

Relationship between Store Loyalty and Shopping Behavior: A Conceptual Study

Shivaji Mohinta

Research Scholar, Institute of Business and Computer Studies, Siksha 'O' Anusandhan University
Bhubaneswar, Odisha, India
Mail: shiv_9807@hotmail.com

Navulur Krishna Surarchith

Lecturer, Ishik University, Erbil, Iraq
Mail: krishna.navulur@ishik.edu.iq

Abstract: The primary focus of this paper is to measure the relationship among the three constructs Consumer Self Concept, Store Loyalty and Shopping Behavior. The paper is the beginning of the doctoral study and concentrating on the conceptual mapping of idea. For this paper the extensive literature review is the base and the concept derived from the secondary sources only. The effort is expected to give an insight of the problems and would attempt to suggest the importance of Self Concept & Store Image congruity's role in generating Store Loyalty. This in turn greatly impacts shopping behavior too. The paper seeks to understand the role of Brands that the store carries on the resultant impact on Store Loyalty, Seek to extend our understanding of the impact of self-concept congruity by assessing the relative effects of two types of congruity variables on brand commitment, trust and retail loyalty. The role of Brand & Trust works as mediating variables in shaping Store Image & thus Store Loyalty and to devise marketing strategies for retailers i.e. seek to change consumer's reaction to a store favorably or re-position the images of the stores to the self-image of the target group of consumers.

Key Words: Consumer, Self Concept, Store Loyalty, Shopping Behavior, Store Image.

Introduction

One of the Key determinants of Store Loyalty is Store Image Loyalty or Intended Loyalty is the prime attitudinal objective that every marketer/retailer aims for with his marketing retail-mix elements. Store Loyalty described by Jacoby & Kyner (1973) as a "behavioral response as a function of Psychological process". "Store loyalty is perhaps the singular most important concept for the retailer", (Sirgy and Samli 1985, p. 265). Sirgy and Samli (1985) asserted this statement over 20 years ago and it still applies to the marketplace today. A retailer is faced with the allocation of funds between two important marketing objectives of acquiring new customers and retaining existing customers. It is well known that the expenses associated with acquiring new customers is much greater than that those of retaining existing customers. Loyalty assures a retailer of patronage of not just constancy & longevity of business but creates an effective competitive advantage & an entry barrier which is difficult to erode. Therefore efforts to increase retail store loyalty are a paramount goal for any retailer. However given the importance of retail store loyalty, it is surprising that little research has been dedicated to this concept (Wallace, Giese, and Johnson 2004). Complicating matters further, past attempts at conceptualizing the establishment and maintenance of retail loyalty has provided mixed results. Various authors have investigated a myriad of antecedents to retail store loyalty such as store trust and commitment (Crosby, Evans, and Cowles 1990; Macintosh and Lockshin 1997; Harris and Goode 2004), convenience (Anderson 1972; Chowdhury, Reardon, and Srivastava 1998; Berry, Seiders, and Grewal 2002; Jones, Mothersbaugh and Beatty 2003) store image (Martineau 1958; Sirgy and Samli 1985; Bloemer and de Ruyter 1998; Hartman and Spiro 2005), brand assortment (Grewal, Levy, Mehotra, and Sharma 1999; Simonson 1999; Morales, Kahn, McAlister, and Broniarczyk 2005), satisfaction (Macintosh and Lockshin 1997; Fullerton 2005), service quality (Berry and Parasuraman 1988; Zeithaml, Berry, and Parasuraman 1996; Wong and Sohal 2003), as well as loyalty towards retail salespeople (Wong and Sohal 2003). Results of these studies have led to some agreements among these antecedents as well as many disagreements.

Store Loyalty is considered one of the keys in Retail biz success. Loyalty is of prime importance especially during times of recession as when incomes/savings are under pressure, customers may re-invent their loyalty behavior. It is important for retailers to recognize those trends as post-recession the same behavior or patterns (inertia) may continue. A retailer has to make sure that he offers the brands, products, services to his customers that they expect from the particular store. Nevertheless, other variables also need to be focused upon by the retailer to be in line or exceed the expectations of the Customer in order to make him or her Store Loyal.

