2. LITERATURE REVIEW

2.1 INTRODUCTION

The purpose of the present study is to provide additional input to the existing body of knowledge in the retail management area and in specific food and grocery retail sector in India. Global retail industry has been extensively studied to unleash different issues pertaining to the industry. A lot of literature is available in the area of retail management as there are many studies that have been conducted across many countries. This chapter is intended to bring out such research evidences to support and form basis for the present study. Research evidences referencing the variables such as store attributes, shopping motives, consumer demographics, store format choice, customer satisfaction and patronage behaviour are reviewed and presented in this chapter.

At the end of this chapter, the relationship between these variables is discussed and research model has been proposed. The proposed model will be taken for further validation in the fourth chapter.

2.2 STORE ATTRIBUTES AND STORE FORMAT CHOICE

Store attributes are the various criteria used for evaluating a store that include the product dimensions and the service dimensions [13]. Store attributes also refer to the abstract of all store attributes as perceived by the customers based on their experience with the store [14].

The significance of retail store attributes has always been a topic of discussion among researchers across the world. Substantial research has been conducted on the importance of store attributes either exclusively or collectively along with other determinants of store choice in the western countries. Retail
stores selling different product types such as food and grocery, apparel, drug stores, etc. were considered for studying the store attributes. Initial studies in the area of retail management concentrated on identifying store image and related attributes.

In the meta-analytic study [15] conducted in 1974, a number of published empirical studies on store image were reviewed and the conceptual frameworks were analyzed. The study used the method of Percent of Scholar Mentions for each and every topic of store image mentioned in previous literature. Percent of Scholar Mentions was done by dividing the total number of times a topic was addressed in scholarly articles by the number of empirical studies reviewed. The meta-analytic approach conducted on the studies classified store image attributes into nine different categories. These attributes of store image include merchandise, clientele, service, physical facilities, promotion, convenience, institutional factors, store atmosphere and post-transactional satisfaction. This study on store image attributes formed the basis of other studies that followed.

Store attributes were found to be the determinants of retail store selection based on the evidence from several empirical studies. The importance of retail store attributes in store choice was investigated in 1978. The study [16] was primarily built on the meta-analytic study conducted previously in 1974. The nine store image attributes synthesized in the previous study [15] was empirically tested in the present study [16]. This study re-conceptualized the idea of store image to include dimensions, components and attributes. The importance of store attributes was measured across department stores and grocery stores using a well structured questionnaire in the United States. The study found out that the attributes such as merchandise mix, degree of ease of shopping and post-transaction satisfaction were considered important by shoppers for choosing a department store. Grocery store shoppers considered merchandise mix, degree of ease of shopping and cleanliness of the store to be very important.
The determinants attributes of retail store selection across food retailers and fashion retailers was conducted on the same year [17]. The study found out that location convenience, low price, product assortment, quality of products and service provided by retailers and shopping environment were the determinants of store selection. On the other hand, the customers of fashion retailing considered value for money, assortment and quality of merchandise as the determinants of store selection.

Research evidences indicate the association between retail store attributes and store format selection across retail stores. Research study was conducted to understand consumer preference of traditional supermarkets and supercenter chains in the United States [18]. The study was done in four different markets which included two small cities and two large cities. Data was collected using telephone interviews. The respondents of the study included the primary grocery shoppers. In addition to the telephonic interview, the in-store price basket was also observed and recorded. The study witnessed that consumers preferred supermarkets for convenience, quality of the product, and personalized service provided by the stores. Customers preferred to shop in supercenter chains due to low price and wide assortment.

In yet another empirical study [19], 300 retail customers were surveyed to understand the reasons for their store selection behaviour. The study was carried out in Minnesota, United States to investigate the influence of large discount stores on customers. The findings of the study indicated that consumers were attracted towards large discount stores such as Wal-Mart due to low price and huge assortment of products. The study had also suggested small retailers to focus on the other customers who prefer specialty products and personalized service approach to survive in the retail business.

