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**THE EFFECT OF STORE ENVIRONMENT ON CONSUMER
EVALUATIONS AND BEHAVIOR TOWARD SINGLE-BRAND
APPAREL RETAILERS**

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To the Graduate Council:

I am submitting herewith a dissertation written by Archana Kumar entitled "THE EFFECT OF STORE ENVIRONMENT ON CONSUMER EVALUATIONS AND BEHAVIOR TOWARD SINGLE-BRAND APPAREL RETAILERS." I have examined the final electronic copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Retail, Hospitality, and Tourism Management.

Youn-Kyung Kim, Major Professor

We have read this dissertation and recommend its acceptance:

Ann Fairhurst, Heejin Lim, Robert T. Ladd

Accepted for the Council:

Carolyn R. Hodges

Vice Provost and Dean of the Graduate School

(Original signatures are on file with official student records.)

To the Graduate Council:

I am submitting herewith a dissertation written by Archana Kumar entitled –The Effect of Store Environment on Consumer Evaluations and Behavior toward Single-Brand Apparel Retailers.” I have examined the final electronic copy of this dissertation for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy, with a major in Retail, Hospitality and Tourism Management.

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BEHAVIOR TOWARD SINGLE-BRAND APPAREL RETAILERS**

A Dissertation
Presented for the
Doctor of Philosophy Degree
The University of Tennessee, Knoxville

Archana Kumar
August 2010

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ABSTRACT

This study aimed to assess consumer behavior towards single-brand apparel retailers by employing the Stimulus-Organism-Response model. In addition to the traditional store atmospheric stimuli of social cues, design cues, and ambient cues, this study introduced merchandise cues as a stimulus within the single-brand apparel retail store. This study also incorporated both cognitive and affective evaluations as consumers' internal states. The effect of stimulus on approach-avoidance behaviors was mediated by these internal states. This study also introduced the concept of 'store as a brand' which was evaluated to identify whether consumers considered the single-brand apparel retail store and the merchandise carried by the store to be a single holistic entity. The specific research objectives of this study were to investigate: (1) the effects of store atmospheric cues and merchandise cues on cognitive evaluation toward store and merchandise, respectively; (2) the effects of cognitive evaluation toward store and merchandise on affective evaluation toward store and merchandise, respectively; (3) the effects of cognitive and affective evaluation towards store and merchandise on approach-avoidance behaviors; and (4) the 'store as a brand' concept wherein the paths between the two internal evaluations were postulated to be equal for store and merchandise.

This study was conducted in the context of single-brand apparel retailers. A mall intercept survey methodology was employed to collect the data and 438 completed responses were used for the data analyses. All the constructs had acceptable levels of composite reliability and was valid in terms of convergent and discriminant validity. The data were analyzed by using a structural equation modeling approach. Several hypotheses were significant as proposed except

for a few which were not significant. Design cues were found to have an insignificant relationship with cognitive evaluations toward the store. Cognitive evaluations toward merchandise and affective evaluations toward store were found not to be significant. The results supported the 'store as a brand' concept, thereby validating that consumers do not perceive the store and the merchandise sold by the single-brand apparel retailer to be different from each other. Research implications, managerial implications, limitations, and suggestions for future research were provided.

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CHAPTER I

INTRODUCTION

With the abundance of retailers selling similar products, consumers expect a unique shopping experience and a unique product from each retailer. If a consumer wants to purchase a basic jean, he/she has the option to purchase it from Wal-Mart, Target, Dillard's, Kohl's or American Eagle, just to name a few stores. When it comes to shopping experience and/or product specifications, each of the above retailers have something different to offer. The retail store must define what is distinctive and special about its offering that makes it better than other stores. In order to achieve this, the retail store has to incorporate exclusive branding strategies that bring the particular store to consumers' minds at the time of purchase. One type of strategy is to brand the store or create a "store as a brand" strategy, which forms the crux of this dissertation.

Brands were first marketed with the introduction of packaged products in the nineteenth century. Branded products were typically developed by manufacturers who were responsible for producing and marketing the products while retailers merely distributed manufacturer brands. Manufacturers asserted power by forcing retailers to accept these brands with the manufacturer-prescribed price and promotion policy. Accordingly, consumers had no other option but to purchase unbranded products of inconsistent quality. During the latter part of the twentieth century, the tables turned in favor of retailers. Retailers started to develop national chains and began to expand nationally and internationally. Large-scale retailers, with their size advantage, have been able to negotiate terms and conditions of sale with manufacturers. With the increasing

autonomy, retailers have developed their own private brands to compete with manufacturer brands (Kumar & Steenkamp, 2007).

Private brands that belong solely to the retailer include JC Penney's Arizona, Wal-Mart's Equate, and Home Depot's Hampton Bay. Private brands were developed in order to provide value for customers and provide benefits to retailers with additional bargaining power when it came to negotiating prices with manufacturer brands. Private brands offered opportunities to the retailer in terms of differentiation, supply chain management, cost management, and brand loyalty, thereby creating a competitive advantage (Bruer, 2006). As a result of private brands and manufacturer brands competing with each other in almost all sectors, the retail industry today has become much more diverse and challenging than ever.

Going one step beyond private brands, retailers developed the concept of retailer as a brand, which implies that a retailer becomes a brand by itself (Grewal, Levy, & Lehmann, 2004; Grewal & Levy, 2009). The retailer as a brand concept strives to develop a positive overall retailer image based on not only the products/brands that they sell but other features such as pricing, promotion, and service delivered by the retailer (Ailawadi & Keller, 2004). Retailers adopting this concept ensure that consumers view a single holistic image of their stores and products/brands sold in the stores. As an example, Victoria's Secret store does not merely sell undergarments; rather it sells an emotional shopping experience to its customers and delivers a consistent image across all stores. As another example, Apple store transformed computer purchasing from a utilitarian experience to an aesthetic experience through a stylish and interactive store décor. Brands form the core of strategies that marketers need to manage in order to position and differentiate their products in consumers' minds (Okonkwo, 2007). In

today's competitive retail scenario, retailers need to create a strong brand themselves, which will generate a significant customer pull. Apparel is one of the largest sectors for private brands. Private brands in the apparel sector accounted for 45% of total apparel sales in the year 2006 in the United States. This percentage rose from 39% in 2005 and from 35% in 2002 (Kumar & Steenkamp, 2007). It is predicted that by the end of 2010, sales of private label apparel will increase to 55% of total apparel sales (US Department of Commerce, 2010).

Typically, there are two ways in which apparel retailers can sell their private brands. First, retailers can sell a mix of private brands and national brands in their store. Such retailers are called 'multi-brand apparel retailers'. Second, retailers can sell only their own private brands. Such retailers are called 'single-brand apparel retailers' and account for the rapid growth of private label sales in the apparel sector. Examples of single-brand apparel retailers are Gap, H&M, Victoria's Secret, Zara, and Forever 21. These retailers take efforts not only to brand their products but to brand their physical stores. This study will be confined to single-brand apparel retailers who strive to create a unique image through their private brand and marketing efforts.

Single-brand retailers are especially popular in the apparel sector. An example of a successful single-brand apparel retailer is the Spanish clothing chain Zara. Zara offers fresh assortments of designer-style clothing and accessories for relatively low prices in sophisticated stores. Most of the store space is intentionally left in order to create a pleasant, spacious and uncluttered shopping environment that invites customers to walk around the store and browse (Ferdows, Lewis, & Machuca, 2003). Zara focuses its marketing efforts in building a unique store environment by offering stylish and chic clothing arranged according to color (Ghemawat & Nueno, 2003). Another retailer in this category is Abercrombie & Fitch (A&F), which

conveys its brand image through its store design. A&F stores are decorated with canoes, large leather couches, moose heads, large frame posters of the A&F models, and dark Victorian style wood. The stores are built to create a warm, inviting place that provides a social experience for the customer. Further, A&F builds its brand image through its sales personnel who are typically college students with a young and attractive personality (Driessen, 2005). The successes of Zara and A&F demonstrate the importance of store atmosphere to create a customer pull.

A single-brand apparel retailer has such a strong name that the consumer fails to distinguish between the store and the brand (Grewal et al., 2004). In other words, these retailers attempt to create a 'store as a brand' perception. To create this perception, the store of the single-brand apparel retailer must convey the identity of the brand. The store must represent the overall image and identity of the single-brand apparel retailer and the merchandise that this retailer sells. The overall image of a retailer can be developed by several factors including the variety and quality of products and services sold; store atmosphere; appearance, behavior, and service quality of sales personnel; price levels; and depth and frequency of promotions (Ailawadi & Keller, 2004).

The effect of physical environment on emotions and behavior was initially studied by geographers, architects, and environmental psychologists (Porteous, 1997). Retailers started to realize the importance of environment within a retail setting and several researchers started studying the effects of physical environment on consumer behavior (Turley & Milliman, 2000). Retailers are realizing that competing with other retailers beyond the basic concepts of price, convenience, and assortment is the key to success in today's competitive scenario. As a means of differentiating itself with others, retailers through store atmospheric elements such as flat screen

videos of graphics, music, smells, and lighting excite the senses of shoppers (McGoldrick, 1990; Marsh, 1999). Store atmosphere can influence customer attitudes and perceptions in relation to the overall quality of the store, uniqueness of the product or service levels (Baker, Grewal, & Parasuraman, 1994), purchase price (Areni & Kim, 1993), and purchase volume (Milliman, 1982). In this study, we propose that the merchandise sold in single-brand apparel retailers is a part of the store atmosphere, as single-brand apparel retailers attempt to create a holistic image for their merchandise and their store in consumers' minds. This study will attempt to understand how atmospheric cues and merchandise cues within a single-brand apparel retail store leads to cognitive and affective evaluations in the consumers' minds, which then leads to approach behavior. In order to understand consumer behavior towards single-brand apparel retailers, this study will employ the Stimulus-Organism-Response (SOR) model (Mehrabian & Russell, 1974).

Significance of the Study

Retail branding, particularly in the fashion sector, is one of the most important recent developments in the retail industries of United States and Europe (Birtwistle & Freathy, 1998; Wileman & Jary, 1997). However, very few studies have been devoted to retail branding in the apparel sector. This study aspires to be one of the first in examining consumer behavior towards single-brand apparel retailers. To achieve this, this study aims to understand consumer perceptions towards the store and merchandise cues offered by the single-brand apparel retailer. The study then investigates the effect of these cues on consumers' internal evaluation states, which ultimately impact their behavior. Finally, this study develops hypotheses to test if consumers view the store and merchandise to be a single entity in order to test the store as a brand concept.

In the course of testing the relationships between variables, this study generates theoretical contributions. First, a model following the SOR model is developed in the context of single-brand apparel retailers. Second, merchandise cues are added as a component of store environment in addition to the traditional store atmospheric cues (i.e., social, design, and ambient cues). Third, a model to determine whether consumers consider the store and the merchandise sold in the store to be of single entity is developed. Finally, this study contributes to the existing literature based on the SOR model by examining the relationship between store and merchandise cues, consumers' cognitive and emotional state, and consumer response to the stimulus. Although these relationships have been explored in the context of retail stores in general and online retail stores, no research has investigated these relationships in the context of single-brand apparel retailers.

The implications of this study offer several contributions to single-brand apparel retailers. First, this study would determine the impact of store atmospheric cues and merchandise cues on customers' cognitive evaluative state. This would help single-brand apparel marketers develop strategies on how to enhance customers' cognitive perception toward the store and the merchandise carried by the store. Second, this study will enable marketers to determine if the relationship between cognition and affect towards both store and merchandise. Marketers could use this knowledge to understand whether cognition and affect towards store and merchandise leads to approach behavior and tailor their strategies in order to strengthen the evaluation states that lead to approach behavior. Further, the 'store as a brand' hypothesis enables marketers to determine whether their consumers indeed view the store and the merchandise as a holistic entity

or not. If there is a dissonance, then single-brand apparel marketers could take steps to ensure that customers do not perceive discrepancy between the store and the merchandise.

Research Objectives

This study attempts to answer several questions that are raised with regards to what drives consumers to shop at a single-brand apparel retailer. Is it the merchandise sold in the store or the store itself that attracts consumers? What internal evaluations are generated in consumers' minds when they think about the single-brand apparel retail store and merchandise sold in the store? How do these internal evaluations affect approach-avoidance behaviors? Understanding these questions will provide a clear picture of what goes on in a consumer's mind when he/she shops at a single-brand apparel retailer. This knowledge will assist both marketing scholars and retailers in identifying ways to enhance consumer shopping experience while shopping at a single-brand apparel retailer. To this end, the empirical testing of the conceptual model will determine the relationships among the stimuli (store atmosphere and merchandise cues), organism (consumers' internal the store and the merchandise), and response (approach-avoidance behavior toward the store). The specific research objectives of this study are developed as follows

1. Investigate whether store atmospheric cues (i.e., social, design and ambient cues) and merchandise cues influence consumers' internal states (i.e., cognitive evaluation) toward both the store and the merchandise.
2. Investigate the effect of cognitive evaluation toward store and merchandise on affective evaluation toward store and merchandise, respectively.

3. Investigate whether consumers' internal states have an effect on consumer response behavior.
4. Investigate whether consumers perceive a difference between the store and the merchandise for testing the 'store as a brand' concept by examining the relationship between internal states toward the store and internal states toward the merchandise.

Operational Definitions

Brand – "A product, but one that adds other dimensions that differentiate it in some way from other products designed to satisfy the same need" (Keller, 1998, p. 3).

Manufacturer brand – "A brand owned by a manufacturer, as distinguished from a brand owned by a reseller" (AMA, 2007).

Private brand – The merchandise owned, controlled, and sold exclusively by a retailer, wholesaler, or distributor (Fitzell, 1982).

Single-brand apparel retailers – Apparel retailers who sell only their own brands through any of their shopping channels (Author, 2010).

Multi-brand apparel retailers – Apparel retailers who sell their own brands along with other manufacturer brands (Author, 2010).

Store atmosphere - All the physical and non-physical elements of a store, which are within the retailer's control to enhance customers' shopping experience in the store (Eroglu & Machleit, 1990).

Store stimuli - External factors present in a store which are associated during the decision-making situation (Sherman, Mathur, & Smith, 1997).

Social factors - The presence of employees and other customers in the store (Bitner, 1992).

Design factors – The visual elements of a space that tend to exist at the forefront of consumers' awareness (e.g., color, layout, architecture) (Bitner, 1992).

Ambient factors - The non-visual elements of a space (e.g., temperature, music, lighting) (Bitner, 1992).

Organism - "Internal processes and structures intervening between stimuli external to the person and the final actions, reactions, or responses emitted" (Bagozzi, 1986, p. 46).

Affective evaluation - A judgment whether an object is pleasant, attractive, valuable, likable, or preferable (Russell & Snodgrass, 1987).

Cognitive evaluation - The evaluation that is associated with consumer perception process, which originates from information-processing and inference theories (Bettman, 1979; Zeithaml, 1988).

Response - The psychological reactions such as attitudes and/or behavioral reactions of consumers (Bagozzi, 1986).

CHAPTER II

LITERATURE REVIEW

Many retailers have transformed from selling just manufacturer brands to selling their own brands in conjunction with manufacturer brands, to becoming brands by themselves. This transformation is in line with the rise of the ‘retailer as a brand’ as one of the major trends in the retail sector (Grewal et al., 2004). Retailers such as Target, Macy’s, and Gap are considered strong brands themselves. The difference between Target or Macy’s, and Gap is that the former sells both its own brands and other national brands (multi-brand retailers) whereas Gap sells only its own brand. Irrespective of whether the retailer is a multi-brand retailer or a single-brand retailer, it can be considered as ‘retailer as a brand’, if the product, store and the corporate brand work together to keep the brand image consistent (Dawson, 2000). Multi-brand retailers carry, in addition to their own brands, other established national brands, which may aid in consumer pull to the store. On the other hand, single-brand retailers carry only their own brands and generate customer pull based on the image of their store name and brand name. This chapter provides an in-depth literature review starting from the basic concept of ‘brand’ and discusses the growth and development of private brands in the apparel sector, followed by a discussion of the theoretical foundation on which this study is based.

Brands

Keller (1998) defined a brand as “a product, but one that adds other dimensions that differentiate it in some way from other products designed to satisfy the same need” (p. 3). Keller

explained that the differentiation may be rational and tangible or more symbolic, emotional, and intangible. Mariotti (1999) defined a brand as “a simplified ‘shorthand’ description of a package of value upon which consumers and prospective purchasers can rely to be consistently the same (or better) over long periods of time” (p. 13). Given this definition, a brand distinguishes a product or service from competitive offerings. In addition to these two definitions, several other researchers provided a number of definitions for the term ‘brand.’ The common theme among all the definitions is that brands offer manufacturers and retailers a means to distinguish their goods from those of competitors and provide a differentiated value to the consumer.

Brands can be classified based on different strategies that are used to market the brands. Table 1 provides the compilation of brand groupings that is adopted from Bruer (2006). Coomber (2002) classified brands into six different types – product brand, service brand, personal brand, organizational brand, event brand, and geographical brand. A *product brand* is a commonly packaged product with an eminent name association (e.g., Coca-Cola associated with soft drinks, Toyota associated with cars). A *service brand* refers to the branding of an intangible service (e.g., FedEx, Discover credit card). A *personal brand* encompasses a range of personalities, typically well-known celebrities such as Tiger Woods endorsing Nike athletic wear, Michael Jordan endorsing Hanes undergarments, and Cindy Crawford endorsing Revlon cosmetics. An *organizational brand* is one that becomes an integral part of the organization’s strategic planning process wherein consumers visualize not only a product or service, but the entire organization (e.g., Microsoft, Virgin, GE). An *event brand* is the branding of a public event (e.g., the Olympics, NFL, Superbowl). Finally, a *geographical brand* is a physical location that has become a brand (e.g., the French Riviera, New York City).

Table 1 Brand Terminology

Brand Type (Coomber, 2002)	Brand Classifications (Nilson, 1998)	Brand Market Positions (Nilson, 1998)	Other (Nilson, 2002)
Product brand	Corporate brand	Primary brand	Channel brand
Service brand	House brand	Secondary brand	Co-branding
Personal brand	Range brand	Tertiary brand	Private brand
Organizational brand	Product brand		
Event brand			
Geographical brand			

Nilson (1998) classified brand into four categories – corporate brand, house brand, range brand and product brand. A *corporate brand* is “a brand symbol covering all activities of a corporation, clearly and distinctly identifying the one who is responsible for the product or service” (p. 27). A corporate brand provides assurance to the customer about the quality and trustworthiness of the product (Aaker, 2004), as illustrated by the use of the word "Disney" in the name of many of Disney's products. A *house brand*, as the most traditional means of branding, uses a name across a variety of products. Examples of house brands are Kellogg's Raisin Bran and Corn Flakes (Bruer, 2006). A *range brand* spans an entire range of products, creating relationships with products that may have been previously unseen by consumers. An example of a range brand is WeightWatchers that started as a weight management program and then extended to food products. A *product brand* is the association of a single product with a single brand, as in the cases of Ford automobiles and Ivory soap (Bruer, 2006).

Nilson (1998) further classified brands based on their market positions as primary brand, secondary brand, and tertiary brand. A *primary brand* is referred to as the first brand that comes into the consumer's mind when thinking about a product category. Examples are Hershey's in the chocolate industry and iPod in the music player industry. A *secondary brand* is an extension of the primary brand and may be the second, third or fourth brand that comes in the consumer's minds when thinking about a particular product category. An example is Crest's Deep Sweep tooth brush where Crest is the primary brand and Deep Sweep is the secondary brand. A *tertiary brand*, manufactured solely on price competitiveness, has insignificant revenue potential and receives no advertising support but contributes to the company's overall image in some way. An example of a tertiary brand is P&G's White Cloud diapers. Among other ways that Nilson (1998)

classified brands was channel branding, co-branding, and private branding. A *channel brand* allows a manufacturer to create different product and brand names for various channels of sales. For example, Levi's offers products with different names, quality and price points for mass merchandisers, department stores and high-end stores. *Co-branding* occurs when a single product is associated with more than one brand name, such as co-branding of Gillette shaving equipment with Duracell batteries. A *private brand* is a name given to a product line that is owned, controlled, merchandised and sold exclusively by a specific retailer (Fitzell, 1982; KSA, 2003).