Drivers of store loyalty investigated in past researches are satisfaction, location, product range, in-store promotions, frequent buyer/loyalty programs, store operation, store appearance, spatial layout, relative price, convenience (Magi, 2003; Miranda et al., 2005; Noble et al., 2006; Sirohi et al., 1998), store affect (Ray, 2009), demographic factors (Anic 2006), store atmosphere (Baker, Parasuraman 2002; Ray, 2009), merchandise value (Baker, Parasuraman, 2002; Ray, 2009; Sirohi, 1998), interpersonal service quality (Baker and Parasuraman, 2002; Ray, 2009; Sirohi, 1998), customers self concept and store image congruity (He and Mukherje, 2007; Sirgy, 1985) etc. Yavas 2009) suggests that store loyalty drivers can be captured in three dimensions: store environment, perceived quality and price (Yavas, 2009). Other attributes determining store loyalty suggested by Mesquita (2008) are: i) Service attributes: distance of the store from the home or place of work, speed of check-out, own parking, special sections (meat, fish, baked goods, produce, etc.), fidelity programs of the store, payment with post-dated check, delivery services, payment with store credit card, baggers, hours of operation and guarantee of lowest price. And respectively, ii) Shopping attributes: variety of products, store presentation (internal visuals), prices, ease of circulation in the store, quality of the products, placement of products in the store, availability of products, store comfort (lighting, air conditioning), sanitary installations of the store, nearby conveniences (automatic teller machines, pharmacies, florists, etc.), quality of the perishable items, internal and external security. As there are many store loyalty determinants, which cannot be investigated within single master thesis, we will focus only on the most relevant according to the previous literature and our own reasoning.

Literature Review

Self-Concept denotes “the totality of the individual's thoughts & feelings having reference to himself as an object” (Rosenberg 1979, p-7). Behavioral theory construes the self as a bundle of conditioned responses. Self-Concept impacts Consumer behavior. Grub & Grathwohl (1967) specified that: - (1) Self-Concept is of value to the individual & behavior will be directed towards the protection & enhancement of self-concept. (2) The purchase, display & use of goods communicate symbolic meaning to the individual & to others. (3) The consuming behavior of an individual will be directed towards enhancing self-concepts through the consumption of goods & symbols. Self-Concept impacts considerable purchase behavior. The individual self-concept has value to him, he will act to define, protect & further it. Retail Stores, like Brands, are also perceived by consumers as having images or symbolic meaning. Those Retail Stores are likely to be preferred whose images are most consistent with one's self-concept.

A brief review of the advancements in understanding customer loyalty will assist in a better understanding of important factors affecting retail store loyalty, particularly as the study of customer loyalty has shifted from a focus on behavioral loyalty to attitudinal loyalty. Researchers have long debated the meaning of customer loyalty. To date, much of the research has focused on customer loyalty towards brands (Day 1969; Jacoby and Chestnut 1978; Dick and Basu 1994; Oliver 1999; Srinivasan, Anderson, and Ponnnavulo 2002). However, one major area of disagreement concerns defining customer loyalty as being based upon primarily behavioral outcomes (Cunningham 1966; Kahn, Kalwani, and Morrison 1986; Tellis 1988), or attitudinally-based (Day 1969; Dick and Basu 1994; Oliver 1999; Srinivasan, Anderson, and Ponnnavulo, 2002). Researchers who argue that behavior alone is sufficient for customer loyalty to exist primarily view repeat purchases as a designation of customer loyalty. Conversely, researchers who view customer loyalty as an attitudinally-based construct state assert that repeat purchasing behavior must be accompanied by and embedded in the attitude of a consumer that will lead to a relative preference for one brand over another.

In order for customer loyalty to become embedded in a consumer's attitude, researchers utilize the attitudinal construct consisting of the cognitive, affective and cognitive states of an individual's attitude. In order for customer loyalty to exist in the attitude of a consumer, their loyalty towards a product or brand must penetrate the affective state of their attitude (Dick and Basu 1994; Oliver 1999). Affective-based responses towards a product or brand will be associated with a liking or other positive emotional responses towards that brand. Researchers assert that it is this liking that will serve to create an attitudinal preference for one brand over another (Dick and Basu 1994; Oliver 1999).