The relationship between grocery shopper characteristics, their brand choice criteria and the store choice attributes was investigated in a study
conducted in the Greek grocery market [20]. The study revealed that merchandise related factors play a very important role in brand as well as store choice processes. The quality of the brand and its attributes tend to dominate the brand choice process, while quality of the product and variety of merchandise influence customer store patronage. Customers also perceived location of the store to be important because of frequent shopping and higher transportation cost. At the same time, private label brand was found to be of lesser important to grocery shoppers while shopping for groceries.

The important drivers behind the small scale retailers’ success after the entry and sustained growth of the organized retail industry were identified in another study [21]. The study was conducted in six Latin American countries. The study indicated that small scale retailers were able to satisfy the needs of new consumers and have a sustainable business model. Location or the physical proximity to the work place or residence that reduces the total purchasing cost was a visible advantage to small retailers. In case of merchandise offered, small retailers had an advantage of offering the right assortment of products to the local needs and small package sizes compared to larger supermarkets.

The study found out that small-scale retailers developed an emotional proximity with their customers by providing a personal touch as they were familiar with the local customers. The local owners were also found to recommend or engage and greet every customer who entered the store. However, these small retailers were found to have priced their products higher compared to larger supermarkets. In addition, these retailers offered very limited service such as home delivery and extended operating hours. However, these small or traditional retailers provided informal credit to their customers which acted as a sort of loyalty program.
Consumers’ retail format choice was investigated in another study in the US grocery market [22]. Demographic characteristics like age, gender, race, education, income, marital status and household size were used to group profiles who frequently visit specific retail formats like specialty grocery stores, supermarkets, supercenters and warehouse clubs. Store attributes such as price competitiveness, courtesy of store employees, cleanliness of the store, product assortment, convenient hours of operation, store atmosphere, easy accessibility, availability of security and parking facilities, crowd in the store, presence of eateries, special events, seats/rest area and ease of handling children were considered to be drivers of format choice.

The study highlighted that customers with more income were likely to patronize specialty grocery stores. It was also witnessed that regular customers preferred to shop in a specialty grocery store due to its cleanliness, product assortment, courteous employees, crowding and price competitiveness. However, cleanliness, assortment of products, ease of access, courteous employees and crowding were perceived to be important by the occasional shopper group. The variable, household size was found to be the significant predictor of store patronage for traditional supermarket. Smaller households were seen to patronize traditional supermarkets. Frequent shoppers to traditional supermarkets preferred traditional supermarkets due to its cleanliness, product assortment, price competitiveness, crowd in the store and courtesy of store employees. In addition to these store attributes of frequent shoppers, parking facilities availability and accessibility were found to be important for occasional shoppers.

The study also found out that the demographic variables like education, income and household size were the important predictors of supercenter format. Frequent shoppers ranked cleanliness of the store, product assortment, price competitiveness, courtesy of store employees and security as primary attributes to patronize supercenter format. However, occasional shoppers
ranked cleanliness of the store, product selection, accessibility, courtesy of store employees and security as primary attributes of supercenters. In the warehouse club category, income and education were identified to be the significant predictors of store patronage. In addition, the study indicated that female customers tend to choose warehouse clubs for buying grocery items. Frequent shoppers of warehouse clubs ranked cleanliness of the store, product assortment, price competitiveness, courtesy of store employees and accessibility as important store attributes. Occasional shoppers also ranked store attributes in a similar way in this category except price competitiveness.

A meta-analytical study was conducted to examine the determinants of retail store patronage of customers [23]. The dependent variables included choice of retail store and frequency of visit to a retail store. The study considered sixteen frequently reported antecedents of retail store patronage in the literature for analysis. These antecedents were categorized into three groups that included product-relevant factors such as quality, price and selection; market-relevant factors such as location, parking, store opening hours, friendliness of sales people, customer service, rapid checkout, store atmosphere and image; and personal factors such as store-type attitude, age, gender and income. The study found that the product and market related factors were more likely to influence the store choice decision of a customer and the personal factors were found to be the important predictors of frequency of visit to a retail store. The study also identified five potential moderators that will influence the relationship between the predictors and retail patronage. These moderators included study design such as experimental and non experimental, sample type such as student and non student, multi and single item scale type, store and non-store shopping mode and type of product.