Advantages of Successful Brand Strategies

Murphy (1990) suggested that brands are valuable to firms in two different ways: (a) as a trustworthy source of value and satisfaction in the eyes of consumers that lead to increased sales and future cash flow through loyalty and (b) as a strategy for manufacturers to communicate positively with consumers and gain control over distributors and retailers. D'Alessandro (2001) advocated three reasons for which a company would have an advantage in the marketplace by creating a strong brand. First, a strong brand would create a strong workplace as the best people want to work for the best brands. Second, a strong brand helps employees focus and make decisions more easily because they can associate themselves with the identity of the firm that requires specific strategies to be implemented. Finally, as employees derive a sense of belonging, direction and purpose through the brands, they do more than they otherwise would have believed they could to make the brand and firm a success. Aaker and Joachimsthaler (2000) presented the advantages of successful branding strategies in terms of the financial outcomes for a firm. They suggested that firms no longer suffer price competition because their products are

not just seen as commodities. Keller (1998) discussed the importance of brands in terms of how they benefit the consumer and the manufacturer. A brand signals to the consumer the source of the product, and protects both the consumer and the producer from competitors who would attempt to provide products that appear to be identical.

Private Brands

A private brand is also called a store brand, proprietary brand, own label or dealer-owned label. Private brands offer higher profits to retailers and are an important source of competition to national brands (Hoch & Banerji, 1993). A study conducted by *The Private Label Manufacturers Association* in the year 2003 showed a 25% increase in private brand sales over the previous five years. Private brands accounted for one of every five items sold every day in supermarkets, drug chains, and mass merchandisers in the United States (Kumar & Steenkamp, 2007). Three out of 10 shoppers surveyed in 2009 stated that they purchased more private labels than a year ago and 24% said that they will continue to purchase private labels in the future (Retail Forward, 2009). More recently, private labels represented more than \$88 billion of sales within the retail industry (PLMA, 2009). Private labels are also category leads in as many as 25% of the 775 product categories (PLMA, 2009). With the increase in private label apparel products in the market, whether or not this trend will continue is of interest to retailers and manufacturers. Although the exact percent of private labels sold at Wal-Mart is not being divulged, it is estimated at 8% of total products (well below the 15-18% average of conventional supermarkets) and expected to exceed 40% over the next three years (Supermarket News, 2009). As Wal-Mart expands into the private label business, it has made two strategic moves: (a) it has made acquisition of current brands such as White Cloud formerly owned by Procter & Gamble

and (b) it has created a line that appeals to the growing and often over-looked teen market with the Mary Kate and Ashley Olsen brand (Pollack Associates, 2002). On one hand, private brands have been seen as successful branding strategies by retailers (Keller, 1998). On the other hand, private brands have been considered to be cheap, me-too products usurping profits out of a market by making consumers more price sensitive (Dunne & Narasimhan, 1999). Mariotti (1999) found a direct correlation between an increase in private label sales and a decline in the country's economy. Keller (1998) noted that consumers are less likely to purchase private brand merchandise as their personal disposable income increase. These findings suggest that private brands were perceived as a low-cost alternative to national brands (Mariotti, 1999) and that they were inferior in quality to national brands (Fitzell, 1982). This perception has been changing, as evidenced by the continual adoption of private brand strategy by several retailers (Bruer, 2006). In fact, some private brands (e.g., Target's Archer Farms) are more expensive than similar national brands. Consumers are realizing that private brands are at par with national brands, and thus they are buying more private brands than before. Floor (2007) resented the following benefits that retailers can obtain by incorporating private brands in their brand mix.

Differentiation

Retailers selling national brands alone do not offer much differentiation as consumers can purchase the same national brands from competitors. Retailers selling private brands could offer the much needed differentiating aspect to the consumer in terms of products with unique style, superior quality, or lower price. A successful private branding strategy can increase the number of customers visiting the store, generate store loyalty, and serve as a cue to distinguish from one store to other (Miranda & Joshi, 2003; Steenkamp & Dekimpe, 1997). Fashion retail companies

such as H&M, Zara, and the Gap have built a strong image with the help of their exclusive private brand range. The differentiating factor of these retailers is that their brands are not sold in other stores and consumers have to come back to their stores to purchase those brands.

Higher Margin

Consumers today demand lowest prices possible, thereby forcing retailers to cut down operating costs and pass the savings on to the customer. Retailers selling private brands witness monetary gains because the gross margin of a private brand is higher than that of a manufacturer brand. Typically, a retailer selling a large range of private brands will witness a positive influence on profitability. A supermarket retailer with a strong private label strategy could double its profits (Chen, 2005). Gross margins on private labels for retailers are 20-30% higher than on national brands (Hoch & Banerji, 1993). Also, a study found that if a grocery chain could convert two national brand purchases to two private brand purchases on each shopping trip, then the store could increase its profitability by 55% (Grant & Schlesinger, 1995).

Greater Control

A private brand strategy provides the retailer with a greater control over the sales price. In the case of manufacturer brands, the authority to fix the sales price is still with the manufacturer and the retailer has to stick to the manufacturer's price rules. In the case of private brands, the retailer has complete control and can independently determine what the price of its private brand should be. Also, retailers benefit from the advantage of controlling shelf space resulting in increased bargaining power over manufacturers (Chen, 2005). Further, studies have shown that a strong competition between private brands and national brands can result in the

retailer acquiring better terms of trade from the manufacturers, resulting in higher margins on national brands (Mills, 1995; Narasimhan & Wilcox, 1998).

Better Product Strategy with More Flexibility

Retailers typically gather important point-of-sale information about consumers and they can use this information to develop private brands that satisfy the consumers' needs. Several retailers are also adopting the vertical integration strategy in brand development. Vertical integration occurs when a retailer controls the entire production and marketing process, from product design and production to distribution to the stores. Such a strategy provides greater control to retailers when they develop new products. Also, these retailers can readily produce products according to the consumer demand. This flexibility is especially important in the fashion sector where changes in trends happen rapidly.

Private Brands in the Apparel Industry

This section focuses on statistics of private brands in the U. S. apparel industry and specific examples of retailers that have implemented both successful and unsuccessful private brand strategies. Two major categories of branded apparel exist in the market today: private brands and national brands. A key issue in the apparel retail sector is the trend from national brands to private brands (Brier, 2006).

Private brand growth is often connected to the food and grocery retailer; however, apparel retailers are the pioneers of this strategy (Fitzell, 1998; Mullick-Kanwar, 2004). The first retailer that introduced the concept of private brand was Brooks Brothers in the year 1818 (Mahoney & Sloane, 1974). Other prominent retailers quickly adopted this strategy resulting in

significant growth of private branded apparel. Although the apparel industry is one of the major industries in the United States, total consumer spending on apparel has decreased from 34.2% in 1995 to 26.4% in 2004 (Bruer, 2006). Further, the reduction of trade barriers and the ease with which imported goods are entering the U.S. market have brought an increase in the number of apparel brands that are available in the market and the corresponding increase in the number of options available for consumers to choose from (Dickerson, 1999). A significant portion of most retailers' revenue and profit comes from selling manufacturer brands that are also sold by their competitors. In this competitive situation, selling private brands may be a strategy for retailers to differentiate them from others. Such differentiation may protect retailers from their competitors and help to increase their revenue and profits. The Chain Store Guide Apparel database shows that 41% of all apparel companies listed in their database offer private brand merchandise. Also, private brand sales in the apparel sector through all retail channels were \$58 billion in 2002 (Branch, 2003) and accounted for 70% of total apparel sales in 2005 in the United States (Driscoll, 2005). The rise in private brand growth is demonstrated by the percentage split of market share between private and national brands sold by a retailer. In 2003, the market share in apparel sales between private and national brands was closely divided at 49% and 51%, respectively. In 2006, private labels accounted for 45% of total apparel sales in the United States (Huffman, 2006). During the same year, Wal-Mart and Target led global growth of private label sales with \$126 billion and \$17 billion, respectively (Lincoln & Thomassen, 2008). These statistics indicate the rising share of private brands in the apparel industry, which calls for a further study on consumer perceptions and behaviors toward apparel private brands.

Department stores and national chain stores are also adopting the private brand strategy. Private brands carried in national chain stores include Daisy Fuentes for Kohl's and Bisou Bisou for JC Penney. Kohl's is a leader in mass merchandising and has stressed the importance of only name brand products to consumers. As private label competition has increased, Kohl's has developed a successful line of apparel to compliment the assortments of national brands that they offer. Federated Department Stores Inc. (owner of Bloomingdale's and Macy's) has seen great success with its private label products and increased the percentage of private label merchandise it sells (Sullivan, 2005). Macy's has been successful with home textile private labels (e.g., Hotel Collection and The Cellar) as well as apparel private brands (e.g., Alfani, American Rag, and Charter Club).

Target introduced its private label strategy by acquiring the already established Mossimo brand name. The retailer has leveraged the Mossimo apparel brand to accessories, shoes and handbags (www.target.com). Kmart's most popular branding strategy hinges on a domestic icon, Martha Stewart. The Stewart living line was an immediate success for Kmart's home product sales, but has suffered a downturn upon Stewart's arrest and incarceration (Cardona, 2009). Much like Target's strategy, Sears has acquired two already established private label products: Lands' End and Structure. Although Sears has attempted to develop its own line of private label soft goods, it has struggled to see financial returns (Pierce, 2009). Finally, JC Penney has been successful with private label products in both home and apparel categories. JC Penney initially repositioned itself as primarily a soft goods retailer and, within soft goods, tried to trade up from the mass merchandiser image to higher-cost product lines to target the traditional department store customer in the early 1980s. Caught between discounters and fashionable specialty stores,

JC Penney lost to well-known women's brands like Liz Claiborne, Estee Lauder, and Elizabeth Arden. JC Penney concentrated on converting its own private labels, such as Worthington, Stafford, St. John's Bay, Arizona jeans, and American Living, into high-quality brand names, which helped the company pay considerable dividends at home and abroad. Its thriving line of Arizona apparel products is currently one of the top 10 jeans in the market (Cardona, 2004). Figure 1 shows a broad classification of branding in the apparel retail sector. With the increases in the amount of private label apparel products and competition with national brands, this study is timely and important to both retailers and manufacturers.

The Concept of 'Store as a Brand'

A strategy that today's retailer has to adopt to survive the intense competition is to become a brand itself (Floor, 2007). Consumers today have the option of choosing their products from a large number of stores. A strong brand identity can differentiate a brand from its competitors and thus create consumer loyalty. A retailer who is a brand itself will have the opportunity to strengthen, not only its rational but also emotional relationships with its consumers. One of the ways by which a retailer can brand itself will be through its store. To achieve the "store as a brand" status, a retail store will have to be more than an assortment of products or brands. A retailer has to move from being a mere distributor of products or brands to becoming a strong brand that differentiates it from other retailers. A retailer's store needs to communicate what the retailer stands for and deliver the brand promise. A retailer that uses a store not only to sell products, but also to build its brand, creates a positive image in its consumers' minds (Floor, 2007).

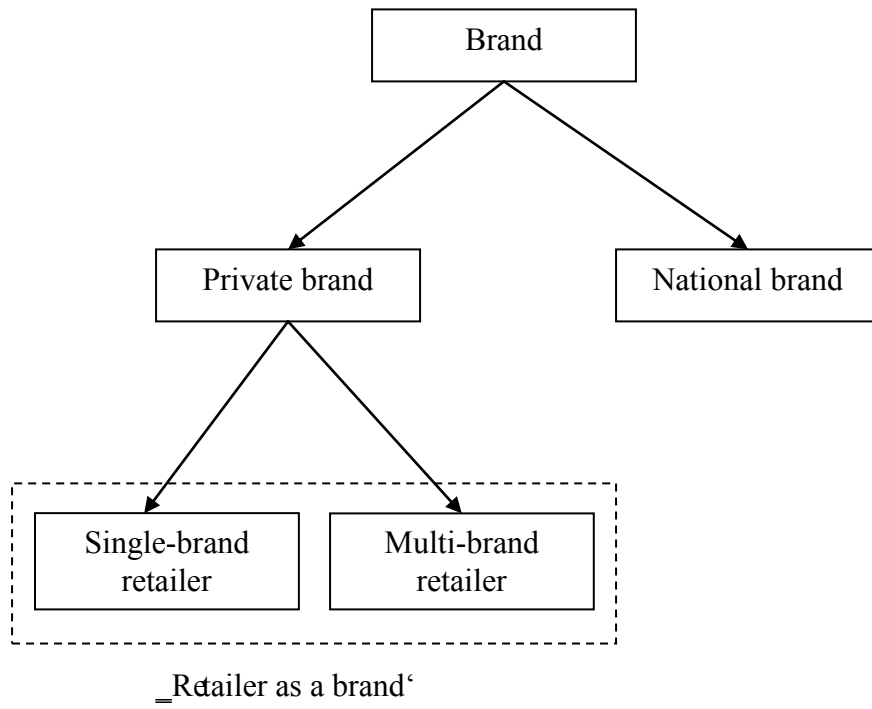


Figure 1 Brand Classification in the Apparel Sector

Customer pull to the store can be generated via in-store communications (e.g., store design, visual merchandising, employees) and out-of-store communications (e.g., advertising, direct marketing, store exterior) as well (Floor, 2007). A strong brand identity toward a retailer can be perceived by the consumer only if there is cohesion between store image, in-store communications and out-of-store communications. As an important part of the in-store environment, the retailer not only needs to focus on the factors that affect consumers' senses but also need to focus on the range of products that are available in the store (Floor, 2007). Store design and visual merchandising, together with merchandise and employees, form the in-store brand experience, which then influences purchasing behavior.

When a retailer brands its stores, it offers several advantages to the retailer. Floor (2007) discusses the following advantages to the retailer.

Barriers against Competitors

A retailer with a strong brand reduces the price sensitivity that consumers may have. A strong retail brand develops an emotional bond between the retailer and the consumer, which results in increased loyalty and reduced probability of switching to a competitor that offers lower prices.

Higher Profitability

A strong retail brand shows better financial results than a weaker retail brand does. A strong brand results in higher profits, because consumers visit the store frequently, fill larger-than-average shopping baskets, or pay price premiums because they perceive the store to have a strong brand image (Court et al 1999). Further, a strong retail brand builds up a loyal customer

base, which leads to reducing the retailer's expenditure on marketing costs and increasing profitability.

Better Deals with Suppliers

Manufacturers and other suppliers prefer to do business with a leading retailer. A strong retailer has the advantage of choosing from suppliers who offer best deals and from project developers who offer the best locations within a shopping district. Manufacturers are prepared to offer a strong retailer a higher margin and give the retailer exclusive rights to sell new products for a certain period of time.

Theoretical Background

The effect of store environment on customer behavior within a store has been studied by several environmental psychologists. A retail store can offer a distinctive atmosphere that influences a shopper's patronage decision (Baker et al., 1994). In fact, store atmosphere is one of the attributes of store image (Wu & Petrosius, 1987). Store atmosphere places an emphasis on emotions, which is made clear in Kotler's (1973) definition of atmospherics as —the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability” (p. 50). From the retailer standpoint, store atmosphere is the effort by the retailer to create a suitable atmosphere to develop positive emotions within the customer, which will enhance the probability of purchasing. From the customer standpoint, store atmosphere provides cues, based on which customers develop an image about the retailer. Further, Ghosh (1990) argues that atmosphere influences the overall value provided by retailers and defines the

concept of retail atmosphere as “the psychological effect or feeling created by a store’s design, and its physical surroundings” (p. 465).

Atmospherics in the retailing context refers to all the physical and non-physical elements of a store, which are within the retailer’s control to enhance customers’ shopping experience in the store (Eroglu & Machleit, 1990). Store atmospheric design can be a differentiating factor to the retailer when its competitive outlets are numerous or when product/price differences are little compared to its competitors (Floor, 2007). Store atmospherics have an impact on the shopper through the sensory channels of sight, sound, scent, and touch. Researchers have studied the effects of five popular atmospheric cues that impact the senses: color and lighting (Bellizzi, Crowley, & Hasty, 1983), social factors (Baker et al., 1992), ambient factors (music and lighting) (Baker et al., 1992; Kellaris & Kent, 1992; Milliman, 1982), crowding (Eroglu & Harrell, 1986), and point-of-purchase display (Phillips, 1993; Quelch & Cannon-Bonventre, 1983). Store entrances, checkouts, and customer service areas also have been found to influence in-store shopping time (Newman, Yu, & Oulton, 2002).

A number of researchers have applied the M-R model to store environment studies (e.g., Anderson, 1986; Buckley, 1987; Dawson, Bloch, & Ridgway, 1990; Golden & Zimmer, 1986; Sherman & Smith, 1987). Research on store atmosphere has been conducted either by considering the individual effect of each atmospheric cue on shopper behavior or by considering all the cues as a holistic entity. Donovan and Rossiter (1982) focused their study on the overall influence of store atmospheric cues on customer behavior by adopting Mehrabian-Russell’s (1974) environmental psychology model (M-R model).

A rich body of literature in environmental psychology (Donovan & Rossiter, 1982; Mehrabian & Russell, 1974; Russell & Pratt, 1980) posits that the environment, within which decisions are made, produces emotional states, which in turn influence consumer behavior and response. The Mehrabian-Russell (M-R) model states that the store atmosphere generates two major emotional states in the consumers' minds: pleasure and arousal. Pleasure and arousal act as mediators between store atmosphere and intended shopping behavior within the store (Mehrabian & Russell, 1974). Mehrabian and Russell (1974) evaluate the effects of ambient (lighting and music) and social cues (number and friendliness of employees) on respondents' pleasure and arousal and their willingness to purchase. Mehrabian and Russell find that individuals react to any given environment with two contrasting forms of behavior: approach or avoidance. Approach behavior is a willingness or desire to stay in or explore an environment; avoidance behavior is represented by a desire not to stay or explore. A store atmosphere generating positive emotions encourages consumers to stay longer in the store and interact with employees (Dawson, Bloch, & Ridgway, 1980; Donovan & Rossiter, 1982; Hui & Bateson, 1991), develop positive store image (Darden & Babin, 1994), and improve merchandise and service quality perceptions (Baker et al., 1994).

Store atmosphere is important, especially in fashion stores where consumers spend a significant amount of time as part of the purchase process (Gagliano & Hathcote, 1994). Strategic manipulation of store atmosphere enables retailers to differentiate themselves from their competitors (Newman & Patel, 2004). Newman and Patel (2004) indicate that when retailers provide a similar image of merchandise and store atmosphere, the customer has a positive perception about the overall retailer image. Researchers agree that the physical and

service environment is an important part in creating the retailer's image (Kotler, 1973) and can generate cognition or emotions in consumers (Bitner, 1992). This study will adapt Mehrabian and Russell's environmental psychology model and apply it in the context of single-brand apparel retail stores to understand the influence of store atmospherics and merchandise sold on cognitive evaluations and emotions generated and the outcome variables in terms of approach-avoidance behavior.

Stimulus-Organism-Response Model

Mehrabian and Russell's environmental psychology model is based on the Stimulus-Organism-Response (SOR) paradigm. The model makes two assumptions. First, people's emotions eventually determine what they do and how they do it. Second, people respond with different sets of emotions to different environments (Tai & Fung, 1997). The SOR model relates stimulating features of an environment (S) to approach-avoidance behaviors (R) through emotions generated within the consumer (O). In this model, emotional state acts as a mediating variable in determining the approach-avoidance behavior. As such, Mehrabian and Russell's (1974) Stimulus-Organism-Response model demonstrates the link between physical environment and its effect on an individual's behavior (Figure 2). That is, a physical environment influences an individual's internal states, which lead the individual to either approach or avoid the environment (Mehrabian & Russell, 1974).

The SOR framework has been adopted in the context of retail environment, with several studies supporting the relationship between store environment and consumer purchase behavior (e.g., Baker et al., 1992; Donovan & Rossiter, 1982). Retail store designs that shape a retail space create or alter consumers' mood and impact consumers' behavioral response (Markin,

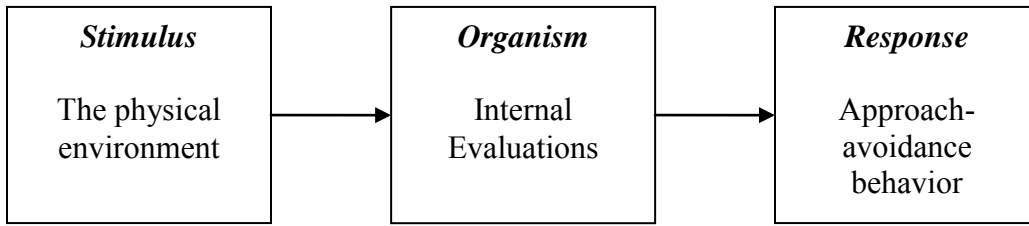


Figure 2 The Stimulus-Organism-Response Model

Lillis, & Narayana, 1976). The SOR framework has also been analyzed in the context of online shopping with store atmospherics replaced by online atmospherics (Mummalaeni, 2005).