Store image is widely investigated determinant of store loyalty (Ghosh, Tripathi, Kumar, 2010; Sirgy, 1985). Bloemer and Ruyter (1998) define store image as *the complex of consumer's perceptions of a store on different salient attributes* (Bloemer and Ruyter, 1998). Schlosser (1998) defines store image as *consumer's impression of store that is based on responses to the store's features* (Dichter, 1985; Martineau, 1958). Store image includes two factors: tangible or functional factors and intangible or psychological factors (Ghosh, Tripathi, Kumar, 2010 cited Lindquist (1974)). Responses to store image can be cognitive and emotional and are interrelated with such store characteristics as merchandise quality, store personnel (Darden and Babin, 1994 cited by Schlosser, 1998),

physical facilities, services, atmospherics etc. (Ghosh, Tripathi, Kumar, 2010). Stores social image is stores style and appearance, which represents stores name in customers decision making process to patronize particular store (Ghosh, Tripathi, Kumar, 2010; Greenberg, 1983 cited by Schlosser, 1998).

A store's image equals with brand's image in its ability to represent value and quality (Ray, 2009). Store brand differentiates particular store from competitors and stimulates stores segmentation and positioning (Ray, 2009 citing Bitner, 1992). Shopping is not only functional need fulfillment; it also makes customer to feel good (Ray, 2009 citing Hirschman and Holbrook, 1982). Over time customer creates favorable attitude towards particular shop based on stores unique affective surroundings, if person has a positive emotional experience (Ray, 2009). Pierre Martineau (1958) declares that store loyalty is store image function (Sirgy, 1985). If customer likes store image, he/ she is likely to develop loyalty to it (Sirgy, 1985). Customers tend to visit those stores whose image is similar to customers own image (Stern, Bush and Haire (1977) cited by Sirgy, 1985). Store image reflects on stores personality image stereotypes in customer's mind, such as high status of low status store, traditional or modern store, friendly or formal (Martineau 1958 cited by Sirgy, 1985). There are also functional store images, which refers to tangible store characteristics, such as clean or dirty store, quiet or noisy store (Samli and Sirgy, 1981 cited by Sirgy and Samli, 1985).

The concept of store image was used by Martineau (1958) for the first time. He defined it as "a store defined in customer's mind partly based on functional attributes & partly based on psychological attributes". The dominant attitudinal perspective that is taken in the literature treats store image as the result of a multi-attribute model (Marks, 1976; James *et al*, 1976). Image is expressed as a function of the salient attributes of a particular store that are evaluated & weighted against each other. Store image is generally defined as the complex of a consumer's perception of a store on different (salient) attributes. More recently, store image is supposed to be composed of the different elements of the retail marketing mix as introduced by Ghosh (1990). These eight elements are: location, merchandise, store atmosphere, customer service, price, advertising, personal selling & sales incentive programs. For each retail store a distinct image may exist within consumer's minds. This is based on the salient elements of the retail mix. The merchandise of a retailer is its most important retail-mix element; according to Ghosh (1990). A retailer has to make sure that he offers those products to his customers that they expect him to offer besides the other non-functional elements. Bearden (1977) mentioned the influence of store image as "consumers choose stores that they feel close to their self image".

Research Problem

Consumer Self Concept & Store Loyalty congruities play a key role in shopping Behavior. The relationship of the antecedents to Store image, Trust & Brand Commitment has been the part of many studies. There has been a dearth of evidence in the literature addressing self-concept congruity variables & store loyalty in the Indian context. Most of the studies have concentrated on products (brands) & to a somewhat lesser extent on services or channel intermediaries. There is a lack of additional evidence of the importance of self-concept congruity constructs in the creation of retail store loyalty amongst the organized Retail Customers. There is lack of insights to the alteration or re-invention of retail-mix by retailers in the Indian marketing scenario to make the customers store-loyal.

