attitude and store personnel’s knowledge were considered to be important by shoppers having income greater than Rs. One lakh.

CONCLUSIONS AND IMPLICATIONS:

CONCLUSION: The study explored store image attributes that consumer perceive as important while shopping in organized retail stores in Delhi & NCR. The most important attributes were found to be variety of merchandize, quality of merchandize, store opening hours and convenience of handling the packaged units. All other attributes were also considered as moderately important. This finding is consistent with the findings of (Berry, 1968), and (Gundala, 2010). Using exploratory factor analysis five store image dimensions were identified. These five dimensions were labeled as Retail Merchandize, Shopping Convenience, Service Convenience, Atmospherics and Retail Communication. Demographically the respondents do not differ with respect to the importance of shopping convenience, atmospherics and Retail Communication dimension. Significant differences were found between Retail Merchandize & Age and Service Convenience & Income.

Implications: Organized retail sector is growing rapidly and consumers are shifting to shop in organized retail stores. Thus understanding of shopping behaviour is a key to success for retailers. Retail marketers will have to understand the consumer behavioral dimensions that will help to tap the consumer in a better way:

1. The store image attribute implication addresses towards addressing store image in the shopper mind creating a personality for the store. This store personality is an outcome of the functional and psychological attributes as evident from the study ranging from retail merchandize to retail communication dimension. Towards detailing the store image attribute personality build up retailer must focus their attention on the merchandize quality, variety, prices and range of fashion goods.
2. The second dimension towards store image attribute is the convenience to be created for shoppers assisting them in experiencing a convenient shopping activity. Attention of the retailer must be directed towards aspect for store location, parking facilities, convenient hours caring attitude of store personnel’s and a good product service and knowledge.
3. Retail managers must also address their attention to atmospherics elements in retail environment. These atmospherics dimensions as evident from the outcome of the study indicates neatness and comfortable environment affects the mood of the shoppers, pleasant smell lighting and music complement a mood lift in the retail shopper.
4. Retail communication should form an important visibility enhancing dimension for retailers to communicate the need of the shoppers bringing them into the store.

Directions for Future Research: On the basis of extensive literature survey and also the insight gained during the course of the present study, the following recommendations can be made regarding future research directions:

1. The study was descriptive in nature and more research is needed to delineate the formation of store image. In the light of findings from this study future research should be carried out to confirm these findings.
2. The variables determining the store image included in this study were limited. Future research should consider other variables which includes the explanatory power of the findings.

3. The ability of the respondents to differentiate between very similar stores would be another interesting application of the store image management technique.

4. There is need for continued research in the area to keep track of the shifts occurring in the retail industry in India. This is all the more necessary as the retail industry in its stages of infancy in India.

5. A replication of this study could be made to identify the change in perception from the perspective of store management. The change overtime will be meaningful for the management.

6. Further study should use a broader sampling method by using a more representative sample in terms of geography and demographics could achieve greater generalizability.

7. There is a need to carry out comparative studies that have been carried out in India and US.

8. Future research may perhaps improve upon the methodology adopted in the present study. It is hoped that this may lead to the improvement in the quality of responses which can probably bring newer findings.

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