In a retail setting, the atmospheric variables are the stimuli (S) that drive consumers' internal emotional states (O), which then influence their behavioral responses (R). Donovan and Rossiter (1982) apply the SOR framework to a retail store setting and test the link between organismic and response variables. They conclude that environmental stimuli have an impact on emotional states of consumers in ways that consumers may not be fully aware of the stimuli, but the stimuli can indirectly affect consumers' approach or avoidance behavior. Approach or avoidance behavior can be observed in such behaviors as store patronage, store search, and in-store behavior. Sherman and Smith (1986) apply the SOR framework and support the findings of Donovan and Rossiter (1982) on the relationship between consumers' emotional states and buying behavior. The block diagram of the SOR model is shown in Figure 2.

The Stimulus

—Stimulus" has been conceptualized as something that rouses or incites action (Bagozzi, 1980; Belk, 1975). In the consumer context, stimuli are those external factors associated during the decision-making situation (Sherman et al., 1997). When the SOR model is applied in the retail context, stimuli are the store atmospheric cues that affect the internal states of the consumer. A cue is defined as a characteristic, event, or object, external to a person that can be predetermined and used to categorize a stimulus object (Schellinck, 1982). Retail store atmospheric cues are the antecedents of consumer evaluations towards a retail store. A store's atmosphere is artificially created by the retailer to include cues, messages, and suggestions to consumers about the retailer's image (Bitner, 1992). A store atmosphere, in addition to product

or brand cues, contains numerous non-product cues such as lighting, music, employees, and other shoppers in the store. These cues generate a buying atmosphere that is designed to produce specific emotions in the buyer, which enhances his or her purchasing probability.

Bitner (1992) proposed three dimensions of store environment cues: ambient conditions; spatial layout and functionality; and signs, symbols and artifacts. Ambient conditions include factors such as temperature, air quality, noise, music, and odor. Spatial layout and functionality include factors such as the physical layout of a store, equipment, and furnishings. Signs, symbols and artifacts include signage, personal artifacts, and style of décor. Baker (1987) classified environmental components into ambient factors, design factors, and social factors. Ambient factors refer to the non-visual elements of a space (e.g., temperature, music, lighting). Design factors refer to the visual elements of a space that tend to exist at the forefront of consumers' awareness (e.g., color, layout, architecture). Berman and Evans (1995) divided atmospheric stimuli into four categories: the store exterior, the general interior, the layout and design variables, and the point-of-purchase and decoration variables. Turley and Miliman (2000) presented a review of the literature in an attempt to further the theoretical and empirical understanding of retail store atmospherics. They identified 58 variables in five categories: external variables; general interior; layout and design; point-of-purchase and decoration; and human variables. Although their classification is the result of a thorough literature review, it lacks a theoretical support (Gilboa & Rafaeli, 2003).

Apart from the above mentioned atmospheric cues, the merchandise carried in the store has been included as a stimulus variable (Thang & Tan, 2003). Merchandise has been studied by researchers as part of store image (Lindquist, 1974; Nevin & Houston, 1980). After extensive

literature review, Lindquist (1974) came up with nine different elements of store image, with merchandise being one of them. Doyle and Fenwick (1974) included merchandise assortment and styling as part of store image, while Bearden (1977) considered quality of the merchandise and assortment as components of store image. Ghosh (1990) included merchandise to be part of the store image and considered to be the most important element of a retail mix. Single-brand retailers, as the name suggests, sell only one brand of merchandise. For such retailers, the merchandise sold is one of the biggest reasons consumers visit their stores. Hence, it is appropriate to include merchandising factors as part of the store stimuli for single-brand apparel retailers. In summary, store atmospheric cues as stimulus variables have been found to impact consumer behavior (Nevin & Houston, 1980). Stimuli are generated by various elements of store atmosphere and merchandise characteristics; these stimuli influence consumers' emotions while shopping in a retail store. The emotional response generated by a consumer to a store stimulus is termed as the organism variable in the SOR paradigm.

Organism

Organism refers to the "internal processes and structures intervening between stimuli external to the person and the final actions, reactions, or responses emitted" (Bagozzi, 1986, p. 46). Bagozzi (1986) states that the intervening processes and structures consist of perceptual, physiological, feeling, and thinking activities. Researchers have identified two types of individuals' internal evaluation states that are induced by the physical environment: cognitive and affective (Mehrabian & Russell, 1974; Zeithaml, 1988).

Cognitive Evaluation

Cognitive evaluation is associated with consumer perception process, which originates from information-processing and inference theories (Bettman, 1979; Zeithaml, 1988). Perception is a physiological activity in which sensory stimulation cues are converted into meaningful information (Bettman, 1979). Atmospheric cues provide some important informational cues, based on which consumers can come to a conclusion about price, product, or service quality in that store (Baker, Parasuraman, Grewal, & Voss, 2002). For instance, the use of plush carpet in a store design may make consumers infer that the store might charge higher prices and provide higher quality of merchandise and service. This rational inference based on an atmospheric cue is cognitive evaluation.

Empirical studies support the argument that atmospheric cues influence consumers' cognitive response. Baker, Grewal and Parasuraman (1994) found that consumers perceive higher merchandise quality and service quality in a prestige-image ambient setting than in a discount-image ambient setting. Bitner (1990) found that the appearance of the physical environment can cause consumers to perceive the firm to be responsible for the service failure. For example, when a service failure occurs in an organized environment, consumers might blame the firm less than if the service failure occurs in an unorganized environment. Also, consumers attribute causes of service failure to something unintentional and relatively temporary in an organized environment, while in an unorganized environment consumers expect the problem to occur again. Grewal and Baker (1994) found that consumers perceive the higher price range of a product as more acceptable in a high-social store environment than in a low-social store

environment. Therefore, the above studies confirm that atmospheric cues influence consumers' cognitive evaluations.

Affective Evaluation

Emotional state or affective evaluation is a judgment whether an object is pleasant, attractive, valuable, likable, or preferable (Russell & Snodgrass, 1987). Mehrabian and Russell (1974) hypothesized that any environment is capable of inducing and producing different emotional states in an individual. Mehrabian and Russell (1974) suggest three dimensions for the emotional states that are developed in an individual's mind—pleasure, arousal and dominance, also called the PAD framework. These emotional responses determine the need to remain within or leave a physical environment (Bennett, 2005). These three dimensions commonly represent the "organism" aspect of the SOR framework. The pleasure aspect determines whether individuals perceive the environment as enjoyable or not enjoyable. The arousal dimension evaluates how much the environment stimulates the individual. The dominance element relates to whether individuals feel dominant (in control) or submissive (under control) in the environment (Mehrabian & Russell, 1974).

However, other researchers conclude that the emotion-eliciting qualities of environments are captured by only two dimensions—pleasure and arousal (Russell & Pratt, 1980; Russell & Snodgrass 1987). The affective space evoked by environments was found to be better described by pleasantness and arousal dimensions, whereas dominance was not found to have a predictable or significant effect on behavior (Russell & Pratt, 1980; Russell, Ward, & Pratt, 1981; Ward & Russell, 1981). Russell and Barrett (1999) attributed the reason for this to the fact that dominance factor is a cognitive component of affective reactions. Studies in both retail and non-retail

environments support that the pleasure and arousal dimensions are related to consumer reactions, but the effect of the dominance dimension is unclear (Russell, 1980; Yalch & Spangenberg, 2000). For example, Donovan and Rossiter (1982) found that shopping behaviors were related only to the pleasure and arousal dimensions in a retail setting. Yalch and Spangenberg (2000) state that behaviors associated with dominance are difficult to identify as it reflects only a small influence on behavior. As a result, the dominance dimension is often not measured as an emotional/affective response (Russell, 1980).

Researchers have established the mediating role of pleasantness and arousal in the context of store environments. Donovan and Rossiter (1982) find pleasantness and arousal to have positive effects on intentions to remain in the store and to spend more money. Baker et al. (1992) find a positive relationship between the emotional states and intention to purchase. In sum, the literature review suggests that consumers' affective evaluations can be explained in terms of pleasure and arousal dimensions. Further, pleasure and arousal mediate the relationship between the store atmosphere and consumers' response to the store atmosphere.

The Response

Response is associated with the psychological reactions such as attitudes and behavioral reactions of consumers (Bagozzi, 1986). The retail atmosphere has been found to influence customers' behavioral intention, which is composed of different dimensions such as number of items purchased, amount of money spent in the store, and whether the shopper liked the store environment or not (Sherman & Smith, 1986). In the retailing context, response to store stimuli is often termed as approach or avoidance behavior. Approach is the desire to remain in the store, continue shopping and willingness to stay for relatively long periods. In contrast,

avoidance behaviors are associated with negative reactions including a desire to leave the store and not return (Mehrabian & Russell, 1974). Approach-avoidance behaviors are the actions resulting from individuals' internal states. Mehrabian and Russell (1974) suggest that approach behaviors include physical approach, work performance, exploration, and social interaction. Turley and Milliman (2000) suggest that atmospheric variables lead to a certain behavioral response by the consumer such as time spent in the store, items examined, information acquired, and satisfaction. Donovan and Rossiter (1982) also suggest several responses applicable to a retail environment, including the number of items purchased, amount of time and money spent in the store, and whether the consumer likes the store environment. Zeithaml, Berry, and Parasuraman (1996) identified five dimensions of behavioral intention: intention to remain loyal, propensity to switch, disposition to pay more, external response to problem, and internal response to problem. Donovan and Rossiter (1982) found that approach behavior and the related behavioral intentions are highly influenced by the emotional responses to an atmosphere within an environment. Researchers have also found a direct relationship between atmospheric dimensions of an environment and the approach-avoidance behavior (e.g., Crowley, 1993; Hirsch, 1995; Herrington & Capella, 1996). In summary, atmospheric stimulus has an impact on the intervening mental evaluative state, which, in turn, affects the response toward the environment.

Hypotheses Development

This study adopts Mehrabian and Russell's (1974) Stimulus-Organism-Response (SOR) framework to understand the impact of store stimuli on consumers' internal evaluation states and approach-avoidance behavior in the context of a single-brand apparel retailer. The proposed

research model is shown in Figure 3. In this model, store atmospheric cues have a direct impact on cognitive evaluations toward store, while merchandise cues have an impact on cognitive evaluations toward merchandise. Cognitive evaluations further influence affective evaluations while both cognitive and affective evaluations impact approach-avoidance behavior.

Stimulus → Organism

Baker (1987) classifies environmental components of a store into ambient, design, and social cues. Social cues are the stimuli that include the presence of employees and other customers in the store. Design cues are the stimuli that represent the visual elements of a space (e.g., layout, color, architectural elements) that exist at the forefront of a consumers' awareness. Ambient cues are the stimuli that refer to the non-visual elements (e.g., temperature, music, and lighting) that impact the consumer's subconscious states. In a retail setting, stimuli are external sources consisting of both marketing mix variables and environmental inputs that affect the internal states of a consumer (Bagozzi, 1986). To accomplish the 'store as a brand' concept, retailers strive to achieve a consistent image from their store and the merchandise carried in their store. In this study, we categorize store stimuli into store atmospheric cues and merchandise cues. Since this study is about a single-brand apparel retailer which emphasizes the 'store as a brand' concept, a consumer perception about the merchandise carried in the store is added to store stimuli.

Social Cues → Cognitive Evaluation

Store employees and other customers in the store are recognized as 'social factors' in the retail store setting (Baker, 1987). The social variables include employee appearance, number of

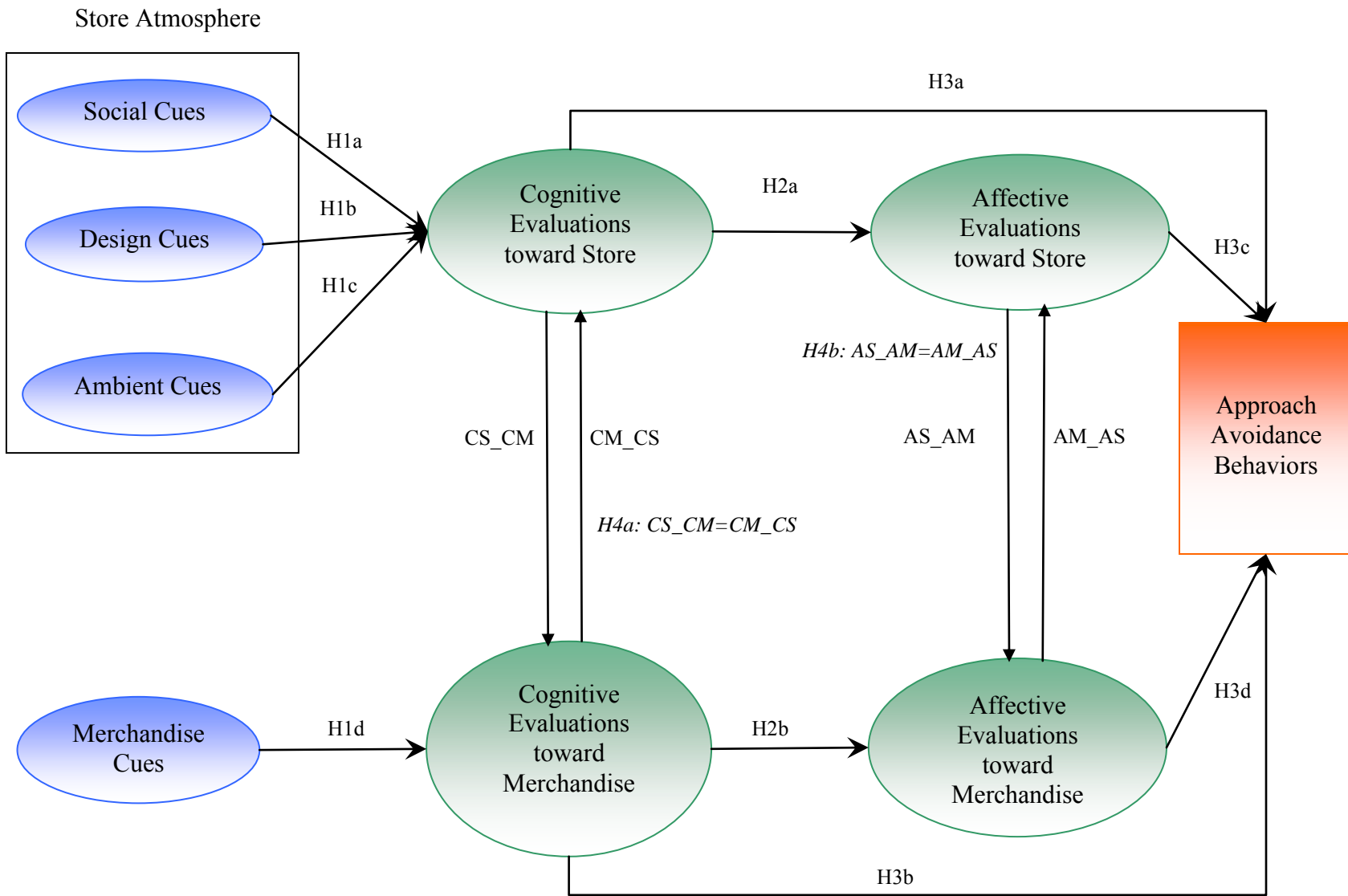


Figure 3 The Proposed Research Model

employees, gender of employees, and dress or physical appearance of other customers. The physical appearance of retail employees is critical because it is a means to communicate to customers about the store's image (Solomon, 1985). Baker et al. (1994) examined the effect of retail store employees on certain cognitive evaluations such as consumer inferences about merchandise, service quality and the overall store image. For example, a retail store characterized by prestige-image social factors (e.g., more sales personnel on the floor, sales personnel wearing professional attire, and a salesperson greeting customers at the entrance to the store) were perceived as providing higher service quality than a store characterized by discount-image social factors (e.g., one salesperson on the floor, sales personnel not wearing professional attire, and no greeting offered at the entrance to the store). Singh (2006) also found social cues to have a positive impact on specific cognitive evaluations such as perceived merchandise quality, price, and service quality. Bitner (1990) found that a cluttered environment, featuring an employee in unprofessional attire, could influence a customer's satisfaction when a service failure occurred. Floor (2009) states that the personality of retail brand and its employee appearance and behavior go hand in hand. Further, in terms of the presence of other customers in the store, research has shown that perceived crowding can interfere with cognition (Langer & Saegert, 1977). Arnould and Price (1993), in their study on river rafting service satisfaction, found that the interaction with others sharing the journey had an impact on one's own satisfaction with the trip. Grove and Fisk (1997) focused on customer-to-customer interactions in amusement theme parks and found that service experiences were affected by other customers' adherence to rules of conduct and by the perceived sociability of other customers. An example of perceived crowding impacting cognition is in the case of discount stores where the number of

other shoppers is a vital aspect of the discount store environment. In such a situation, presence of very few customers could have a negative impact on shoppers' store evaluation and satisfaction (Machleit, Eroglu, & Mantel, 2000). Social cues are important for single-brand apparel retailers as a means to create a positive store image. Hence, social cues may be important for single-brand apparel retailers as a means to develop cognitive evaluations toward the store, thereby leading to a positive approach behavior. Thus,

H1a: A positive perception of store social cues within a single-brand apparel retail store will lead to positive cognitive evaluations toward the store.

Design Cues → Cognitive Evaluation

The design of a store is an important aspect of atmospherics. Design elements can be categorized as functional or aesthetic in nature (Marans & Spreckelmeyer, 1982). Design elements such as layout, merchandise organization, and comfort are part of functional store elements, while design elements such as architecture, décor, and color are part of aesthetic store elements. It has been found that these design elements influence an individual's evaluations of people and objects within the environment (e.g., Baker et al., 1994; Campbell, 1979; Morrow & McElroy, 1981; Zweigenhaft, 1976).

Singh (2006) found that store design cues can have an influence on cognitive evaluations. More specifically, store design cues positively impact consumer judgment about merchandise quality sold in the store. For example, same merchandise can be perceived to be of higher quality when purchased from an upscale store than when purchased from a discount store (Gardner & Siomkos, 1985). Similarly, consumers would be willing to pay a higher price for merchandise sold in an upscale store even before they know the actual price (Baker et al., 2002). In a service-

oriented setting, design has an influence on consumer perceptions and attitudes toward the service provider (McElroy, Morrow, & Eroglu, 1990). In a retail setting, it has been found that color used within a store can affect consumers' cognitive evaluations of the store and the merchandise (Bellizzi, Crowley, & Hasty, 1983). These researchers found that a store with warm colors was associated with the perception of the store offering up-to-date merchandise.

Store design plays an important role for single-brand apparel retailers. Single-brand retailers try to develop their own individual looks through store design so that their store can stand out in consumers' minds. Single-brand apparel retailers emphasize their store through a striking design, unique look and feel that differentiates them from competitors (Floor, 2007). The design cues, such as color, layout, and in-store displays, offered by the single-brand apparel retailer could help consumers form an opinion or develop a belief about the store. Similar to other retailers, it is logical to conclude that the design cues present in single-brand apparel retailers will enhance consumers' cognitive evaluations. Therefore,

H1b: A positive perception of store design cues within a single-brand apparel retail store will lead to positive cognitive evaluations toward the store.

Ambient Cues → Cognitive Evaluation

Ambient cues refer to the background characteristics of the environment that tend to influence consumers at a subconscious level (Campbell, 1983). Several studies on store atmosphere have identified different types of ambient cues: visual cues such as color and lighting (Bellizzi, Crowley, & Hasty, 1983), acoustic cues such as music and noise (Mattila and Wirtz, 2001), and smell and scent (Hirsch, 1995).

Although there are several studies that have evaluated the relationship between ambient cues and affect, there are comparatively few studies on the effect of ambient cues on cognition. Areni and Kim (1983) found a relationship between music and price perception. Shoppers perceived higher prices for wine when classical music was played than when hip-hop music was played in the background. Similarly, store lighting was found to influence store image, examination and handling of merchandise (Areni and Kim, 1994; Baker et al., 1984, 1992). Extending the same relationship between ambient cues and cognitive evaluations in a retail setting to a single-brand apparel retailer, the following can be hypothesized,

H1c: A positive perception of store ambient cues within a single-brand apparel retail store will lead to positive cognitive evaluations toward the store.