The shopping behaviour of supermarket consumers was carried out in the Kuwait retail market [24]. The study characterized the typology of customers based on the affective response into two categories. The first category
considers grocery shopping as a duty while the other group considers it a pleasure. The study also explored the determinant attributes of supermarkets that influence the patronage decision of customers. Factor analysis on the collected data yielded four image dimensions namely merchandise, store personnel, accessibility to the store and promotion. Stepwise regression applied on the data found out that product image was very significant in determining shopping frequency in a supermarket. Demographic attributes of consumers were not found to have any influence on their perception about promotion image. However, demographic characteristics were found to have an impact on perceived importance of accessibility image dimension. Consumers who perceived the accessibility image as more important were older, married with greater levels of education and income.

Research study was also conducted to analyze whether the beliefs about store attributes have differential effects on hedonic and utilitarian shopping values [25]. The study was conducted across three different grocery retail outlets in a Norwegian city. Data was collected by self administering the questionnaire. Five dimensions of store attributes from past literature which included product selection, value of the product, physical aspects, personal interaction and accessibility were identified as antecedents of grocery shopping value. Shopping values under study included utility shopping value and hedonic shopping value. Confirmatory factor analysis was initially carried out followed by structural equation modeling to test the proposed model. The results of the study suggested that hedonic grocery shopping value was positively influenced by personalized approach, accessibility and product value. Utilitarian shopping values were found to be positively influenced by physical aspects and product assortment. Further, physical aspects were found to negatively influence hedonic shopping values while personalized approach were found to have a strong negative impact on utilitarian shopping values.
Consumer store choice behaviour and determinants of retail store selection decision was also conducted in the Malaysian retail environment [26]. The study attempted to find out answers to the questions related to customers’ choice of retail stores for different types of products and factors that influence retail store choice in Klang Valley, Malaysia. The research was conducted in two phases. The qualitative study conducted to explore the motives of store choice was done with the help of focus group interviews and in depth interviews. The quantitative research was carried out with the questionnaire developed based on qualitative research and literature review. Exploratory factor analysis done on the collected data confirmed that the factors such as store employees, advertising by the store, physical characteristics of the store, store convenience, convenience of choosing merchandise inside the store, location of the store, peer group influence, product variety, quality and services provided by the store are significant for customers choosing the retail store. The study also highlighted that for buying grocery items, customers prefer hypermarkets compared to other retail store types.

Another study in the Malaysian retail market attempted to explore the store format choice of retail customers with respect to modern and traditional retail outlets [27]. The study intended to identify the advantages of both the format types. Factor analysis and binary logit modeling were used to analyze collected data. The results indicated that the choice of retail store was influenced by demographic factors like age of the customer, educational qualification, family size, and children accompanying parents while shopping. In addition, the store attributes like packaging of products in the store, price of the products and store environment also influence store format choice of customers.

The importance of store attributes in determining the store choice behaviour of customers was carried out in the Swedish retail market [28]. Exploratory Factor Analysis conducted on the collected data reduced the
attributes into attractiveness attributes such as price, supply range, quality of supply, service quality, quality of storescape, childcare facilities and proximity to other stores, and accessibility attributes like easy access by car and other travel modes, and availability (proximity from home and work place, and store opening hours). The results indicated that accessibility by car is the very important grocery store attribute followed by quality of storescape and availability. It was also observed from the study that the socio-economic factors of customers and their shopping behaviour have an effect on the perceived importance of retail store attributes.

The above studies clearly show the importance of retail store attributes such as product availability, price of the products, location proximity, customer service activities by the retailers, promotional activities carried out by the retailers and the store facilities in creating store image as well as in predicting the store choice behaviour of retail customers.