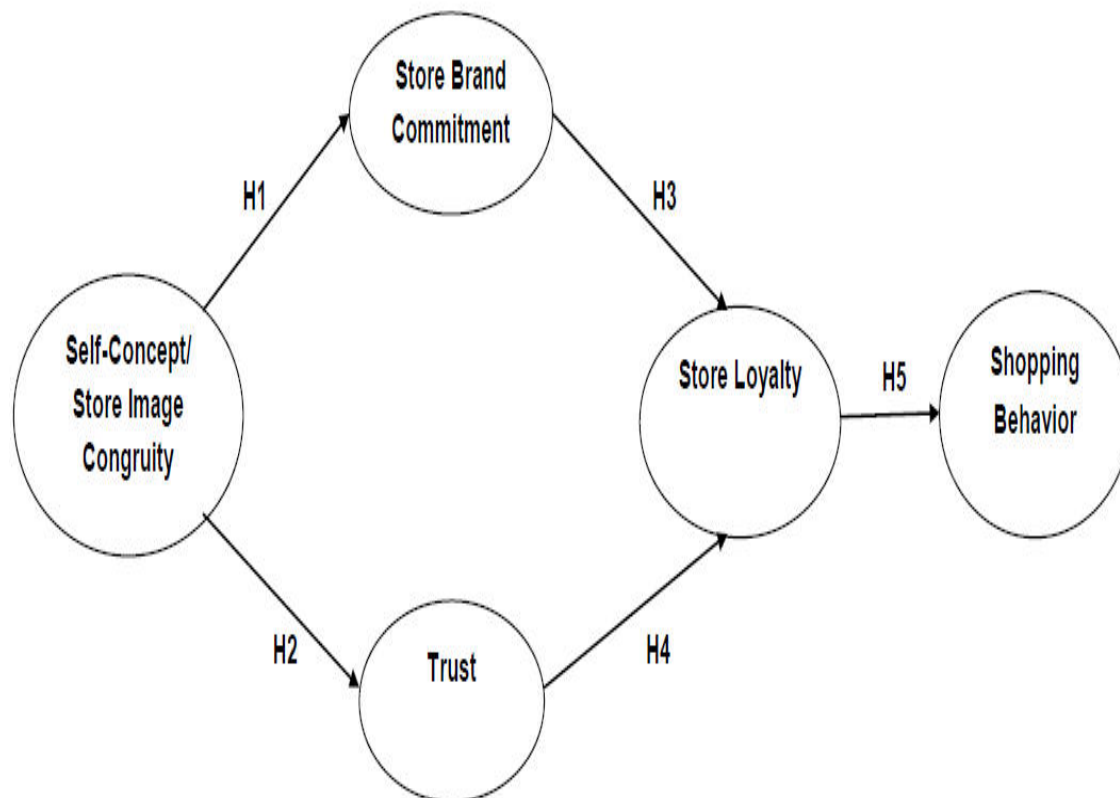
The various questions that this research proposes to answer are the varying roles that Self-Concept Congruity constructs play in the creation of Store-Loyalty. Put forth the evidences that Self-Concept Congruity constructs can lead to higher levels of trust. Establish any possible linkage between consumer's commitment to the brands which a retail store carries & overall consumer loyalty to the stores. Which plays a significant role: Self-Concept/Brand image congruity or Self-Concept/Store-Image congruity to bolster one's self-concept? Does product portfolio or in-store brands impact self-concept/store-image congruity or store image attributes of different retail types impact store loyalty in different ways.

Research Objectives

The objectives of this proposed study are as follows:-

- (1) To decipher the relationship & impact of Consumer Self Concept & Store Loyalty on Shopping Behavior.
- (2) To know the effect of demography on Shopping Behavior.

Conceptual Model



The model shown above has taken the three construct (Consumer Self Concept, Store Brand Commitment, Trust, Store Loyalty and Shopping Behavior) in a broader sense and is measuring the strength of relationship construction the hypotheses. So Consumer Self Concept has been taken the most the most important and considering affects the Store Loyalty as well as the Shopping Behavior. The impact of Store Loyalty on Shopping Behavior is also very important and the exact value of strength will get after collecting the data on the basis of questionnaire.