Merchandise Cues → Cognitive Evaluation

Thang and Tan (2003) include merchandising components such as quality, assortment, styling, and fashion of merchandise as part of store stimuli. A strong merchandising mix provides consumers with a wider choice of products, which enables stores to fulfill consumers' needs and wants (Golledge, Rushton, & Clark, 1996; Hanson, 1980). Newman and Patel (2004) state that for fashion-seeking consumers, different styles of merchandise carried by a retailer are important determinants of patronage (i.e., approach behavior).

Since this hypothesis has not been tested before, this study draws the connections from basic information-processing literature. Kollat, Blackwell, and Engel (1970) state that perception is a process by which an individual receives stimuli through various senses and interprets them. Cognition is the mental process that enables individuals to give meaning to their environment during perception (Guido, 2001). Lazarus (1984) states that cognition is an appraisal or an

–evaluative perception” of the positive or negative implications of the stimulus. Hence, the final outcome of the perception-cognition sequence is the formation of a mental image about the stimulus. The merchandise sold in the store of a single-brand apparel retailer forms an integral part of its overall image (Floor, 2007). When consumers come in contact with the merchandise sold by the single-brand apparel retailer, they process the stimulus and convert their perception toward the stimulus into cognitive evaluations. Extending the thesis that positive perception leads to positive cognitive evaluations, if a consumer perceives the merchandise sold by a single-brand apparel retailer to be positive, then it is logical to conclude that the consumer will generate positive cognitive evaluations toward the merchandise. Hence,

H1d: A positive perception of merchandise cues within a single-brand apparel retail store will lead to positive cognitive evaluations toward the merchandise.

Cognitive Evaluation → Affective Evaluation

Individuals develop both cognitive and affective evaluations to a particular environment (Proshansky, Fabian, & Kaminoff, 1983). Cognitive evaluation refers to beliefs and knowledge about a stimulus, whereas affective evaluation refers to feelings about it (Baloglu & Brinberg, 1997; Gartner 1993; Holbrook 1978; Walmsley & Jenkins, 1993; Ward & Russell, 1981; Zimmer & Golden 1988). Over the years, immense literature has been developed on whether consumers first experience emotional feelings or cognitive thoughts when they encounter an environment. Some researchers argue that cognitive states precede emotional states (Lazarus, 1984; Oliver, 1980, 1981), while others argue that emotional states precede cognitive states during the process of evaluation (Pham, Cohen, Pracejus, & Hughes, 2001; Swinyard, 1993).

A number of studies support the emotion-cognition sequence (e.g., Abelson, Kinder, Peters, & Fiske, 1982; Brown & Stayman, 1992). The emotion-cognition approach suggests that affective evaluations precede cognitive evaluations. Zajonc and Markus (1984) state that emotions can be generated as result of a direct consequence of consumers' exposure to a sensory event. For example, one may have a spontaneous affect-based reaction on encountering a new person, even before acquiring any information about the personal qualities of that person (Lavine, Thomsen, Zanna, & Borgida, 1998). In the literature pertaining to store environment, several studies considered only the affective component (e.g., Donovan & Rossiter; 1982; Wong, Baker, Wagner, & Wakefield, 2007), while only a few studies have adopted the emotion-cognition sequence. For example, Gulas and Bloch (1995) found that perceived scent has a direct impact on affective states instead of cognitive states. The servicescapes model developed by Bitner (1992) is based on the emotion-cognition theory. Bitner (1992) stated that store atmospheric conditions, such as temperature, noise, and odor, affects an individual's physiological state (i.e., comfort), which in turn influences that individual's decision to stay in the environment. However, this emotion-cognition has been challenged by researchers as it failed to produce any direct effect on emotions from exposure to atmospheric cues (e.g., Bone & Ellen, 1989; Chebat & Michon, 2003; Spangenberg, Crowley, & Henderson, 1996). Instead, these researchers found that atmospheric stimuli had a direct impact on cognition after which people respond with emotions, and even biological reactions. This supports Lazarus' (1991) cognition-emotion approach.

Lazarus (1991), a proponent of the cognition-emotion approach, claimed that cognition is a required condition for emotions to take place and is a precursor to emotions. In other words,

the cognition-emotion approach suggests that an individual cannot have an emotional reaction to a stimulus in the absence of some sort of a cognitive appraisal of that stimulus. Proponents of this theory believe that emotions arise from cognitive processing of environmental and situational factors, in addition to one's beliefs and attitudes (Massara, Liue, & Melara, 2009). Arnold (1960) asserted that emotion starts when something is perceived and appraised. Depending on how a stimulus is appraised, certain emotions are generated. For example, if one appraises that a stimulus is beneficial or detrimental to the individual, and then the individual experiences a positive or negative emotion. Similarly, if a stimulus is perceived as "good," then it leads to emotions such as joy, pleasure, or happiness. If a stimulus is perceived as "bad," then it leads to emotions such as sadness, anxiety, or anger (Arnold, 1960).

Lin (2004) stated that individuals develop a holistic mental image based on the environmental cues, which then influences affective states leading to some sort of behavior. Lin (2004) further stated that when consumers enter an environment, they are constantly collecting and retrieving all the cues within the environment in order to create a mental picture in their minds leading to an affective evaluation. Bagozzi, Gopinath, and Nyer (1999) believed that the cognitive theory of emotions could better explain consumer behavior. In the context of store atmospheric cues, Chebat and Michon (2003) tested the effect of ambient scents in a mall environment using two competing models. The first model followed the emotion-cognition approach whereas the second model followed the cognition-emotion approach. Their study found that the cognition-emotion better explained the effect of ambient scent on behavior. The cognition-emotion model had a better overall fit than the emotion-cognition model indicating that the former was more robust than the latter. In the emotion-cognition model, the effect of

ambient scent failed to produce direct significant effects on pleasure and had a very small effect on arousal. However, in the cognition-emotion model, the effect of ambient scent on shoppers' cognitive evaluations was significant. The cognition-emotion model estimated that shoppers' spending (approach behavior) is mediated primarily by perceptions of product quality (cognition), not by mood (pleasure and arousal). Hence, these researchers concluded that cognition-emotion model better explained the effect of ambient scent on consumer behavior.

A store environment is capable of evoking cognitive evaluations, which then influences an individual's belief about the place, about the people, and products inside that place. In other words, the store environment could be considered as a form of nonverbal communication imparting meaning through the environmental cues (Bitner, 1992). The non-verbal cues from the store environment are gathered and retrieved by consumers to form an overall mental picture about the environment, which then leads to formation of emotions (Lin, 2004). Lin (2004) discussed about the cognition-emotion with respect to a servicescape.

With respect to single-brand apparel retailers, it can be justified that individuals first appraise or evaluate the store atmospheric cues and merchandise cues to form an overall mental image about the store, which then leads to the development of emotions. Individuals might form a favorable or positive opinion toward the single-brand apparel retail store based on the music played in the store or based on whether employees greeted them when they entered the store or not. These overall cognitive evaluations might lead them to consider that the store was exciting or interesting. Since this hypothesis has not been tested in the context of single-brand apparel retailers, based on previous studies, this study adopts the cognitive-affective approach and

hypothesizes that cognitive evaluations toward a single-brand apparel retail store will impact affective evaluations of the store. Thus,

H2a: Cognitive evaluations toward a single-brand apparel retail store will have a positive effect on affective evaluations toward the store.

Similar to the above justification, when consumers have positive cognitive evaluations towards the merchandise carried by the single-brand apparel retailer, it leads to affective evaluations about the merchandise. When consumers form an overall positive opinion about the merchandise, it would lead to emotions such as the merchandise is appealing or interesting. Hence, we can hypothesize that cognitive evaluations toward merchandise will lead to affective evaluations of merchandise. Hence,

H2b: Cognitive evaluations toward merchandise carried by a single-brand apparel retailer will have a positive effect on affective evaluations toward the merchandise carried by the retailer.

Organism → Response

Several researchers have explored the effects of the retail environment on induced emotional and cognitive states (e.g., Matilla & Wirtz, 2001; Gilboa & Rafaeli, 2003). Bitner (1992) posits that both positive cognitive and affective internal evaluations lead to approach behaviors.

Affective Evaluations → Approach-Avoidance Behavior

Donovan and Rossiter (1982) suggested that emotional responses that consumers gain in a retail environment lead to either approaching the store or avoiding the store. Consistent with the SOR model, their findings indicate that consumers' affective evaluations mediate the

relationship between the store environment and shopping behavior. Baker et al. (1992) also found that affect (pleasure and arousal) was positively related to willingness to buy. In a bank setting, Dube, Cheabat, and Marin (1995) also found that higher pleasure and arousal led to an increased desire to affiliate with staff. Sherman et al. (1997) found affective evaluations to impact the money spent in store, store liking, number of items purchased, and time spent in store. Eroglu et al. (2003) found similar results with pleasure and arousal impacting positively on approach behavior. Hence, we hypothesize the following,

H3a: Positive affective evaluations toward a single-brand apparel retail store will lead to approach behavior.

When a consumer generates positive affect towards the merchandise, it has an impact on the approach behavior towards the retail store. For example, if a consumer experiences positive emotions toward the merchandise, the consumer will be prompted to stay and spend more time in the store. In the case of apparel shopping, Park, Stoel, and Lennon (2008) found that affective evaluation toward apparel product presentation had a direct effect on purchase intention. The merchandise is an integral part of single-brand apparel retailers and a unique attribute of that retailer. Hence, any positive affect towards merchandise should lead to approach behavior toward the single-brand retail store as the merchandise is available only with that single-brand retailer. Hence,

H3b: Positive affective evaluations toward the merchandise carried by a single-brand apparel retailer will lead to approach behavior.

Cognitive Evaluations → Approach/Avoidance Behaviors

The Mehrabian and Russell model take into account just the effect of emotions (pleasure, arousal and dominance) on behavior. Sweeney and Wyber (2002) note that a broader framework is necessary to explain the impact of environmental cues on consumer responses as responses are not limited to emotions alone. This implies that both emotion and cognition can impact approach behavior. Bitner (1992), in the servicescapes framework, proposed that employees and customers within a store environment experience cognitive and affective states toward store stimulus, which in turn influence responses. Donovan, Rossiter, Marcoolyn, and Nesdale (1994) examined the role of cognitive factors with regards to specific behavioral responses and found that cognitive factors positively impacted for unplanned spending within the store. Hence, it is logical to conclude that cognitive evaluations lead to approach behavior.

H3c: Positive cognitive evaluations toward a single-brand apparel retail store will lead to approach behavior.

Similarly, if consumers have a positive cognition towards the merchandise, they are likely to stay in the store, explore more and possibly make more purchase than they planned before. In the context of apparel shopping, Park et al. (2008) found that perceived information (cognitive evaluation) played a mediating role in the relationship between apparel product presentation (stimulus) and purchase intention (response). That is, positive cognitive evaluations toward the merchandise influences approach behavior. Thus,

H3d: Positive cognitive evaluations toward the merchandise sold by a single-brand apparel retailer will lead to approach behavior.

‘Store as a Brand’ Concept

One of the objectives of this study is to assess whether consumers perceive the single-brand apparel retail store and the merchandise sold as a single entity. To achieve the ‘store as a brand’ concept, retailers strive to provide a holistic image in which consumers do not perceive the discrepancy between the store and the products carried in the store (Floor, 2007). This can be tested by two different ways that reflect the research model developed in this study. First, if a single-brand apparel retailer is successful in creating a holistic environment where the customer perceives no difference between the store and the merchandise, then the evaluations generated by the store atmospheric cues and the merchandise cues will be the same. In order to evaluate the above criteria, it is hypothesized that the internal evaluations (both affective and cognitive) that are generated within a consumer about the single-brand apparel retail store and the merchandise sold by the retailer should be the same. In this case, a consumer does not view the single-brand apparel retail store and the merchandise sold within to be different entities. Therefore, affective evaluations toward both would be the same. This also applies to cognitive evaluations. The research models depicting these hypotheses are shown in Figure 3. Hence,

H4a: Affective evaluations toward a single-brand apparel retail store and affective evaluations toward the merchandise carried by the retailer will not be significantly different.

H4b: Cognitive evaluations toward a single-brand apparel retail store and cognitive evaluations toward merchandise carried by the retailer will not be significantly different.

Summary

Chapter II provided the conceptual basis for this study and theoretical rationalization for the proposed relationships among store atmospheric cues, merchandise cues, cognitive

evaluation states, affective evaluation states, and approach-avoidance behavior. The conceptual model of this study was based on the SOR model derived from literature pertaining to the field of environmental psychology as presented by Mehrabian and Russell (1974). Based on a comprehensive literature review, store atmospheric cues (i.e., social, design, and ambient cues) and merchandise cues were regarded as antecedents to consumers' internal evaluative states (i.e., cognitive and affective evaluation) and examined their relationships to approach-avoidance behavior. Hypotheses were developed for the relationships among the variables and for the 'store as a brand' concept.

CHAPTER III

METHODS

This study is designed to accomplish six research objectives. First, the study investigates whether traditional store atmospheric cues (i.e., social, design and ambient) have effects on consumers' cognitive evaluations toward a single-brand apparel retail store. Second, the study investigates whether merchandise cues have an effect on consumers' cognitive evaluations toward the merchandise sold by the single-brand apparel retailer. Third, the study examines the effect of cognitive evaluations toward the store on affective evaluations toward the store. Fourth, the study examines the effect of cognitive evaluations toward the merchandise on affective evaluations toward the merchandise. Fifth, the study examines the effects of both cognitive and affective evaluations on approach behavior toward the single-brand apparel retailer. Sixth, the study examines the 'store as a brand' concept.

This chapter is divided into two sections. The first section illustrates research design including setting, sampling, data collection, and procedure. The second section describes instrument development including construct measurements, content validity test, and a pre-test.

Research Design

Most of the studies in the literature on store atmospheric studies traditionally use laboratory experiments and/or simulations (Singh, 2006). An advantage of experimental studies is that they offer high internal validity scores because the researcher has a greater control over potential lurking variables. The researcher has the ability to reduce the effect of these

confounding variables, thereby increasing the precision of the statistical tests (Kerlinger, 1986). However, experimental studies have a few disadvantages. First, an experimental study creates an unnatural and foreign environment to study subjects. The intrinsic motivation of study subjects for participation is different from that of a normal shopper as the study participant is there for an incentive and does not have a natural need to shop at that moment. Also, the subjects might have a feeling that they are being monitored leading to an artificial behavior. This is called the Hawthorne effect (Adair, 1984).

This study employed a mall-intercept survey to collect the data. Mall-intercept survey is a method of data collection in which a trained interviewer intercepts a sample of those passing by in the mall to ask if they would be willing to participate in a research study. Frequently, a small incentive is offered to encourage participation. If the passerby answer in the affirmative, the interviewer briefly describes the research project and hands the survey that has to be completed (Rice & Hancock, 2005). There are several advantages of a mall-intercept survey. First, it is a quick and economical way to do sampling, especially if the segment of a population is hard to reach. Second, since it is a personal or face-to-face interviewing method, it offers the advantages associated with personal interviewing: establishing good rapport with respondents and motivating them to participate in the survey; enabling the interviewers to provide clarifications sought by respondents on the spot; and reducing missing data and bias resulting from misunderstandings. Third, interviewers can collect questionnaires once they are completed, thereby diminishing the problem of low response rates (Gates & Solomon, 1982; Sekaran, 2003). There are some disadvantages associated with a mall-intercept survey. First, there could be problems related to interviewer bias (Sekaran, 2003) and sampling bias (Nowell & Stanley,

1991). Interviewer bias is a result of opinion or prejudice on the part of the interviewer displayed during the data collection process, which may affect responses. Apart from interviewer bias, a disadvantage of mall-intercept survey is the evidence of sampling bias due to the non-representativeness of the sample selection (Burns & Bush, 2000). In spite of these limitations, a field study was appropriate in this case as this study aims to incorporate several aspects of store atmosphere as stimuli. Only a real-time setting can provide such a scenario and hence, a mall-intercept survey was chosen over an experimental setup.

Data Collection Procedures

There were two stages in the data collection process: permission from the malls and survey implementation. The survey was conducted in two malls in Asheville, North Carolina and Nashville, Tennessee. These two cities were chosen because Asheville and Nashville are among the largest cities in North Carolina and Tennessee, respectively. The two particular malls were selected because of the presence of various single-brand apparel retailers within the malls. Table 2 provides the list of single-brand apparel retail stores in each of the mall locations. These stores were selected in order to avoid gender biases as they sold clothing and accessories for both men and women. The researcher approached the mall manager to obtain permission to conduct the survey within the mall premise. After briefing about the study, intention of the survey, and the data collection procedures, the researcher was allowed to provide a signature on the marketing license agreement that authorized the researcher to use the space and follow the rules and regulations of the mall.

The data were collected from Asheville, NC in August 2008 and from Nashville, TN in November 2008. The survey was conducted during the weekends when shoppers might be less

Table 2 List of Single-Brand Apparel Retail Stores

Single-brand Apparel Retail Stores in Ashville, NC	Single-brand Apparel Retail Stores in Nashville, TN
Abercrombie and Fitch Aeropostale American Eagle Outfitters Banana Republic Gap Hollister Co. Old Navy	Abercrombie and Fitch Aeropostale American Eagle Outfitters Hollister Co. Express Express Men

rushed while shopping than during weekdays. In order to ensure that the required responses were obtained within the time limit, two interviewers were used. One was the researcher of this study while the other was a fellow doctoral student. To reduce the interviewer bias, the fellow interviewer was trained to be familiar with the purposes of the study, the instructions on the survey, and the interpretations of the survey questions in case any respondents were unsure of the meaning of the questions.

Participant Selection

The participants for this study were shoppers who just exited from single-brand apparel retailers located inside the mall. The interviewers were stationed near the store entrances and approached the shopper as soon as he or she exited the store. Irrespective of whether the shopper had purchased something from the store or not, the interviewers approached the shopper and invited the shopper to participate in the survey. The interviewers introduced themselves and explained the purpose of the study and the use of the shopper's responses in the study. The interviewer also had the Institutional Review Board's (IRB) informed consent form for the shoppers to read if they chose to. Apart from being present in the IRB's informed consent form, the interviewer also stressed the anonymity and confidentiality of answers provided by the shopper. After receiving consent from the shopper, the interviewer noted down the store from which the shopper exited and then handed the questionnaire to the shopper. The interviewer clarified any doubts that the respondent might have had while filling the survey. After the survey was completed, the interviewer collected it immediately and checked if the respondent had answered all the questions clearly. If the unanswered question was noticed, the interviewer

immediately asked the respondent to complete. This approach reduced the number of missing values considerably.

Sample Size

Sample size plays an important role in the accuracy of results (Burns & Bush, 2000) and in the appropriateness of the chosen statistical technique (Hair, Anderson, Tatham, & Black, 1998). This study employs structural equation modeling (SEM) as the statistical technique. For running SEM, sample size should not be small because SEM relies on certain model fitting criteria which are sensitive to sample size. Sample sizes less than 100 are usually considered to be small (Kline, 2005). Breckler (1990) surveyed 72 studies in which SEM was conducted and found the median sample size to be 198. Garver and Mentzer (1999) and Hoelter (1983) suggest a critical sample size of 200 in order to provide sufficient statistical power for data analysis. However, there is a problem with large sample size. When the sample size is large, there is a possibility of a Type II error (rejecting something when it is true) (Garson, 2010). Schumacker and Lomax (2004) found that sample sizes of 250-300 were common in the studies that used SEM. Based on the above considerations, this study aimed to obtain 225 responses from the two locations to obtain a total sample size of 450.

Sample Characteristics

The last section of the questionnaire contained demographic information of respondents, such as age, gender, and ethnicity. The data were coded as nominal for gender, and ethnicity. The number of people in the household, number of children in the household, and the number of times the respondent shopped at the particular store in the past three months were coded as ratio

scale. Age, income and level of education were coded as ordinal. The characteristics of the sample are shown in Table 3. The analysis of respondents' demographic information showed that the respondents represented more females (64%) than males. Majority of the respondents were Caucasians (76%) and half of them were between the age group of 18 to 25 years. Given that several of the single-brand apparel retailers utilized in this study catered to young people (e.g., Abercrombie and Fitch, Hollister, Aeropostale), the respondents seem to represent the study population. The respondents' education was more or less evenly split among pre-high school or high school (27%), some college (30%), and college/university graduate (23%). As for annual household income, majority of respondents (21%) reported less than \$30,000; 17% of respondents reported \$30,000 to \$39,999; 13% of respondents reported \$40,000 to \$49,999 and \$60,000 to \$69,999. Approximately half (48%) of the respondents had more than two people in the household. All the respondents had shopped previously at the single-brand apparel retailer that they answered the survey about in the past three months. In terms of shopping frequency, 14% of the respondents had shopped at the store one time, 22% had shopped at the store two times, and 20% of respondents had shopped at the store three times in the past three months.