2.3 CONSUMER DEMOGRAPHICS AND STORE FORMAT CHOICE

Consumer demographics are found to play a major role in the retail format choice behavior of customers. Demographic characteristics of customers have found to influence their shopping behavior in studies conducted across the world. The demographic profile of frequent and non-frequent shoppers was examined in a study aimed at profiling the demographics of department store shoppers [29]. The results showed that frequent shoppers were younger in age and more educated with a higher income level compared non frequent shoppers.

In a field study conducted, the impact of demographic variables like age, gender, female working status, marital status and household income on supermarket shopping dimensions such as shopping time and frequency, amount spent at the supermarket, supermarket behaviour (planning, information
usage and economizing) and attitude towards supermarket shopping was investigated [30]. Attitude towards supermarket shopping was measured with the variables, “shopping is fun”, shopping takes too much of time” and “shopping is an important task”. The study was conducted across four metropolitan cities across the United States. Survey was conducted using a structured questionnaire from the respondents who come for shopping at the supermarket.

The study revealed that male customers considered shopping as a less important task. However, there was no significant difference between male and female shoppers on other supermarket shopping variables. Female working status on the other hand had a significant effect on all the supermarket shopping variables except the time taken for shopping. The next demographic variable marital status indicated a significant impact on four of the supermarket variables which include extent of planning, extent of information usage, extent of economizing and shopping importance. The demographic variable income was found to affect the time spent for shopping, number of supermarkets visited every week, expenditure on groceries every week and extent of planning. In addition high income respondents agreed that shopping is a fun activity.

The shopping behaviour of elderly people in terms of store choice and attitude was explored in the Britain retail market [31]. Elderly people over the age of 55 years were considered for this study and interviews were conducted across elderly customers in three different shopping locations. It was found out from the study that that gender emerged as an important attribute than age in determining the store choice and the motives for shop choice. It was also identified that elderly customers were found to patronize departmental and specialty stores as compared other retail store types.

A comparative study was carried out to profile the demographic characteristics of shoppers and non-shoppers of large discount stores in
Kingston, Canada [32]. The study found that the shoppers of large discount stores were middle aged and middle income categories while the non-shoppers were in the extreme categories with respect to age and income.

In yet another study, the role of consumer demographics on retail store format selection was investigated [33]. The study was done across three different retail formats namely, grocery retail stores, mass merchandising stores, and drug stores. The findings of the study revealed that family size, income of customers and their educational qualification influenced their store format choice decision.

In a similar study, the impact of demographic variables on supercenter shopping frequency in the United States was explored [34]. The demographic variables used for the study include age, gender, education, ethnicity, marital status, income and family size. Shopping frequency to a supercenter was measured across product categories such as apparel, health and beauty, home furnishings, and consumer electronics, while shopping for groceries. Gender differences were analyzed which indicated that female customers often shop in supercenter for health and beauty products while male customers shop in supercenters more often for consumer electronics.

The study examined the effect of the continuous demographic variables such as age, educational qualification, income, and family size on supercenter shopping. The results indicated that these variables were found to have a significant effect on apparel, home furnishings and consumer electronics shopping. It was found from the study that the younger, lower-income and larger households frequently visit supercenters for buying apparels. Age was found to be the only significant predictor with an inverse relationship for home furnishings. It was also found that the less educated and younger customers are likely to shop for consumer electronics in the supercenter. The ANOVA
models for the dimensions ethnicity and marital status were found to be insignificant indicating a negligible effect on supercenter shopping frequency.

In India, the effect of retail customers’ demographic, geographic and psychographic dimensions on the retail format choice behavior was carried out [35]. The study was done in the food and grocery sector of retailing as it is the most promising area in India. The findings of the study highlighted the cross-shopping behavior of Indian retail customers as they exhibit patronage for different retail formats. The study also found out that shopping trip pattern and the volume of purchase had a significant impact on the store format choice decision. Shopper attributes were found to have significant impact on the store format choice behavior of customers. The findings of the study suggested that retail shoppers’ gender, age, education, occupation, monthly household income, family size and distance travelled to store had a significant impact on store choice decisions.