Scope for Further Research

There may be simultaneous investigations of the differential impacts of self-concept/brand-image congruity & self-concept/store-image congruity with the context of each store types. Even the strength of the effects of each congruity variable can be studied further depending upon retail store setting. Similar studies that will further segment consumers on the basis of demographic profile, rather than on random basis, would add to the generalizability of the findings. Additional studies investigating the formation of self-concept constructs is also warranted. Convenience, Service facilities, Incentives are not incorporated in this study may play a major role in retail store loyalty & can be an area of further research.

Expected Contributions

The primary contributions of this proposed study are to: (1) Provide empirical evidence of the importance of self-concept congruity constructs in the creation of retail store loyalty. (2) Examine the differential effects of two types of self-concept congruity constructs on retail store loyalty analyzed simultaneously for two different types of retail stores. (3) Provide evidence that high levels of self-concept congruity leads to trust in a retail store. (4) Investigate the brand commitment – retail store loyalty linkage. (5) Significant insights can be provided to retail store managers to enhance the positive effects of such congruities to match the store images with the self images held by the consumers.

References

- Anderson, James C., & Narus, James A. (1990). A Model of Distributor Firm and Manufacturing Firm Working Partnerships. *Journal of Marketing*, 54 (January), 42-58.
- Anderson, W. Thomas, Jr. (1972). Convenience Orientation and Consumption Behavior. *Journal of Retailing*, 48(3) (Fall), 49-71.

- Bloemer, Josee, & de Ruyter, Ko. (1998). On the relationship between store image, store satisfaction, and store loyalty. *European Journal of Marketing*, 32(5/6), 499-513.
- Chowdhury, Jhinuk, Reardon, James, & Srivastava, Rajesh. (1998). Alternative Modes of Measuring Store Image: An Empirical Assessment of Structured Versus Unstructured Measures. *Journal of Marketing Theory and Practice*, 6(2) (Spring), 72-84.
- Crosby, L.A., Evans, K.R., & Cowles, D. (1990). Relationship quality in services selling: An interpersonal influence perspective. *Journal of Marketing Research*, 54, 68-81.
- Day, George S. (1969) A Two-Dimensional Concept of Brand Loyalty. *Journal of Advertising Research*, 9(3) (September), 116-128.
- Dick, Alan S., & Basu, Kunal. (1994). Customer Loyalty: Toward an Integrated Conceptual Framework. *Journal of the Academy of Marketing Science*, 22(2), 99-113.
- Grewal, Dhruv, Krishnan, R., Baker, Julie, Borin, Norm. (1998). The Effect of Store Name, Brand Name and Price Discounts on Consumers' Evaluations and Purchase Intentions. *Journal of Retailing*, 74(3), 331-352.
- Harris, Lloyd C., & Goode, Mark M.H. (2004). The four levels of loyalty and the pivotal role of trust: a study of online service dynamics. *Journal of Retailing*, 80, 139-158.
- Hartman, Katherine B., & Spiro, Rosann L. (2005). Recapturing store image in customer-based store equity: a construct conceptualization. *Journal of Business Research*, 58, 1112-1120.
- Jones, Michael A., Mothersbaugh, David L., & Beatty, Sharon E. (2003). The effects of locational convenience on customer repurchase intentions across services types. *The Journal of Services Marketing*, 17(6/7), 701-710.
- Levy, Michael, Mehotra, Anuj, & Sharma, Arun. (1999). Planning Merchandising Decisions to Account for Regional and Product Assortment Differences. *Journal of Retailing*, 75(3), 405-424.
- Parasuraman, A., & Zeithaml, V.A. (1988). The service quality puzzle. *Business Horizons*, 31(5), 35-43.
- Seiders, Kathleen, & Grewal, Dhruv. (2002). Understanding Service Convenience. *Journal of Marketing*, 66(3), 1-17.