Table 3 Characteristics of the Sample

Demographics		Frequency (n = 438)	Percentage (%)
Gender	Male	154	35.17
	Female	284	64.49
Ethnicity	African-American	37	8.5
	Caucasian	332	76.3
	Asian	12	2.73
	Hispanic	16	3.7
	Other	41	9.4
Age	18-25	221	50.8
	26-35	78	17.9
	36-45	92	21.1
	46-55	37	8.5
	Over 55	10	2.28
Education	Pre-high school or high school	121	27.6
	Some college (2 years)	135	30.8
	College/University Graduate	102	23.3
	Post-graduate	40	9.1
	Other	13	3.0
	No Response	27	6.2

Table 3 Characteristics of the Sample (Continued)

Demographics		Frequency (n = 438)	Percentage (%)
Income	Less than 29, 000	94	21.5
	\$30,000 to \$39,999	74	16.9
	\$40,000 to \$49,999	57	13.0
	\$50,000 to \$59,999	43	9.8
	\$60, 000 to \$69,999	59	13.5
	\$70,000 to \$79,999	21	4.8
	\$80,000 to \$89,999	13	3.0
	\$90, 000 to \$99,999	10	2.3
	\$100,000 to \$100,999	20	4.6
	Greater than \$110,000	31	7.1
	No Response	16	3.7
Number of people in the household	0	0	0
	1	77	17.6
	2	210	47.9
	3	94	21.5
	4	36	8.2
	5	10	2.3
	No Response	11	2.5

Table 3 Characteristics of the Sample (Continued)

Demographics	Demographics	Demographics	Demographics
Number of times shopped at the particular store in the past 3 months	1	62	14.2
	2	97	22.1
	3	90	20.5
	4	70	16.0
	5	65	14.8
	6	12	2.7
	7	10	2.3
	8	7	1.6
	9	22	5.0
	No Response	3	0.7

Instrument Development

The measurement scales employed in this study were adapted from the literature and, in some cases, modified to be tailored to the single-brand apparel retail context. The questionnaire was composed of six sections: (1) store atmospheric cues (social, design and ambient), (2) merchandise cues; (3) cognitive evaluations toward single-brand retail store; (4) cognitive evaluations toward merchandise carried by the single-brand retailer; (5) affective evaluations toward single-brand retail store; (6) affective evaluations toward merchandise carried by the single-brand retailer; (7) approach-avoidance behavior; and (8) demographics. All items were measured by a 5-point Likert scale ranging from ‘Strongly disagree’ (1) to ‘Strongly agree’ (5). A complete list of scale items for each of the variables and their sources are provided in Table 4.

Measurement of Store Atmospheric Cues

Store atmospheric cues were composed of three dimensions: social cues, design cues, and ambient cues.

Social cues

Social cues were measured by a 10-item scale which contained questions pertaining to both employees and other customers present in the store. The questions pertaining to employees were adopted from Baker et al. (1994) and Singh (2006). Singh (2006) had included scale items from Baker et al. (1994) and also developed her own scale items to better represent the construct of social cues pertaining to employees. Questions pertaining to the presence of other customers were adopted from Machleit, Kellrais, and Eroglu (1994). The four questions adopted from Baker et al. (1994) encompassed items pertaining to number of employees, their appearance,

Table 4 List of Scale Items for Each Construct and their Source

Variables	Items	Source
Social cues	<ul style="list-style-type: none"> • There were enough employees in the store to service customers • The employees were well-dressed and appeared neat • The employees were friendly • The employees were helpful • The employees were knowledgeable • The store employees greeted me courteously when I entered the store • The store seemed very crowded to me • The store was a little too busy • There wasn't much traffic in the store during my shopping trip • There were a lot of shoppers in the store 	Baker, Grewal, & Parasuraman (1994); Machleit, Kellrais, & Eroglu (1994); Singh (2006)
Design cues	<ul style="list-style-type: none"> • The color scheme was pleasing • The colors used in the store appeared to be currently fashionable • The physical facilities were attractive • The merchandise in the store appeared organized • The merchandise was logically located in this store • Navigating the store was easy • There was sufficient aisle space in the store • In-store displays were impressive • There was adequate display of in-store information • The décor of the store was pleasing to me 	Baker, Grewal, & Parasuraman (1994); Singh (2006)
Ambient cues	<ul style="list-style-type: none"> • The lighting in the store was pleasing to me • The lighting accentuated the products that were displayed in the store • The background music in the store made shopping pleasant • The background music in the store did not bother me • The background music in the store was appropriate 	Baker, Grewal, & Parasuraman (1994); Singh (2006); Singh (2006)

Table 4 List of Scale Items for Each Construct and their Source (Continued)

Variables	Items	Source
Merchandise Cues	<ul style="list-style-type: none">• The store carried dependable products• The store carried a wide selection of merchandise• The store was fully stocked• The store carried high fashion merchandise• The store carried stylish merchandise	Hansen & Deutscher (1978)
Cognitive evaluations toward the store/merchandise	<ul style="list-style-type: none">• I have a favorable opinion about this store/merchandise• I like this store/ I like the merchandise carried in this store• I have a positive opinion about this store/ I have a positive opinion about the merchandise carried in this store• This store was good/ The merchandise carried in this store was good	Eroglu, Machleit, & Davis (2003)
Affective evaluations toward the store	<ul style="list-style-type: none">• This store was exciting• This store was interesting• This store was boring• This store was appealing• This store was sensational	Wakefield & Baker (1998)
Affective evaluations toward the merchandise	<ul style="list-style-type: none">• The merchandise carried in this store was exciting• The merchandise carried in this store was interesting• The merchandise carried in this store was boring• The merchandise carried in this store was appealing• The merchandise carried in this store was sensational	Wakefield & Baker (1998)
Approach-avoidance behavior	<ul style="list-style-type: none">• I enjoyed shopping in this store• I liked this store environment• I would avoid having to return to this store• This is a place where I would feel friendly and talkative to a stranger next to me• This is a place where I would try to avoid people and avoid talking to them• I wanted to avoid looking around or exploring this store• This is a sort of place where I would spend more money than originally planned	Matilla & Wirtz (2001)

friendliness and helpfulness. The original scale items measuring employee cues had a Cronbach's alpha of 0.83 (Baker et al., 1994). This scale has been used and validated by other researchers as well (Baker et al., 2002; Grewal & Baker, 1994). Two questions adopted from Singh (2006) pertained to the knowledge and courteousness of employees. The overall Cronbach's alpha of the scale items for social cues adopted from Singh (2006) was 0.89. The four questions measuring the presence of other customers in the store include items such as *–The store seemed very crowded to me,*” and *–The store was a little too busy.*” The original scale items measuring other customer cues had a Cronbach's alpha of 0.82.

Design cues

Design cues were measured by a 4-item scale adopted from Baker, Grewal, and Parasuraman (1994). In addition to the four items developed by Baker et al (1994), Singh (2006) included six more items in order to measure store design perceptions. This study used the scales obtained from Baker et al. (1994) and Singh (2006). Examples of design cues include *–Navigating the store was easy,*” and *“The physical facilities of the store were attractive.”* The Cronbach's alpha of the scale items were reported to be 0.88 by Singh (2006) while that of Baker et al. (1994) was 0.78.

Ambient cues

Ambient cues were measured by a 2-item scale adopted from Singh (2006) and by a 3-item scale adopted from Baker et al. (1994). The two questions adopted from Singh (2006) pertained to the lighting in the store while the three items from Baker et al. (1994) pertained to the music played in the store. Examples of store ambience cues are *–The lighting in the store was*

pleasing to me,” and *“The background music in the store was appropriate.”* The Cronbach’s alpha of the scale items were reported to be 0.86 by Singh (2006) while that of Baker et al. (1994) was 0.90.

Merchandise cues

Measurement scales for merchandise cues were adapted from the study of Hansen and Deutscher (1978). The original scale measured the attributes of retail store image, such as *–easy to get credit,* *–store is known by friends,* and *–adequate number of sales personnel.* For this study, only those items pertaining to merchandise were selected. Thus, a five-item scale was used to measure merchandise cues. Examples of scale items are *“The store carried dependable products,”* and *“The store carried high fashion merchandise.”* Since the scale items were obtained from a study that provided rankings of attributes, information on reliability could not be obtained.

Measurement of Affective Evaluation

The measures of affective evaluations for both store and merchandise were adopted from Wakefield and Baker (1998). Wakefield and Baker (1998) measured the excitement towards a mall environment which is a distinct affective response to the environment (Mano & Oliver, 1993; Russell & Pratt, 1980). The original scale items had the word *–mall*” in the questions. In this study, the word *–mall*” was replaced by either *–store*” or *–merchandise*” to measure affective evaluations toward store and merchandise, respectively. The items to measure affective evaluations toward both the single-brand retail store and the merchandise sold in the store were essentially the same except for the words *–stor*” and *–merchandise.*” Five items each were used

to measure affective evaluations toward store and merchandise. Examples of scale items are “*This store was exciting,*” and “*The merchandise carried in this store was appealing*” The Cronbach’s alpha of the original scale was 0.975 in Wakefield and Baker’s (1998) study.

Measurement of Cognitive Evaluation

Measurement scales of cognitive evaluations toward both store and merchandise were adopted from Eroglu et al. (2003). Cognition is the mental component of attitude, consisting of beliefs and perceptions. Eroglu et al. (2003) measure attitude towards an online environment through phrases such as “like,” “positive opinion,” and “good.” Four items each were used to measure cognitive evaluations toward both store and merchandise. Examples of scale items are “*I have a favorable opinion about this store,*” and “*The merchandise carried in this store was good.*” The Cronbach’s alpha of the original scale was reported to be 0.86 (Eroglu et al., 2003).

Measurement of Approach-Avoidance Behavior

Measures of approach-avoidance behavior were borrowed from Matilla and Wirtz (2001). The items measuring approach-avoidance behaviors tapped several behaviors such as enjoyment, return intention, and propensity to talk to strangers, spending more money than originally thought, exploring the store, and avoiding other people. An 8-item scale was used to measure approach-avoidance behavior which had a Cronbach’s alpha of 0.78. Examples of scale items include “*I enjoyed shopping in this store,*” and “*I would avoid having to return to this store*”.

Content Validity Test and Pre-Test

Content validity pertains to the extent to which a specific set of questions reflects a particular construct. Content validity is the easiest of all validities to evaluate when the construct

is well defined. A scale is said to have content validity when “its items are a randomly chosen subset of the universe of appropriate items” (DeVellis, 1991, p. 50). In other words, a scale is said to have content validity if the items used to measure the construct are relevant and there is no ambiguity in the construct that it is measuring. Face validity, on the other hand, is similar to content validity except that it is not dependent on experts in that area of research. In this study content validity was established with the help of subject-matter experts while face validity was established with the help of a student sample

Content Validity Testing

In order to obtain content and face validity, a group of subject-matter experts (i.e., three academic researchers and five doctoral students specializing in Retail and Consumer Sciences) qualitatively tested the scale items which were obtained from the literature. All the subject-matter experts concluded that all the selected scale items were clear and readable, and had content or face validity.

Pre-test

After the first content validity testing, a pre-test survey was conducted to check for the need of refining the measurement items and to further check for face validity. The pen-and-paper survey was administered to 108 undergraduate students within the Department of Retail, Hospitality and Tourism Management at a major southern university. The researcher approached the instructors of various classes within the department and asked for permission to conduct the pre-test during class hours. After getting the instructor approval, the researcher went to each classroom to conduct the pre-test. The researcher gave an overview of the study and then handed

out the survey. The questionnaire had a list of the names of single-brand apparel retail stores and the respondents were asked to pick one store from the list that they visited most recently. The respondents were then asked to answer all the questions based on the store that they selected. Student subjects received extra credit for their participation. Students who never visited any of the stores were instructed not to participate in the survey. However, all the students had visited one or more of the stores provided in the list. After removing surveys that had missing data, 96 usable cases were obtained.

Once the data were obtained, unidimensionality of the constructs was checked by measuring the reliabilities of the constructs using Cronbach's alpha coefficients. As shown in Table 5, the reliabilities of all the constructs were above the cut-off level of 0.70 (Hair et al., 1998), thereby proving unidimensionality of each construct. The final measures for the main survey are shown in Table 5.

Summary

This chapter on research methods described the research design, and provided information required to test the research model and hypotheses. The first section of this chapter dealt with the various aspects of the research design such as data collection procedures, participant selection and sample characteristics. A mall intercept survey was utilized for this study wherein respondents were surveyed as they exited after shopping from single-brand apparel retail stores. The second section of this chapter dealt with instrument development procedures. The instrument development section discussed measurement of all the constructs and demographic information. Scale items to measure the constructs used in the study were adopted

Table 5 Final Number of Items Used in the Main Survey and their Reliabilities

Construct	Number of Items	Reliability (Cronbach's alpha)
Social Cues	10	0.861
Design Cues	10	0.885
Ambient Cues	5	0.818
Merchandise cues	5	0.762
Affective evaluations toward store	5	0.882
Affective evaluations toward merchandise	5	0.873
Cognitive evaluations toward store	4	0.856
Cognitive evaluations toward merchandise	4	0.921
Approach-avoidance behavior	8	0.753

from previous studies. Finally, content validity testing and pre-test was discussed. A pre-test was conducted in order to check for content and face validity. Reliabilities of the scale items to be used in the main survey were above the cut-off criteria of 0.70.

CHAPTER IV

DATA ANALYSES AND RESULTS

This chapter deals with data analyses and results of hypotheses testing. This chapter gives an overview of the preliminary analysis of the data obtained from the respondents pertaining to their shopping experience with a single-brand apparel retailer. The research model and the proposed hypotheses were then tested using a structural equation modeling (SEM) approach. A two-step approach proposed by Anderson and Gerbing (1988) was adopted. First, a confirmatory factor analysis (CFA) was conducted on the measurement model in order to evaluate whether the measurement items for each latent variable were appropriate. Second, a SEM was used to examine the causal relationships among the latent variables. Both the CFA and SEM were evaluated using AMOS 17.0. A maximum likelihood method was used for both the CFA and SEM. The model fits of the estimated models were evaluated by several model-fit evaluation criteria which are discussed in the following sections.

This chapter is divided into three sections. The first section pertains to preliminary analysis conducted on the data collected during the mall intercept survey. This section presents descriptive statistics including the mean, standard deviation, minimum values, maximum values, skewness and kurtosis. The second section presents the reliability, validity, and fit statistics. The third section provides the results of structural model evaluation and hypotheses testing.

Overview of Data Analyses

As the first step in data analyses, descriptive characteristics of the sample were investigated. Secondly, tests for normality were conducted to measure variability. Parameters

such as mean, minimum and maximum values, standard deviation, skewness, and kurtosis were recorded. High mean values for a 5-point scale were those close to 4.0 and prominent kurtosis was values greater than ± 1.96 (Byrne, 2001).

Next, the data were analyzed using the two-step approach recommended by Anderson and Gerbing (1988). In the first step, a confirmatory factor analysis (CFA) was performed to identify whether the measurement variables reliably reflected the hypothesized latent variables (social cues, design cues, ambient cues, merchandise cues, affective evaluations toward the store and merchandise, cognitive evaluations toward the store and merchandise, and approach-avoidance behaviors) using the covariance matrix. All nine latent variables were allowed to inter-correlate freely without attribution of a causal order. The significance of path weights of the scale items was tested at an alpha level of 0.05. A factor loading greater than 0.40 was the criteria to determine which scale items could be retained (Atkins, 2008). Modification indices (MI) greater than 10.0 was considered to reflect the extent to which the hypothesized model is inappropriately described (Byrne, 2001). The model fits of the estimated models were assessed by the chi-square (χ^2) tests, the ratio of chi-square to degrees of freedom (χ^2/df), the comparative fit index (CFI), the goodness-of-fit index (GFI), and the root mean square error of approximation (RMSEA). The chi-square test is an inferential test statistic used to conclude whether the null hypothesis should be rejected or not. A major disadvantage of the chi-square statistic is the inflation of the power of chi-square with large sample sizes (Fan & Wang, 1998). However, the chi-square statistic is commonly used as a guideline by itself and to calculate other fit indices, such as the CFI, GFI, and RMSEA. Additionally, the ratio of chi-square to degrees of freedom is helpful because it provides a guideline of whether more information could be extracted from the

data (Barnard, 2002). The recommended value of the ratio of chi-square to degrees of freedom is 3:1 or less (Carmines & McIver, 1981). Fit indices represent a numerical indication of the overall fit of the observed data to the hypothesized model (Barnard, 2002). There are two groups of fit indices: absolute indices and incremental fit indices (Bollen, 1990; Gerbing & Anderson, 1993; Hu & Bentler, 1999). The absolute indices indicate the extent to which the hypothesized model reproduces the sample covariances (Fan & Wang, 1998). Examples of this type of fit index are the root mean square error of approximation (RMSEA), standardized root mean squared residual (SRMR), and goodness-of-fit index (GFI) (Steiger & Lind, 1980). The incremental fit indices indicate the comparative fit of a model to the fit of a null model. Examples of incremental fit indices are the comparative fit index (CFI), the Tucker-Lewis Index (TLI), and the normed fit index (NFI) (Bentler, 1990; Bentler & Bonnet, 1980; Tucker & Lewis, 1973). Garson (2010) recommends assessing model fit of both measurement and structural model using the chi-square test statistic, RMSEA, and at least one of the baseline fit measures (e.g., NFI, CFI, and GFI). In this study, the CMIN, RMSEA, CFI, and GFI values were reported. Parsimonious-fit indices (ie., GFI) are excessively influenced by sample size and have lower values than the threshold values perceived as acceptable for other indices of fit (Byrne, 2001). Hence, in this study, χ^2/df , CFI, and RMSEA are considered to be primary model fit criteria, while GFI is considered to be a secondary fit statistic. For the CFI and GFI, values close to .90 have been found to indicate good model fit (Schumacker & Lomax, 2004). For RMSEA, values less than .05 indicate good fit, values between .05 and .08 indicate reasonable fit, values between .08 and .10 indicate mediocre fit, and values $> .10$ indicate poor fit to the data (MacCallum, Browne, & Sugawara, 1996).

In the second step, a structural equation modeling (SEM) employing the latent variables was tested to determine the adequacy of the research model and testing the hypotheses. The statistical software package AMOS 17.0 was used to conduct both CFA and SEM. SEM is a statistical technique which integrates path analysis and factor analysis. Compared to multiple regression, SEM offers several advantages such as more lenient assumptions, using CFA to reduce measurement error by having multiple indicators per latent variable, testing the overall model rather than the coefficients individually, and testing models with multiple dependents (Garson, 2010). The biggest advantage of using SEM over regression analysis is that SEM could simultaneously estimate all path coefficients and test each causal path for its significance (Bentler, 1980).

Typically, most of the structural models are recursive. That is, all causal effects are unidirectional and there are no disturbance correlations between endogenous variables with direct effects between them (Kline, 2005). However, some structural models are non-recursive in which there is a feedback loop between a set of variables. In this study, the two hypothesized models are non-recursive models. A non-recursive model is a model in which there are two structural equations where the dependent variable of each equation appears as a predictor variable in the other equation (Dragan & Akhtar-Danesh, 2007). In the research models developed in this study, there are two sets of reciprocal causal relationships between two sets of variables: affective evaluations toward store and affective evaluations toward merchandise; and cognitive evaluations toward store and cognitive evaluations toward merchandise. A reciprocal causal relationship means that one can follow the path between the two variables for an infinite number of times without having to return to the other variables. In other words, it can be said that

affective evaluations toward a store is directly influenced by affective evaluations toward merchandise and vice versa. The same can be said for cognitive evaluations toward store and merchandise.