The study arrived at five food and grocery shopper segments such as hedonic, utilitarian, autonomous, conventional and socialization type based on psychographic dimensions such as values, lifestyles and shopping orientations. These five psychographic segments exhibited various shopping orientations among customers. Time conscious customers with local shopping orientations were found to patronize traditional grocery store. The predictors for convenience store format choice included time consciousness and information seeking behavior of customers. Customers who are variety seeking, brand conscious, time conscious, local shopper and price conscious were found to patronize supermarket. Finally, the significant predictors for hypermarket store format choice include variety seeking, brand conscious, recreational oriented, price conscious, and experience seeking customers.

Grocery shopping behaviour of male shoppers was investigated in an Australian City [36]. The demographic data recorded in the survey included the
respondent’s age, education, income, marital status, employment and home ownership. Cluster analysis done on the collected data segmented the male shoppers into four categories which include convenience/busy shoppers, equitable shoppers, apathetic shoppers and economic/budget shoppers. The study also suggested that male shoppers are an attractive segment for supermarket retailers. Male shoppers are committed to their local supermarket and shop regularly. Male shoppers are not so price sensitive and rarely check prices. Male shoppers do not evaluate products and do not plan their purchases before entering the supermarket.

In yet another direction, the role of consumer demographics as a moderator was studied in India [37]. The primary objective of the study was to understand the impact of cultural factors on the preference of Indian consumers to buy from small retail stores. The study was conducted in five major cities in India namely, Delhi, Kolkata, Chennai, Mysore, and Ludhiana. Data was collected from five hundred respondents with the help of self administered questionnaires. An exploratory factor analysis was employed to arrive at various local-store related attributes. The analysis revealed factors such as discounts, credit facilities, customer service, product assortment, relationship, friendliness and behavior of store personnel as independent variables.

The study [37] employed cultural dimensions such as power distance, individualism, masculinity, risk averseness and long term orientations as another set of determinants to understand the customer preference of small retail stores. Demographic variables such as age, income, gender, education and marital status were used as the moderating variables. It was understood from the study that the store related attributes did not have an impact on the customers’ preference of small retail stores. However, cultural factors such as long-term orientation and collectivism emerged as important predictors. Other cultural factors such as femininity and power distance were not found to influence consumers’ preference of small retail stores. Among the demographic variables
age, education and gender were found to moderate the cultural variables. It was found that educated individuals preferred local retail shops due to time pressure. At the same time older people preferred other retail formats such as supermarkets as they have time to shop leisurely. Among gender, women were found to prefer local retailers due to convenience, accessibility and relationship with those retailers.

The impact of shopper’s attitude and demographic characteristics on retail store patronage was examined in India [38]. The study attempted to compare shopper’s patronage towards formal and informal food retail outlets in India. The study analyzed the impact of shopper’s demographic characteristics like age, education and income along with their attitude towards product and/or retailer attributes on their store choice decision. The study revealed that shoppers’ concern towards merchandise, freshness, safety, service provided, bargaining and satisfaction from past experience influence their preference towards formal and informal retail location. In addition, shoppers’ demographic characteristics like age, income and level of education were found to have a positive impact on shoppers’ choice decision behavior.

Thus, the above studies make it evident that the consumer demographic factors like gender, age, marital status, educational qualification, occupation, household income, family size, etc. are significant in predicting the store choice behaviour of customers.

2.4 SHOPPING MOTIVES AND STORE FORMAT CHOICE

Shopping motives were found to predict various shopping outcomes in previous studies. The shopping motives of Korean discount store customers were explored in another study [39]. The study was conducted with the help of structured questionnaire using the intercept survey method. The study collected 467 useful responses which were factor analyzed to arrive at different shopping
motives of customers. The study identified socialization, diversion and utilitarian as the shopping motives of discount store shoppers. Cluster analysis conducted on the data collected arrived at four shopper groups namely, leisurely – motivated, socially – motivated, utilitarian and shopping – apathetic. It was also found from the study that all the identified groups significantly differed in their responses about store attributes, re-patronage intention and amount of money spent in a shopping trip.

Shopping motives and their influence on shopping behavior of retail customers was examined in study conducted in Germany [40]. The data was collected from 560 grocery shoppers. The study advocated that shopping motives affected perception of customers about store attributes as well as attitude developed by customers towards retail stores. The results also indicated that the impact of shopping motives is much stronger on the attitude of customers towards retail stores compared to their perception of store attributes.

Hypermarket shoppers were segmented based on their shopping motivation in a study conducted in India [41]. The study segmented the hypermarket customers based on their demographic features and shopping outcomes. The findings highlighted various dimensions of shopping motivation to buy from traditional retail store and hypermarkets. Hypermarket customers were divided into four segments which included utilitarians, browsers, maximisers and enthusiasts. Utilitarians were found to be motivated by the functional benefits like price and variety of products. Maximisers were found to be motivated by functional and recreational benefits. Browsers were found to be socially motivated. Finally, the enthusiasts were found to be motivated by all the dimensions of motivation. Additionally, all the identified motivation segments were found to exhibit significant differences on their demographic features and shopping outcomes.
Store attributes and their influence on customer experience and customer engagement was investigated in another study [42]. The findings of the study identified that customer experience in a store is influenced by merchandise offered, store atmosphere and loyalty programs. Customer engagement is found to be influenced by product communication, interpersonal communication, and loyalty programs. On the other hand, post-transaction services provided by the store were not found to influence customer experience as well as customer engagement. The findings also highlighted a strong relationship between the dimensions customer experience and engagement.

From the above studies, it is clearly understood that customers are motivated to buy from retail stores due to various factors. Shopping motives identified are found to vary across retail store types, customers, etc.

2.5 SHOPPING SITUATION/OCCASION AND STORE FORMAT CHOICE

The influence of task definition on store-attribute saliences and store choice of customers was investigated in 1999 [43]. The study was conducted across six do-it-yourself (DIY) stores in Belgium. Both qualitative and quantitative research was undertaken by the researchers. In the qualitative research conducted, sixteen non-professional visitors to a DIY store were interviewed in depth to bring out an inventory of task definitions and store attributes based on which DIY stores are evaluated and chosen. The qualitative research arrived at five types of task definitions namely, urgent purchase, large quantities purchase, difficult job, regular purchase and get ideas. In addition, ten store attributes like proximity of the store, quick service, product range, stock availability, price, services, product assortment, store design, novelties and quality were identified from past literature. Quantitative research was conducted by surveying 610 customers across six DIY stores. Data collected from the survey were analyzed using one way ANOVA.
The study [43] identified that the store attribute salience varied across different task definitions. In case of an urgent purchase, customers perceived location proximity, speedy service and availability of stock as very important. Low price and sufficient stock were considered important when buying large quantities. The store had to offer after sales service and offer a wide range of quality products, when purchasing material for a difficult job. Proximity to the store, low price and stock availability were perceived important for regular purchases. When customers visit a store to get new ideas, the store has to offer services and a wide range of products with new models. The elegant design of the store was also considered important while searching for new ideas.

Another study was conducted that aimed at identifying the store attributes that influence store choice behavior of customers when customers conduct major trips or fill-in trips to buy grocery items [44]. The study was carried out in Austrian retail market area. Service/convenience oriented store attributes and merchandise related store attributes were employed as predictors of store choice. The moderating variable, shopping occasion which includes urgency, total shopping efforts, dedicated time, shopping trip frequency and shopping basket (volume of purchase) was operationalized by the type of shopping trips (major and fill-in trips). The study identified that consumers preferred large scale retailers like discount retailers and hypermarkets for major grocery shopping trips. Customers preferred retail formats such as small supermarkets when they conduct a fill in grocery shopping trip. Customers also have superior expectation about product assortment, product price and other discounts or offers when they shop at large scale retail stores while their expectations from the small scale retailers included store atmosphere and personalized service.