In order for a non-recursive model to produce meaningful results, there are several criteria. First, a non-recursive model must be stable. AMOS 17.0 produces a statistic called the “stability index”. A stability index between -1 and +1 is considered to be a stable model. If the stability index is less than or greater than one, then the results are not reliable as it indicates that the differences in results are due to the different order followed in solving the system of equations (Arbuckle, 2007). Second, non-recursive models need to be identified. Just-identified and over-identified solutions are solvable but under-identified solutions for non-recursive variables need to be solved using instrumental variables (Martens & Haase, 2006). Instrumental variables in a model ensure that the model is estimable. An instrumental variable can have a direct relationship with one of the endogenous variables involved in the feedback loop but not with the other endogenous variable in the feedback loop. For example, in the Research Model developed for this study (Figure 3), social cues is an instrumental variable as it has a direct path to cognitive evaluations toward store but does not have a path to cognitive evaluations toward merchandise. A third required condition for identifying non-recursive models is called “order and rank condition” which can be satisfied by incorporating an instrumental variable for every endogenous variable involved in the reciprocal feedback loop (Martens & Haase, 2006). For example, in the Research Model developed for this study (Figure 3), social cues is the instrumental variable for cognitive evaluations toward store and merchandise cues is the instrumental variable for cognitive evaluations toward merchandise.

Preliminary Analysis

The first step in analyzing the data was to provide the descriptive statistics of the responses obtained from the data. The descriptive statistics of measurement items are illustrated in Table 6. The minimum values, maximum values, means, and standard deviations of each measurement item were calculated. The mean values ranged from 2.65 to 4.09 on the 5-point scale. The standard deviations ranged from 1.05 to 1.14 on the 5-point scale. The absolute values of skewness values ranged from 0.01 to 1.23 while the absolute values of kurtosis values ranged from 0.20 to 1.13. None of the kurtosis values was greater than the threshold value of ± 3.0 (Bollen, 1990), indicating that all the scale items were normally distributed.

Measurement Model Evaluation

The measurement model was evaluated using the confirmatory factor analysis (CFA) procedure in order to assess the unidimensionality, reliability, construct validity, and model fit of the measurement model. The measurement model was evaluated in two steps. First, CFA was conducted for each construct. Second, CFA was conducted for the measurement model, in which individual indicator (also called as manifest or observed) variables were loaded on their appropriate latent variable and all latent variables were correlated with each other.

CFA for Each Construct

CFA was conducted for the nine constructs individually: social cues, design cues, ambient cues, merchandise cues, affective evaluations toward the store, affective evaluations toward the merchandise, cognitive evaluations toward the store, cognitive evaluations toward the merchandise, and approach-avoidance behavior. Fit statistics for the measurement models

Table 6 Descriptive Statistics of Measurement Items

Scale Items	Min	Max	Mean	STD	Skewness	Kurtosis
SC1: There were enough employees in the store to service customers	1	5	3.55	1.26	-0.28	-0.95
SC2: The employees were well-dressed and appeared neat	1	5	3.83	1.18	-0.57	-0.65
SC3: The employees were friendly	1	5	3.72	1.22	-0.45	-0.86
SC4: The employees were helpful	1	5	3.52	1.22	-0.23	-0.94
SC5: The employees were knowledgeable	1	5	3.37	1.17	-0.13	-0.72
SC6: The store employees greeted me courteously when I entered the store	1	5	3.51	1.41	-0.41	-1.13
SC7: The store seemed very crowded to me	1	5	3.42	1.36	-0.49	-0.92
SC8: The store was a little too busy	1	5	3.73	1.29	-0.84	-0.36
SC9: There wasn't much traffic in the store during my shopping trip	1	5	2.65	1.32	0.31	-0.94
SC10: There were a lot of shoppers in the store	1	5	3.15	1.28	-0.20	-0.91
DC1: The color scheme was pleasing	1	5	3.55	1.05	-0.16	-0.42
DC2: The colors used in the store appeared to be currently fashionable	1	5	3.60	1.06	-0.25	-0.32
DC3: The physical facilities were attractive	1	5	3.71	1.07	-0.34	-0.60
DC4: The merchandise in the store appeared organized	1	5				
DC5: The merchandise was logically located in this store	1	5	3.41	1.11	-0.11	-0.52
DC6: Navigating the store was easy	1	5	3.42	1.15	-0.22	-0.52
DC7: There was sufficient aisle space in the store	1	5	3.71	1.29	-0.80	-0.41
DC8: In-store displays were impressive	1	5	3.35	1.14	-0.14	-0.57
DC9: There was adequate display of in-store information	1	5	3.17	1.18	-0.01	-0.74
DC10: The décor of the store was pleasing to me	1	5	3.41	1.11	-0.13	-0.60
AC1: The lighting in the store was pleasing to me	1	5	3.12	1.22	-0.08	-0.70
AC2: The lighting accentuated the products that were displayed in the store	1	5	3.21	1.16	-0.15	-0.43
AC3: The background music in the store made shopping pleasant	1	5	3.17	1.34	-0.10	-1.02
AC4: The background music in the store did not bother me	1	5	3.00	1.37	-0.06	-1.09

Table 6 Descriptive Statistics of Measurement Items (Continued)

Scale Items	Min	Max	Mean	STD	Skewness	Kurtosis
AC5: The background music in the store was appropriate	1	5	3.58	1.11	-0.22	-0.63
MF1: The store carried dependable products	1	5	3.53	1.15	-0.31	-0.59
MF2: The store carried a wide selection of merchandise	1	5	3.29	1.17	-0.17	-0.57
MF3: The store was fully stocked	1	5	3.46	1.17	-0.25	-0.63
MF4: The store carried high fashion merchandise	1	5	3.64	1.19	-0.43	-0.69
MF5: The store carried stylish merchandise	1	5	3.75	1.08	-0.38	-0.57
AES1: This store was exciting	1	5	3.18	1.19	0.06	-0.78
AES2: This store was interesting	1	5	3.34	1.14	-0.01	-0.73
AES3: This store was boring	1	5	4.00	1.25	-1.13	0.20
AES4: This store was appealing	1	5	3.47	1.11	-0.21	-0.51
AES5: This store was sensational	1	5	2.99	1.24	0.15	-0.81
AEM1: The merchandise carried in this store was exciting	1	5	3.22	1.18	0.07	-0.73
AEM2: The merchandise carried in this store was interesting	1	5	3.32	1.11	0.08	-0.89
AEM3: The merchandise carried in this store was boring	1	5	4.09	1.15	-1.22	0.24
AEM4: The merchandise carried in this store was appealing	1	5	3.41	1.06	-0.07	0.24
AEM5: The merchandise carried in this store was sensational	1	5	3.00	1.22	0.14	0.24
CES1: I have a favorable opinion about this store	1	5	3.43	1.16	-0.15	-0.72
CES2: I like this store	1	5	3.55	1.16	-0.25	-0.74
CES3: I have a positive opinion about this store	1	5	3.51	1.18	-0.28	-0.71
CES4: This store was good	1	5	3.57	1.16	-0.27	-0.68
CEM1: I have a favorable opinion about the merchandise carried in this store	1	5	3.38	1.12	-0.14	-0.53
CEM2: I like the merchandise carried in this store	1	5	3.53	1.12	-0.15	-0.71
CEM3: I have a positive opinion about the merchandise carried in this store	1	5	3.51	1.11	-0.14	-0.64
CEM4: The merchandise carried in this store was good	1	5	3.55	1.09	-0.22	-0.52

Table 6 Descriptive Statistics of Measurement Items (Continued)

Scale Items	Min	Max	Mean	STD	Skewness	Kurtosis
AA1: I enjoyed shopping in this store	1	5	3.46	1.20	-0.24	-0.75
AA2: I liked this store environment	1	5	3.40	1.20	-0.17	-0.76
AA3: I would avoid having to return to this store	1	5	4.04	1.34	-0.12	0.22
AA4: This is a place in which I would feel friendly and talkative to a stranger who happens to be next to me	1	5	2.96	1.24	0.12	-0.78
AA5: This is a place where I would try to avoid people and avoid talking to them	1	5	3.98	1.23	-1.02	0.05
AA6: I liked to spend time browsing in this store	1	5	3.28	1.24	-0.16	-0.81
AA7: I wanted to avoid looking around or exploring this store	1	5	4.08	1.18	-1.23	0.62
AA8: This is a sort of place where I would end up spending more money than I originally set out to spend	1	5	3.52	1.40	-0.44	-1.07

of each construct are provided in Table 7. Since the fit statistics shown in Table 7 did not necessarily meet the ‘good-model’ criteria, this table is titled ‘Fit statistics for initial model’.

Model Improvement

To improve the models, several statistical criteria were evaluated: standardized regression weights (Lambda weights); standardized residual covariances; and modification indices. A standardized regression weight below 0.4 is unacceptable due to the risk of measurement errors (Hair et al., 1998). High standardized residual covariances (i.e., absolute values greater than 2.58) indicate a substantial prediction error. Excessively high modification indices (MIs) indicate signs of misfit. Based on these criteria, model modifications were made by eliminating the measurement items with low lambda weights, high standardized residual covariances, and high modification indices.

Social Cues

Three items (SC7, SC8 and SC9) had insignificant path weights while SC10 had a standardized loading less than 0.40. These four items represented the ‘presence of other customers’ in the store. These four items were removed and the CFA was run again on the model. After re-running the model without these four items, the model fit improved as shown in Table 8.

Table 7 Fit Statistics for Each Construct – Initial Model

Construct	No. of Items	χ^2 (df)	χ^2 /df^1	CFI²	GFI³	RMSEA⁴
Social cues	10	673.21(35)	19.235	0.684	0.739	0.212
Design cues	10	490.29(35)	14.017	0.767	0.793	0.179
Ambient cues	5	168.41(5)	33.682	0.830	0.836	0.284
Merchandise cues	5	67.71(5)	13.352	0.928	0.927	0.176
Affective evaluations toward store	5	36.56(5)	7.311	0.968	0.967	0.125
Affective evaluations toward merchandise	5	32.21(5)	6.442	0.980	0.969	0.116
Cognitive evaluations toward store	4	8.013(2)	4.007	0.996	0.990	0.086
Cognitive evaluations toward merchandise	4	14.34(2)	7.173	0.992	0.983	0.123
Approach-avoidance behavior	8	318.25(20)	15.913	0.795	0.823	0.192

¹ < 5 indicates acceptable fit level, < 2 good fit

² ≥ 0.80 acceptable fit, ≥ 0.90 good fit

³ ≥ 0.80 acceptable fit, ≥ 0.90 good fit

⁴ < 0.05 very good, < 0.08 acceptable, < 0.10 mediocre, ≥ 0.10 poor errors of approximation (Byrne, 2001).

Table 8 Fit Statistics for Each Construct – Refined Model

Construct	Eliminated Items	χ^2 (df)	χ^2 / df^1	CFI ²	GFI ³	RMSEA ⁴
Social cues	SC7, SC8, SC9, SC10	93.9 (12)	10.420	0.942	0.929	0.153
Design cues	DC7	121.92(24)	5.080	0.948	0.935	0.100
Ambient cues	-	80.185(4)	20.046	0.921	0.931	0.217
Merchandise cues	-	-	-	-	-	-
Affective evaluations toward store	AES3	26.831(2)	13.415	0.974	0.970	0.175
Affective evaluations toward merchandise	AEM3	20.282(2)	10.414	0.986	0.977	0.150
Cognitive evaluations toward store	-	-	-	-	-	-
Cognitive evaluations toward merchandise	-	-	-	-	-	-
Approach-avoidance behavior	AA3, AA5, AA7	41.370(5)	8.274	0.967	0.961	0.134

¹ < 5 indicates acceptable fit level, < 2 good fit

² ≥ 0.80 acceptable fit, ≥ 0.90 good fit

³ ≥ 0.80 acceptable fit, ≥ 0.90 good fit

⁴ < 0.05 very good, < 0.08 acceptable, < 0.10 mediocre, ≥ 0.10 poor errors of approximation (Byrne, 2001).

Design Cues

One item, DC7, had a standardized loading of 0.24 which was lesser than the cut-off criteria. Once this item was deleted, CFA was performed again. The results showed a very high modification index value of 176.51 between the error of items DC4 and DC6. The errors between DC1 and DC2 and between DC4 and DC5 also showed high modification index values of 48.35 and 38.43 respectively. Error correlations between item pairs are often due to the perceived redundancy in item content. In other words, respondents might not have perceived the two items to be different from each other, leading them to rate both items similarly. For example, both DC1 and DC2 are about color schemes; both DC4 and DC5 are about the merchandise. The model was reparametrized on the basis of MI information; that is, the pairs of errors were allowed to correlate. After running the CFA again, the resulting model gave satisfactory model fit as shown in Table 8.

Ambient Cues

All the items measuring ambient cues had high standardized loadings. The result showed a high MI of 71.22 between AC3 and AC4. Because both items measured similar concepts pertaining to music in the store, the errors for these two items were allowed to correlate. The CFA was performed again and the resulting model fit is shown in Table 8.

Merchandise cues

The model with all the five items measuring merchandise cues resulted in a good fit. The fit statistics are reported in Table 8.

Affective Evaluations toward the Store

The original CFA model indicated that one item, AES3, had a low standardized loading of 0.294. This item was removed and a CFA was performed on the model again. The resulting model had a satisfactory fit as shown in Table 8.

Affective Evaluations toward the Merchandise

The original CFA model indicated that one item, AEM3, had a low standardized loading of 0.304. This item was removed and a CFA was performed on the model again. The resulting model had a satisfactory fit as shown in Table 8.

Cognitive Evaluations toward the Store

The model with all the four items measuring cognitive evaluations toward the store resulted in a good fit. The fit statistics are reported in Table 8.

Cognitive Evaluations toward the Merchandise

The model with all the four items measuring cognitive evaluations toward the merchandise resulted in a good fit. The fit statistics are reported in Table 8.

Approach-avoidance Behavior

The original CFA model indicated that three items, AA3, AA5, and AA7, had low standardized loadings. These three items were removed and a CFA was performed on the model again. The resulting model had a satisfactory fit as shown in Table 8.

Measurement Model

As a first step to the two-step approach, the correlation matrix of the variables was analyzed to identify the presence of highly correlated variables. As shown in the correlation matrix table (Table 9), the following pairs of variables were highly correlated: affective evaluations toward store with affective evaluations toward merchandise ($r = 0.856$); affective evaluations toward merchandise with cognitive evaluations toward merchandise ($r = 0.807$); affective evaluations toward merchandise with approach-avoidance behavior ($r = 0.822$); cognitive evaluations toward store with cognitive evaluations toward merchandise ($r = 0.814$) and cognitive evaluations toward store with approach-avoidance behavior ($r = 0.806$). Affective evaluations toward both store and merchandise used the same scale items for these two settings. The same applied for the scale items measuring cognitive evaluations toward store and merchandise. Hence, it is not surprising that these constructs are highly correlated with each other. Based on this justification, no measures were taken to rectify the issue.

CFA was conducted for the measurement model that is comprised of 9 constructs measured by 42 observed variables. Covariance matrix of the measurement model was positive definite indicating that multicollinearity was not a concern in evaluating the model. The fit statistics of the initial measurement model are shown in Table 10.

Model Improvement

In order to improve the measurement model fit, all measurement items were examined in terms of lambda weights, standardized residual covariance, and modification indices. Parameters in the covariance modification indices were examined to determine whether the error variances were highly correlated. Six pairs of error variance showed high modification indices: AA4 and

Table 9 Correlation Matrix

Construct	1	2	3	4	5	6	7	8	9
1. Social cues	1.00	.549	.426	.481	.543	.539	.555	.514	.581
2. Design cues		1.00	.641	.733	.716	.785	.692	.725	.743
3. Ambient cues			1.00	.563	.616	.617	.617	.588	.611
4. Merchandise cues				1.00	.647	.760	.762	.675	.690
5. Affective evaluations toward store					1.00	.856	.763	.747	.781
6. Affective evaluations toward merchandise						1.00	.774	.807	.822
7. Cognitive evaluations toward store							1.00	.814	.806
8. Cognitive evaluations toward merchandise								1.00	.798
9. Approach-avoidance behavior									1.00

Table 10 Fit Statistics – Refined Model

Model	χ^2 (df)	χ^2 /df¹	CFI²	GFI³	RMSEA⁴
Initial measurement Model	2772.972 (949)	2.922	0.887	0.773	0.069
Measurement model after adding error covariances	2411.614 (942)	2.560	0.909	0.803	0.062
Final measurement model	2237.966 (938)	2.387	0.919	0.815	0.059

¹ < 5 indicates acceptable fit level, < 2 good fit

² ≥ 0.80 acceptable fit, ≥ 0.90 good fit

³ ≥ 0.80 acceptable fit, ≥ 0.90 good fit

⁴ < 0.05 very good, < 0.08 acceptable, < 0.10 mediocre, ≥ 0.10 poor errors of approximation (Byrne, 2001).

AA6 (31.969); MF4 and MF5 (58.057); AC1 and AC2 (26.713); DC8 and DC9 (26.951); DC9 and DC10 (35.753); SC1 and SC2 (23.314); SC4 and SC5 (31.672); DC8 and DC10 (31.129); and AES1 and AES2 (26.712). It was ensured that the error covariances were added only in those situations when there was a strong theoretical reason in the model to add such covariance. In other words, error covariance arrows were not added in order to merely improve model fit. The model fit after adding the error covariance is given in Table 10.

In order to improve the model further, covariance paths were added to error terms associated with scale items that were theoretically similar. For example, error variance for CES3 and CEM3 had a high modification index of 26.121. Theoretically, both CES3 and CEM3 used the same scale item that was asked for both store and merchandise. Hence, it is logical to add covariance between these error terms. The following pairs of error variance between the items for store and merchandise showed high modification indices: CES3 and CEM3 (26.121); and AES5 and AEM5 (57.310). The model fit after adding the error covariance is given in Table 10. This fit statistics given in Table 10 were the fit statistics of the final measurement model.

Reliability and Validity

Reliability is the degree to which a set of scale items measuring a construct can produce consistent results across time (Hair et al., 1998) and the degree to which the measure is free from random error (Peter, 1979). Reliability of each latent construct is determined by assessing composite reliability (CR). A CR value of greater than 0.70 is considered to be acceptable and is indicative of a measure of internal consistency (Hair et al., 1998). Validity is the degree to which a set of scale items accurately measures the construct it was designed to measure (Hair et al.,

1998; Peter, 1979). The construct validity of the latent constructs was evaluated by both convergent and discriminant validity.

Reliability

The final measurement model was composed of 9 constructs measured by 46 observed variables. Factor loadings of all items ranged from 0.532 to 0.935 and all paths were significant ($p < 0.001$). The Cronbach's alpha coefficient reliabilities of constructs ranged from 0.85 to 0.94 (Table 11). The composite reliabilities of each construct ranged from 0.94 to 0.98, meeting the minimum criteria of 0.70 (Nunnally & Bernstein, 1994). Factor loadings, Cronbach's alpha, and composite reliabilities of the final measurement model are provided in Table 11.

Validity

Validity in this study was assessed by construct validity which consists of convergent validity and discriminant validity. That is, construct validities of both exogenous and endogenous variables were evaluated by assessing both convergent and discriminant validity. Convergent validity refers to the degree to which a measure is correlated with other measures based on theory. Convergent validity exists if the average variance extracted (AVE) for all latent variables are greater than the threshold value of 0.50 (Fornell & Larcker, 1981). From Table 12, it can be seen that the AVE for all the constructs are greater than 0.50. Discriminant validity refers to the degree to which the measure does not correlate with other constructs. The scale has discriminant validity if the square-root of AVE is larger than the share variance (i.e., squared correlation coefficients) between all possible pairs of latent variables (Fornell & Larcker, 1981). From Table 12, it can be seen that the value in the diagonal entry (square-root of AVE) is greater than the

Table 11 Final Measurement Model: Factor Loadings and Composite Reliability

Construct	Scale Items	Factor loading	Cronbach's α
Social cues	SC1: There were enough employees in the store to service customers	0.665	0.89 (0.97)
	SC2: The employees were well-dressed and appeared neat	0.673	
	SC3: The employees were friendly	0.906	
	SC4: The employees were helpful	0.860	
	SC5: The employees were knowledgeable	0.772	
	SC6: The store employees greeted me courteously when I entered the store	0.628	
Design cues	DC1: The color scheme was pleasing	0.759	0.89 (0.95)
	DC2: The colors used in the store appeared to be currently fashionable	0.739	
	DC3: The physical facilities of the store were attractive	0.592	
	DC4: The merchandise in the store appeared organized	0.644	
	DC5: The merchandise was logically located in this store	0.582	
	DC6: Navigating the store was easy	0.600	
	DC8: In-store displays were impressive	0.660	
	DC9: There was adequate display of in-store information	0.622	
	DC10: The décor of the store was pleasing to me	0.715	
	Ambient Cues	AC1: The lighting in the store was pleasing to me	
AC2: The lighting accentuated the products that were displayed in the store		0.666	
AC3: The background music in the store was pleasing to me		0.757	
AC4: The music was played at the right volume		0.665	
AC5: The music fit the image of the store		0.673	
Merchandise cues	MF1: The store carried dependable products	0.757	0.85 (0.94)
	MF2: The store carried a wide selection of merchandise	0.699	
	MF3: The store was fully stocked	0.669	

Table 11 Final Measurement Model: Factor Loadings and Composite Reliability (Continued)

Construct	Scale Items	Factor loading	Cronbach's α
	MF4: The store carried high fashion merchandise	0.684	
	MF5: The store carried stylish merchandise	0.766	
Cognitive evaluations toward store	CES1: I have a favorable opinion about this store	0.843	0.94 (0.98)
	CES2: I like this store	0.912	
	CES3: I have a positive opinion about this store	0.915	
	CES4: This store was good	0.906	
Cognitive evaluations toward merchandise	CEM1: I have a favorable opinion about the merchandise carried in this store	0.881	0.92 (0.97)
	CEM2: I like the merchandise carried in this store	0.917	
	CEM3: I have a positive opinion about the merchandise carried in this store	0.899	
	CEM4: The merchandise carried in this store was good	0.902	
Affective evaluations toward store	AES1: This store was exciting	0.800	0.85 (0.94)
	AES2: This store was interesting	0.792	
	AES4: This store was appealing	0.822	
	AES5: This store was sensational	0.797	
Affective evaluations toward merchandise	AEM1: The merchandise carried in this store was exciting	0.915	0.89 (0.96)
	AEM2: The merchandise carried in this store was interesting	0.935	
	AEM4: The merchandise carried in this store was appealing	0.830	
	AEM5: The merchandise carried in this store was sensational	0.799	
Approach-avoidance behavior	AA1: I enjoyed shopping in this store	0.911	0.94 (0.98)
	AA2: I liked this store environment	0.896	
	AA4: This is a place in which I would feel friendly and talkative to a stranger	0.630	
	AA6: I liked to spend time browsing in this store	0.759	
	AA8: This is a sort of place where I would end up spending more money than I originally set out to spend	0.532	

Table 12 Construct Validity of the Final Measurement Model

Construct	1	2	3	4	5	6	7	8	9
1. Social cues	0.92								
2. Design cues	0.30	0.84							
3. Ambient cues	0.18	0.41	0.90						
4. Merchandise cues	0.23	0.54	0.32	0.88					
5. Affective evaluations toward store	0.29	0.51	0.38	0.42	0.90				
6. Affective evaluations toward merchandise	0.29	0.62	0.38	0.58	0.73	0.94			
7. Cognitive evaluations toward store	0.31	0.48	0.38	0.58	0.58	0.60	0.97		
8. Cognitive evaluations toward merchandise	0.26	0.53	0.35	0.46	0.56	0.65	0.66	0.96	
9. Approach-avoidance behavior	0.34	0.55	0.37	0.48	0.61	0.68	0.65	0.64	0.95

Diagonal entries show the square-root of average variance extracted by the construct.

Off-diagonal entries represent the variance shared (squared correlation) between constructs.

values in that particular column (square correlation between constructs), confirming the discriminant validity. Hence, it can be concluded that all the constructs employed in this study have construct validity.

Structural Model Evaluation

Hypotheses Testing

The research model and the hypothesized relationships among exogenous and endogenous variables were tested in the structural model. This non-recursive model was identified and the stability index was 0.348 for the variables pertaining to affect in the feedback loop and 0.517 for the variables pertaining to cognition in the feedback loop. Hence, we can conclude that the model is stable and means that the model is correct. The fit indices of the structural model were: $\chi^2 (953) = 2338.784$; $\chi^2/df = 2.454$; CFI = 0.912; GFI = 0.806; RMSEA = 0.06 indicating that the data fitted the proposed research model well. Table 13 and 14 present the results of the hypotheses testing. Standardized regression estimates of variables in the hypothesized relationships and significance of the path weights were estimated in order to determine if hypotheses were supported or not. The standardized regression weights, standard error and the critical ratio for H1, H2 and H3 are provided in Table 13.

H1: Effect of Store Atmosphere on Cognitive Evaluation

The path weights of all sub-hypotheses of H1 were significant except for that of design cues ($\beta = -0.003$). Social cues ($\beta = 0.106$), and ambient cues ($\beta = 0.148$) had significant effects on cognitive evaluation toward store, while merchandise cues ($\beta = 0.284$) had significant effects on cognitive evaluations toward merchandise. Hence, H1a, H1c, and H1d were accepted while

Table 13 The Standardized Regression Weights for Hypotheses 1 through 3

Hypothesis		Structural Path	Standardized Regression Weight	Standard Error	Critical ratio	Result
H1	H1a	Social cues → Cognitive evaluation toward store	0.106	0.048	2.856***	Significant
	H1b	Design cues → Cognitive evaluation toward store	-0.003	0.132	-0.037	Not Significant
	H1c	Ambient cues → Cognitive evaluation toward store	0.158	0.065	2.868***	Significant
	H1d	Merchandise cues → Cognitive evaluation toward merchandise	0.284	0.098	3.262	Significant
H2	H2a	Cognitive evaluation toward store → Affective evaluations toward store	0.322	0.096	3.024**	Significant
	H2b	Cognitive evaluation toward merchandise → Affective evaluations toward merchandise	0.427	0.115	3.386**	Significant
H3	H3a	Affective evaluation toward store → Approach-avoidance behavior	0.085	0.058	1.154	Not Significant
	H3b	Affective evaluation toward merchandise → Approach-avoidance behavior	0.379	0.070	4.474***	Significant
	H3c	Cognitive evaluation toward store → Approach-avoidance behavior	0.427	0.053	5.768***	Significant
	H3d	Cognitive evaluation toward merchandise → Approach-avoidance behavior	0.116	0.057	1.532	Not Significant

*** p-value < 0.001

** p-value between 0.001 and 0.1

* p-value between 0.1 and 0.5

Table 14 Standardized Regression Weights for the Paths Pertaining to Hypotheses 4

Hypothesis		Structural Path	Standardized Regression Weight	Standard Error	Critical Ratio	Result
H4	H4a	• Cognitive evaluation toward store → cognitive evaluation toward merchandise	0.682	0.096	6.312***	Significant
		• Cognitive evaluation toward merchandise → cognitive evaluation toward store	0.759	0.152	5.332***	Significant
	H4b	• Affective evaluation toward store → affective evaluation toward merchandise	0.547	0.135	3.838***	Significant
		• Affective evaluation toward merchandise → affective evaluation toward store	0.637	0.126	5.326***	Significant

*** p-value < 0.001

** p-value between 0.001 and 0.1

* p-value between 0.1 and 0.5

H1b was rejected, thereby leading to a partial acceptance of H1.

H2: Effect of Cognitive Evaluation toward Affective Evaluation

The path weights between cognitive evaluation toward store and affective evaluation toward store ($\beta = 0.322$) and between cognitive evaluation toward merchandise and affective evaluation toward merchandise were significant ($\beta = 0.427$). Thus, H2a and H2b were accepted.

H3: Effect of Affective and Cognitive Evaluation toward Approach-Avoidance Behavior

The relationship between affective evaluation toward store and approach-avoidance behavior was not significant ($\beta = 0.085$). The path weight between affective evaluation toward merchandise and approach-avoidance was significant ($\beta = 0.379$). The path weight between cognitive evaluation toward store and approach-avoidance behavior was significant ($\beta = 0.427$). However, the relationship between cognitive evaluation toward merchandise and approach-avoidance behavior was not significant ($\beta = 0.116$). Hence, H3b, and H3c were accepted.

H4: 'Store as a Brand' Hypotheses

Hypothesis 4 pertained to the 'store as a brand' concept. H4a compared the path from cognitive evaluation toward store to cognitive evaluation toward merchandise with the path from cognitive evaluation toward merchandise to cognitive evaluation toward store. Hypothesis 4b compared the path from affective evaluation toward store to affective evaluation toward merchandise with the path from affective evaluation toward merchandise to affective evaluation toward store. The chi-square difference test indicated that there was no significant difference between the path from cognitive evaluation toward store to cognitive evaluation toward merchandise and the path from cognitive evaluation toward merchandise to cognitive evaluation

toward store. Table 14 shows standardized regression weights for these paths and Table 15 shows the results from the chi-square difference test. Hence, H4a was accepted. Furthermore, there was no significant difference between the path from affective evaluation toward store to affective evaluation toward merchandise and the path from affective evaluation toward merchandise to affective evaluation toward store. Hence, H4b was accepted. Table 15 shows the results of the chi-square difference tests for both Hypotheses 4a and 4b.

Further, the standardized total effects of exogenous variables (i.e., social, design, ambient, and merchandise cues) on endogenous variables (i.e., cognitive evaluations toward store and merchandise, affective evaluations toward store and merchandise, and approach-avoidance behavior) were reported (Table 16). Also, standardized total effects of both the internal evaluations toward store and merchandise on approach-avoidance behavior were reported in Table 17. Standardized total effects are the sum of direct and indirect effects and they assist in understanding a variable's overall impact on another variable. This statistic helps in shedding light on the importance of one variable over another on the endogenous variables. Table 16 indicates that merchandise cues had a greater total impact on both cognitive evaluations toward store and merchandise than social cues, design cues, and ambient cues. Also, merchandise cues have a greater total effect on approach-avoidance behavior when compared to the other three store atmospheric cues. Figure 4 shows the proposed research model with standardized regression weights. Table 17 indicates that cognitive evaluations toward store and cognitive evaluations toward merchandise have a greater total effect on approach-avoidance behavior than affective evaluations toward store and affective evaluations toward merchandise. This result points out that even though cognitive evaluations toward merchandise did not have a

Table 15 Chi-Square Difference Test for Hypotheses 4

Hypothesis		Structural Path	Standardized Regression Weight	χ^2 Difference (df=1)	Result
H4	H4a	• Cognitive evaluation toward store → cognitive evaluation toward merchandise	0.682	0.931	No difference between the two regression weights
		• Cognitive evaluation toward merchandise → cognitive evaluation toward store	0.759		
	H4b	• Affective evaluation toward store → affective evaluation toward merchandise	0.547	1.742	
		• Affective evaluation toward merchandise → affective evaluation toward store	0.637		

*** p-value < 0.001

Table 16 Standardized Total Effects of Exogenous Variables on Endogenous Variables

Effect of/on	Cognitive evaluations toward		Affective evaluations toward		Approach-avoidance behavior
	Store	Merchandise	Store	Merchandise	
Social cues	0.220	0.150	0.171	0.158	0.186
Design cues	-0.06	-0.004	-0.005	-0.005	-0.005
Ambient cues	0.308	0.210	0.239	0.220	0.259
Merchandise cues	0.446	0.587	0.465	0.505	0.489

Table 17 Standardized Total Effects of Cognitive and Affective Evaluations on Approach-Avoidance Behavior

Effect of/on	Approach-avoidance behavior
Cognitive evaluations toward store	0.946
Cognitive evaluations toward merchandise	0.923
Affective evaluations toward store	0.447
Affective evaluations toward merchandise	0.664

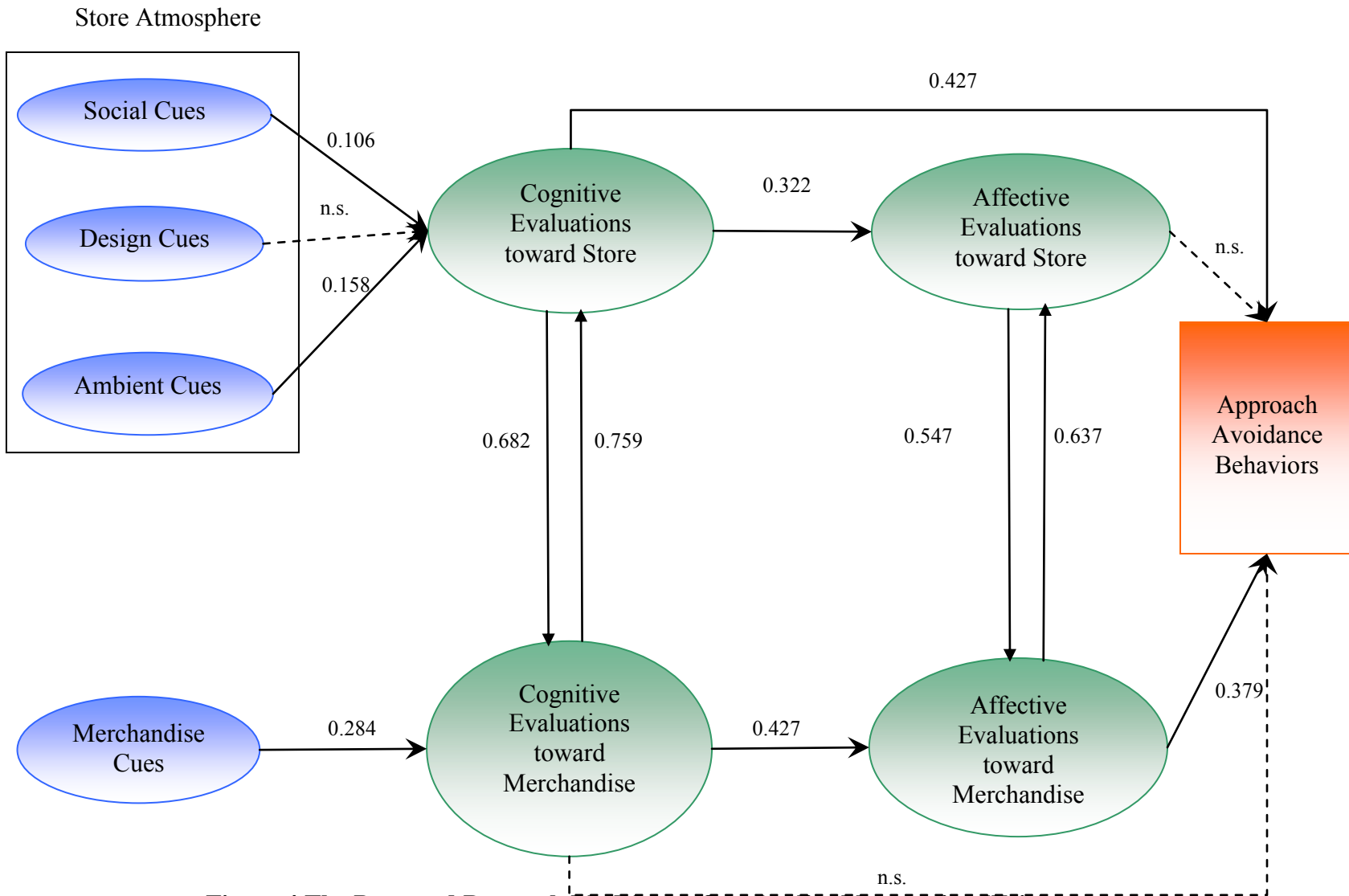


Figure 4 The Proposed Research Model with Standardized Regression Weights

direct effect on approach-avoidance behavior, it has an impact on approach-avoidance behavior indirectly.

Summary

This chapter discussed the data analyses procedure and results of testing the hypotheses introduced in Chapter II. First, a summary of the descriptive statistics of the data was provided. The mean, standard deviation, skewness, and kurtosis values of each scale items were reported. It was found that none of the scale items showed non-normality. Second, a measurement model was evaluated using the CFA approach. Scale items with standardized loading less than 0.40 were not analyzed further.. The final measurement model provided an acceptable fit to the data: $\chi^2 (938) = 2237.966$; $\chi^2/df = 2.387$; CFI = 0.919; RMSEA = 0.059; GFI = 0.815. Second, reliabilities and validities of the data were discussed. All the constructs had Cronbach's alpha and composite reliability greater than 0.80. The items also showed the presence of convergent and discriminant validity. Fourth, the structural model was evaluated using the SEM approach and the proposed hypotheses were tested. The fit indices of the structural model were within acceptable limits: $\chi^2 (953) = 2338.784$; $\chi^2/df = 2.454$; CFI = 0.912; GFI = 0.806; RMSEA = 0.06. The data supported several all proposed hypotheses except for three of the proposed hypotheses. An in-depth discussion of the results will be presented in the next chapter.

CHAPTER V

DISCUSSIONS AND IMPLICATIONS

The research model developed for this study aims to understand consumer perceptions and behavior towards single-brand apparel retailers. The causal model explained the relationships among the three store atmospheric cues (social, design, and ambient), merchandise cues, cognitive evaluations toward store and merchandise, affective evaluations toward store and merchandise, and approach-avoidance behavior. This chapter presents the findings of the study in relation to their implications for academicians and managers, limitations of the study, suggestions for future research, and conclusion.

Discussions of Findings and Implications

The specific research objectives of this study were: (1) Investigate whether store atmospheric cues (i.e., social, design and ambient cues) and merchandise cues influence consumers' internal state (i.e., cognitive evaluation state) toward both the store and the merchandise; (2) Investigate the effect of cognitive evaluation state toward store and merchandise on affective evaluation state toward store and merchandise, respectively; (3) Investigate whether consumers' internal states have an effect on consumer response behavior; (4) Investigate the relationship between internal states (cognitive and affective evaluation states) between the store and the merchandise to confirm the 'store as a brand' concept. The following sections discuss contributions to academicians and marketers.

Contributions to Academicians

This study developed a model based on the traditional SOR model in order to capture consumer behavior toward a single-brand apparel retailer. The acceptable model fit of the proposed research model suggested that the model could be effective to depict consumer perceptions toward store atmospheric stimuli and behavior towards a single-brand apparel retailer. The research model conformed to the traditional SOR paradigm; that is, the stimuli (store atmospheric cues and merchandise cues) had effects on the organism (direct effect on cognitive evaluations toward store and merchandise; indirect effect on affective evaluations toward store and merchandise), which in turn influenced the response (approach-avoidance behavior).

A major contribution of this study to the SOR model was the addition of merchandise cues as part of the store stimuli. Adding merchandise cues as a component of store atmospheric stimuli reinforced the importance of merchandise for single-brand apparel retailers. Also, this study enriched the existing SOR model by placing emphasis on internal evaluations (i.e., cognitive and affective) towards merchandise and their impacts on approach behavior. Previous studies have not considered internal evaluations towards merchandise and their influence on approach behaviors. Unlike previous studies using the SOR model, which employed either cognition or affect as the internal evaluation state, this study utilized both cognition and affect to represent consumers' internal evaluation states.

The research model also enhanced the SOR model by evaluating the concept of store as a brand'. This study was the first to evaluate the concept of store as a brand' statistically in the context of single-brand apparel retailers. This study found that a store can be successful in its

‘store as a brand’ strategy if consumers’ cognitive (and affective evaluations) towards store and merchandise are equivalent to each other. This implies that there is no delineation between the store and the merchandise and consumers consider both to be of a single entity. Academicians can adopt this model and evaluate the concept of ‘store as a brand’ not just in the context of single-brand apparel retailers, but can extend to other retailers when there is a need to examine whether consumers view the store and products sold in the store as a single entity.

Contributions to Marketers

This study offers several contributions that can benefit single-brand apparel retailers who want to attract more customers and increase store patronage. The following sections are broken down into hypotheses findings that command discussion for contributions.

‘Store-as-a-Brand Concept’

As hypothesized, there was no relationship between the path from cognitive evaluations towards store to cognitive evaluations towards merchandise and the path from cognitive evaluations towards merchandise to cognitive evaluations towards store. Further, there was no relationship between the path from affective evaluations towards store to affective evaluations towards merchandise and the path from affective evaluations towards merchandise to affective evaluations towards store. In other words, based on this research model and sample, consumers do not see a difference between the store and the merchandise of the single-brand apparel retailer. That is, consumers view the store and the merchandise as a holistic entity. This result has an important implication for single-brand apparel retailers. Since such retailers have to depend on only one brand of merchandise as a customer pull, marketers need to pay close attention to the way they market their overall brand image. Thus, a single-brand apparel retailer

can maximize brand equity by coordinating and offering consistent brand image through the store and the merchandise. It is also essential for single-brand apparel retailers to build a strong personality and provide a shopping experience, in terms of both store and merchandise, which matches their personality.

If consumers perceive the clothing to be of poor quality or inferior in any way, they will have the propensity to avoid the store completely. For example, Abercrombie and Fitch suffered significant financial losses in the year 2009 because it remained the ‘quintessential American prep brand’ and failed to keep up with the current fashion trends which moved towards more ‘funkier fashions’ (Gregory, 2009). On the other hand, irrespective of the dip in economy, Abercrombie and Fitch refused to offer discounts on clothing as it believed that sales and discounts would tarnish its prestigious image. This shows that Abercrombie and Fitch wanted to maintain a consistent image between their store and merchandise. Similarly, if the merchandise meets the customer’s expectations, but if the customer perceives the store to be unsatisfactory, then there will be a dissonance which may lead to an avoidance behavior.

Different from traditional retailing, the ‘store as a brand’ concept requires a different management mindset, in which there should be a consistency in the overall brand philosophy, communication, and execution of the single-brand apparel retailer’s brand philosophy. Once there is a seamless integration between the single-brand apparel retailer’s philosophy and execution, consumers will not be able to differentiate between the various aspects of the retailer’s branding strategy. This is an expensive and difficult process that requires investment in in-store brand development and products sold (Newman & Cullen, 2002). In other words, the single-brand apparel retailer has to project a consistent image through its store atmospheric cues

and merchandise that they sell. Clearly, single-brand apparel retailers must strive to match consumer's cognitive and affective evaluations of the store with those of the merchandise.

The Impact of Stimulus on Organism

The Effect of Store Atmospheric Cues on Cognitive Evaluations toward Store

As expected, social cues and ambient cues had significant positive effects on the cognitive evaluations toward the store. This result is supported by several studies conducted in the area of retail store environment (e.g., Baker et al., 1994; Bitner, 1992). This result indicates that if consumers positively evaluate the social cues and ambient cues offered by the single-brand apparel retailer, then they will have a positive cognitive evaluation towards the store. In the context of single-brand apparel retailers, it means that consumers could evaluate the store positively if they perceive social and ambient cues to be positive. In other words, shoppers may use social and ambient cues in forming opinions toward the store. For example, if a consumer perceives that a store employee did not meet her expectations, then she may believe that the single-brand apparel retailer is not concerned about its customers (Yoo, Park, and MacInnis, 1998). Such a belief would lead to a negative or unfavorable opinion toward the single-brand apparel retailer. In order for consumers to form a positive or favorable opinion towards the store, single-brand retailers need to focus on training employees to be friendly, knowledgeable, and helpful. Single-brand apparel retailers need to ensure that there are enough employees to help in case a customer needs assistance. Single-brand apparel retailers need to educate their store employees on the image that they would like to project to their customers and ensure that their employees match their store image. If a single-brand apparel retailer caters to a particular customer segment, it needs to ensure that its employees appeal to that customer segment. For

example, Banana Republic stores aims to convey a sophisticated image aimed for an upscale consumer. In order to match this image, Banana Republic suggests its employees to wear three business-casual pieces at all times which matches the retailer's seasonal collections' color palette (Halpern and Odell, 2010).

Similarly, if a consumer perceives that the music played in the store does not fit the store image (e.g., slow classical music played at a store that targets young customers), then the consumer could form negative opinion about the store. Further, lighting plays an important role in forming positive opinion towards the single-brand apparel store. Single-brand apparel retailers need to ensure that the lighting is not only pleasant, but also enunciates the products displayed in the store. Lighting should also match the image that the single-brand retailer is trying to achieve. For example, the dim lighting in Hollister and Abercrombie and Fitch to attract young customers will not be successful in Gap, which caters to slightly older customers.

Contrary to the expectation, the relationship between design cues and cognitive evaluations toward the store was not significant. This result is inconsistent with the previous finding that positive perception of design cues lead to a positive perception of cognitive evaluation states (Bitner, 1992). The finding that design cues - the most permanent and easy to mimic of the three traditional store atmospheric cues - do not have an effect on cognition has an important implication for single-brand apparel retailers. Single-brand apparel retailers need to understand that consumer opinion towards the store can be manipulated by upgrading the social and ambient factors rather than design cues. One possible reason for the insignificant relationship between design and cognition is that the items used to measure design cues were derived from studies that employed general merchandise stores. In this study, the same scale was adopted

towards fashion apparel stores in which consumer design perceptions might be different from general merchandise stores. This factor might have led to the insignificant relationship between design cues and cognitive evaluations. Future studies could adopt scales that were developed exclusively for fashion retailers.

In spite of the insignificant relationship between design cues and cognitive evaluations toward store found in this study, single-brand apparel retailers need to take into consideration the importance of the effect of design cues on cognitive evaluations. Design factors have been found to influence consumers' perceptions toward quality and price of the merchandise and their evaluation of the service offered by the retailer (Grewal and Baker, 1994). Hence, single-brand apparel retailers need to reinforce the design cues utilized in their store such that they will have a positive impact on cognitive evaluations toward the store. Single-brand apparel retailers need to ensure that design factors, such as color scheme of the store, physical facilities, and in-store displays, appeal to their customer segment and match their store image.

The Effect of Merchandise cues on Cognitive Evaluations toward Merchandise

Previous studies did not consider merchandise as a stimulus within the store environment literature. This study incorporated merchandise cues as a stimulus and as a part of the store environment of single-brand apparel retailers. The relationship between merchandise cues and cognitive evaluations toward merchandise was as hypothesized. There was a positive significant relationship between merchandise cues and cognitive evaluations toward merchandise. This study also identified that merchandise cues had a greater total effect on internal evaluations and approach-avoidance behavior than the other three store atmospheric cues. This indicates that

single-brand apparel retailers need to focus on developing their merchandise as a strategy to win their customers.

The above results indicate that as consumers have a positive perception towards the merchandise carried by a single-brand apparel retailer, they will have positive and favorable opinion toward the merchandise. If a consumer feels that the single-brand apparel retailer carries stylish, dependable, and high fashion merchandise, then it would lead to positive and favorable opinion towards the merchandise. In order for consumers to like the merchandise and to consider it to be good, single-brand apparel retailers need to ensure not only that the merchandise is fully stocked, but that there is a wide selection of fashionable and stylish merchandise for consumers to choose. Such aspects of merchandising are especially important for single-brand apparel retailers because one of the major reasons for consumers to patronize that single-brand apparel retailer is because of the non-availability of the merchandise elsewhere. Single-brand apparel retailers could use the exclusivity of their merchandise to their advantage by touting their products' unique features and letting their customers know that their store is the only place where they can find that particular merchandise.

The Effect of Cognitive Evaluations on Affective Evaluations

As hypothesized, cognitive evaluations toward store and merchandise had significant impact on affective evaluations toward store and merchandise, respectively. Lazarus (1984) states that emotions are the direct result of cognitive evaluations of an event and these cognitive evaluations are necessary and sufficient for the formation of emotions. In the current study on approach-avoidance behavior towards single-brand apparel retailers, one can conclude that store

atmospheric cues and merchandise cues impact approach-avoidance behavior through the cognition-affect sequence.

In terms of implications, it is necessary for single-brand apparel retailers to understand that the store atmospheric cues and merchandise cues are the important elements that customers will use in developing their opinion toward the retailer, which will then impact their emotions toward the retailer. When a consumer walks into the store of a single-brand apparel retailer, she is presented with several atmospheric cues. These cues lead the consumer to unconsciously gather and retrieve all these cues together to create a mental picture in her mind (Lin, 2004). This cognitive processing state is very important as it is in this stage that consumers form specific expectations about the product/service/retailer before the actual behavior occurs (Oliver, 1980, 1981). Once a customer appraises the single-brand apparel retail store and the merchandise to be good, this may lead the customer to conclude and develop emotions that the store and the merchandise are appealing or exciting. In order for single-brand apparel retailers to provide a unique shopping experience to their customers, they must ensure that their customers form overall positive opinions about their store and merchandise.

The Impact of Organism on Response

The Effect of Cognitive/Affective Evaluations on Approach-Avoidance Behavior

Cognitive evaluations toward store had a positive significant impact on approach-avoidance behaviors. Single-brand apparel retailers need to reinforce a positive opinion about the store in order to increase the time and money that consumer spends within the store. For example, Gap developed a product range named Red,⁶ proceeds of which were donated to AIDS research in Africa. Aeropostale generated a campaign called “Teens for Jeans” which urges

Aeropostale's customers to donate their jeans to earthquake victims in Haiti. In exchange for their donation, the company offers its customers an additional 25% off a new pair of jeans (www.dosomething.org). Such marketing strategies may help promote a positive belief about the company, which may influence cognitive judgments toward the store and eventually increase store patronage.

On the contrary, cognitive evaluations toward merchandise did not have a significant effect on approach-avoidance behaviors. This implies that a general positive opinion or belief about the merchandise does not necessarily lead to approach behavior. However, cognitive evaluations toward merchandise were found to have an overall total effect on approach-avoidance behavior. This indicates that marketers need to pay attention to cognitive evaluations toward merchandise and cannot ignore its importance on approach behavior. Single-brand apparel retailers need to introduce strategies that would convert positive or favorable opinion about their merchandise into approach behavior. A recent promotion by American Eagle offers its customers a free smart-phone just for trying out a pair of jeans. This strategy could not only offer a chance to increase consumers' positive opinion about the merchandise but also encourage them to spend more time and money inside the store. Single-brand apparel retailers could highlight aspects of their merchandise, such as superior quality, competitive pricing, and trendy clothing that might improve customers' cognitive evaluations toward merchandise thereby leading them to spend more time and money in the store as the merchandise cannot be purchased from any other retailer.

Unlike cognitive evaluations toward merchandise, affective evaluations toward merchandise had a positive impact on approach-avoidance behaviors. This indicates that if

consumers found the merchandise to be exciting or appealing, then they would spend more time at the store. Single-brand apparel retailers could capitalize on this by asking their customers to tweet about how exciting and sensational their merchandise is and receive a discount in return depending on how many people follow the tweets. This would not only increase customers' emotional attachment to the merchandise but encourages them to return to the store.

Lastly, affective evaluations toward the store did not have a significant effect on approach-avoidance behaviors. This means that approach behavior toward the store is more likely due to affective evaluations towards merchandise than towards store. This may explain the trend that customers of single-brand stores such as Abercrombie and Fitch, Hollister, and Aeropostale typically want to be seen wearing clothing from these stores as it conveys symbolic meanings pertaining to status, reputation, and coolness (Achenreiner & John, 2003). However, affective evaluations toward store had a significant total effect on approach-avoidance behavior indicating that this relationship cannot be completely ignored. Single-brand apparel retailers need to further develop strategies to convert affective evaluation towards store into approach behaviors. Recently, American Eagle launched a campaign called "45 seconds of fame" in its flagship store in New York. The campaign called for customers after a purchase to pose for a picture and moments later, the photo was projected onto the 15,000 square feet of LED screens outside the store in Times Square. This strategy led to a significant increase in sales at that location of American Eagle store by converting an affect towards the store into approach behavior. Single-brand apparel retailers could also reward their customers with coupons or discounts if they utilize location-based social networking (e.g., FourSquare) to let their friends know that they are currently shopping at that single-brand apparel retailer. Such a strategy would

encourage customers to enjoy shopping and to spend more time and money in the store and could bring in other customers to the store.

In summary, social cues, and ambient cues had a direct effect on cognitive evaluations toward store while merchandise cues had a direct effect on cognitive evaluations toward merchandise. Merchandise cues had a greater total effect on internal evaluations toward store, merchandise, and approach-avoidance behavior. Cognitive evaluations toward both store and merchandise had a direct impact on affective evaluations toward store and merchandise, respectively. In the case of store, cognitive evaluations had a stronger direct and total effect on approach behavior than affective evaluations. On the other hand, merchandise sold at single-brand apparel retailers need more than cognitive evaluations to lead to approach behavior. Single-brand apparel retailers must pay close attention to the insignificant relationship between affective evaluations toward store and approach behavior. Instead of focusing all of its resources on creating positive affect toward the store, single-brand retailers need to develop strategies to create positive cognition toward the store and merchandise while generating a positive affect toward the merchandise.

Limitations and Future Research

As with any study, several limitations and opportunities for future research can be addressed. First, this study utilized the SOR framework in a non-experimental setting. Proponents of experimental research might argue that non-experimental research does not allow the researcher to have enough control over variables. However, given that this study considered all the store atmospheric cues in a single setting, a non-experimental research is valid. Adding on to the first, a second limitation would be that this study did not consider individual elements of

the store environment (e.g., lighting or employees) but attempted to capture the cumulative effect of the three widely used store atmospheric cues (i.e., employees, store layout, and music). Future studies could consider only one aspect of store atmospheric cues and its effect on behavior. For example, the effect of music on consumer behavior toward single-brand apparel retailers or the effect of employees on consumer behavior toward single-brand apparel retailers.

Third, the proposed model was tested only in the context of single-brand apparel retailers.

Caution must be exercised when generalizing these findings to other types of retail stores or product categories. Store atmospheric cues within a single-brand apparel retailer catering to a particular customer segment might be perceived differently from store atmospheric cues within a single-brand apparel retailer catering to a different customer segment (e.g., Gap versus Aeropostale). Future studies could consider single-brand retailers targeting a particular consumer segment. Fourth, this study did not measure any specific cognitive evaluation (e.g., perceived quality, perceived price) and affective evaluation (e.g., pleasure, arousal). Instead, this study considered a broad definition of cognition and affect. Such specific evaluation measures could be employed in the future to understand different elements of cognition and affect. Fifth, this study employed a self-report survey method where respondents were asked to recall information from memory, albeit not too long from the actual shopping experience. This allows the possibility that some of the self-reported information may not have been accurate due to loss of memory. Another possibility in the future could be an experimental study where respondents will be shown a video of the single-brand apparel retail store to simulate the shopping experience. This would alleviate the errors associated with lack of accuracy due to loss of memory.

Conclusion

This study developed an empirical framework to depict the relationship between store atmospheric cues (i.e., social, design, ambient, and merchandise cues) on consumers' internal evaluation states (direct effect on cognitive evaluation and indirect effect on affective evaluation) toward both the store and the merchandise, in the context of single-brand apparel retailers. Further, the empirical framework depicted the relationship between cognitive and affective evaluations on approach-avoidance behavior. In this vein, this study proposed that merchandise cues are also a part of store atmospheric cues for single-brand apparel retailers. This study also introduced the measurement of "store as a brand" concept that is crucial for the image of single-brand apparel retailers.

Structural equation modeling technique revealed several significant results. Social and design cues were found to have significant effect on cognitive evaluations toward single-brand apparel retail store. Merchandise cues were found to have significant effect on cognitive evaluations toward merchandise sold by the single-brand apparel retailer. Contrary to previous studies, design cues were not found to have significant influence on cognitive evaluations toward store. Both cognitive evaluations toward store and merchandise were found to have significant effect on affective evaluations toward store and merchandise, respectively. Cognitive evaluations toward merchandise and affective evaluations toward store were not found to have a significant effect on approach-avoidance behavior. The hypotheses to test the "store as a brand" concept was supported, thereby leading to the conclusion that consumers indeed view the store and the merchandise carried by the single-brand apparel retailer as a single entity. Several implications were offered that will aid single-brand apparel retailers to better understand their consumers and

tailor their strategies in order to increase patronage. This study suggested that single-brand apparel retailers focus on improving consumer perceptions toward social and ambient cues. Strategies to improve consumers' internal evaluations towards store and merchandise were provided. The benefit of creating a 'store as a brand' image for single-brand apparel retailers was discussed. Finally, several limitations of the study and suggestions to improve the study in the future were discussed.

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APPENDIX

APPENDIX A - The Survey Instrument

Please answer all of the following questions based on **the store** that you just came out from.

SECTION A

The following section is to understand your shopping experience with the store that you just came out from. Please circle the appropriate answer.

	Strongly Disagree				Strongly Agree
There were enough employees in the store to serve customers	1	2	3	4	5
The employees were well-dressed and appeared neat	1	2	3	4	5
The employees in the store were friendly	1	2	3	4	5
The employees in the store were helpful	1	2	3	4	5
The employees in the store were knowledgeable	1	2	3	4	5
The store employees greeted me courteously when I entered the store	1	2	3	4	5
The store seemed very crowded to me	1	2	3	4	5
The store was a little too busy	1	2	3	4	5
There wasn't much traffic in the store during my shopping trip	1	2	3	4	5
There were a lot of shoppers in the store	1	2	3	4	5
The color scheme was pleasing	1	2	3	4	5
The colors used in the store appeared to be currently fashionable	1	2	3	4	5
The physical facilities were attractive	1	2	3	4	5
The merchandise in the store appeared organized	1	2	3	4	5
The merchandise was logically located in this store	1	2	3	4	5
Navigating the store was easy	1	2	3	4	5

	Strongly Disagree				Strongly Agree
There was sufficient aisle space in the store	1	2	3	4	5
In-store displays were impressive	1	2	3	4	5
There was adequate display of in-store information	1	2	3	4	5
The décor of the store was pleasing to me	1	2	3	4	5
The lighting in the store was pleasing to me	1	2	3	4	5
The lighting in the store accentuated the products that were displayed in the store	1	2	3	4	5
The background music in the store made shopping pleasant	1	2	3	4	5
The background music in the store did not bother me	1	2	3	4	5
The background music in the store was appropriate	1	2	3	4	5
The store carried dependable products	1	2	3	4	5
The store carried a wide selection of merchandise	1	2	3	4	5
The store was fully stocked	1	2	3	4	5
The store carried high fashion merchandise	1	2	3	4	5
The store carried stylish merchandise	1	2	3	4	5

SECTION B

The following section is to understand your perceptions about the store that you just came out from. Please circle the appropriate answer.

	Strongly Disagree				Strongly Agree
This store was exciting	1	2	3	4	5
This store was interesting	1	2	3	4	5
This store was boring	1	2	3	4	5
This store was appealing	1	2	3	4	5
This store was sensational	1	2	3	4	5
I have a favorable opinion about this store	1	2	3	4	5

	Strongly Disagree				Strongly Agree
I like this store	1	2	3	4	5
I have a positive opinion about this store	1	2	3	4	5
This store is good	1	2	3	4	5

SECTION C

The following section is to understand your perceptions about the merchandise carried by the store that you just came out from. Please circle the appropriate answer.

	Strongly Disagree				Strongly Agree
The merchandise carried in this store was exciting	1	2	3	4	5
The merchandise carried in this store was interesting	1	2	3	4	5
The merchandise carried in this store was boring	1	2	3	4	5
The merchandise carried in this store was appealing	1	2	3	4	5
The merchandise carried in this store was sensational	1	2	3	4	5
I have a favorable opinion about the merchandise carried in this store	1	2	3	4	5
I like the merchandise carried in this store	1	2	3	4	5
I have a positive opinion about the merchandise carried in this store	1	2	3	4	5
The merchandise carried in this store was good	1	2	3	4	5

SECTION D

The following section is to understand the outcome of your shopping experience with the store that you just came out from. Please circle the appropriate answer.

	Strongly Disagree				Strongly Agree
I enjoyed shopping in this store	1	2	3	4	5
I liked this store environment	1	2	3	4	5

	Strongly Disagree				Strongly Agree
I would avoid having to return to this store	1	2	3	4	5
This is a place in which I feel talkative and friendly to a stranger who happens to be next to me	1	2	3	4	5
This is a place where I try to avoid people and avoid talking to them	1	2	3	4	5
I liked to spend time browsing in this store	1	2	3	4	5
I want to avoid looking around or exploring this store	1	2	3	4	5
This is a sort of place where I end up spending more money than I originally set out to spend	1	2	3	4	5

SECTION E

Finally, please provide some information about yourself. All responses are confidential and will only be used to find the characteristics of participants in this study.

1. What is your gender? Male Female
2. Which of the following best describes your racial or ethnic identification?
 - African-American Caucasian Asian
 - Hispanic OTHER (please specify)_____
3. What age group do you belong to?
 - 18-25 26-35 36-45 46-55 Over 55
4. What is the highest degree or level of education you have completed?
 - Pre-High School or High School Some College (2 Years)
 - College/Univ. Graduate Post-Graduate
 - Other
5. What is the total annual income of your household?
 - < than \$29,999 \$30,000 to \$39,999 \$40,000 to \$49,999
 - \$50,000 to \$59,999 \$60,000 to \$69,999 \$70,000 to \$79,999
 - \$80,000 to \$89,999 \$90,000 to \$99,999 \$100,000 to \$109,999
 - > than \$110,000
6. How many people currently live in your household?
 - 1 2 3 4 5 More than 5
7. How many times have you shopped at this particular store in the past 3 months?
 - 1 2 3 4 5 6 7 8 9

VITA

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