The influence of various situational factors on store choice decision of customers was examined in India [45]. A shopping situation is a specific act of consumer shopping behaviour that occurs at a particular point in space and
time. The study was conducted in the cities of Hyderabad and Secundrabad in India, across traditional stores, convenience stores, supermarkets and hypermarkets. The situational variables used for the study were task definitions that include regular buying, buying in large quantities, getting ideas about new products, perceived risks which include risks related to time, financial, and physical, physical surroundings which include store ambience, design and visual merchandising, social surroundings which include interactions and experiences and temporal aspects which include time spent and convenient store timing. Data was collected from 1040 retail customers using structured questionnaire.

The study [45] identified that all the situational factors had significant effect on supermarket and hypermarket store choice decisions. On the other hand, the situational factors like task definitions, perceived risks and convenient timings had significant impact on traditional kirana store and convenience store format choice decision of customers. The primary finding of the study was that Indian food and grocery consumers do not patronize a single store for buying food and grocery items. The Indian food and grocery customers exhibit cross shopping behavior across multiple retail formats.

Thus, based on the above studies it is understood that various factors of shopping situation/occasion are important in predicting the store choice behaviour of customers in the retailing environment.

2.6 ATTITUDE TOWARDS A RETAIL STORE

“Attitudes are evaluative statements either favourable or unfavourable about objects, people, or events” [46]. Attitude is a variable that affects behavioural intention and specific persons’ behaviour [47].
The inter-relationships among discount store image, customer satisfaction, and store loyalty was analyzed in a study [48]. The study explored the discount retail store environment and the attitude of customers towards discount stores in the Korean market. The author proposed seven store attributes that are significant in store image formation which included store atmosphere, store location, convenient facilities, perceived value, services provided by store employees, after sales service and merchandising. The results of the statistical analysis highlighted that the attributes like store atmosphere, store employee services, after sales service and merchandising created an attitude towards the discount store. Customer satisfaction was influenced by perceived store atmosphere and value. The attitude towards the store was found to influence customer satisfaction and loyalty towards the store. The attributes merchandising, location, and after sale service were found to directly influence store loyalty.

The shopping orientation of female apparel shoppers was investigated in the United States [49]. The study identified differences in shopping segments with respect to store format choice across department stores, discount stores and specialty stores. It was also understood from the study that customers with a favourable attitude towards a store type are likely to patronize the store and buy products from it. Cluster analysis conducted on the data identified four shopping segments named decisive shopper, confident shopper, highly involved shopper, and extremely involved shopper.

In yet another direction, the attitude of customers during stock-out situation was explored [50]. The study was conducted in India in an unorganized retail set up and across five product categories. The study employed antecedents like shopping attitude of customers, store loyalty, perceived product prices, distance travelled to store, frequency of shopping, and brand loyalty to predict attitude of customers towards retail stores during stock-out situation. The findings of the study highlighted that all the six identified
variables influence the attitude of customers towards retail stores during stock-out situations.

The factors that impact attitude of Indian consumers towards retailers and their purchase intention were investigated in an empirical study conducted [51]. The study was conducted in Kolkata, India. Data was collected from shoppers of department stores using a structured questionnaire. The study employed structural equation modeling to analyze the data collected. The findings of the study revealed that the factors, self-congruity, retailer awareness, retailer associations and retailer perceived quality had a significant positive influence on consumers’ attitude toward retailers. The results also highlighted that consumers’ attitude toward retailers positively influenced purchase intention of customers.

From the above studies it is understood that retail customers develop a favourable attitude towards a retail store due to several reasons like store attributes, shopping motives and others.

2.7 STORE ATTRIBUTES AND CUSTOMER SATISFACTION

Satisfaction can be defined as “the outcome of the subjective evaluation that the chosen alternative meets or exceeds expectations” [52]. Store attributes were found to influence customer satisfaction of grocery shoppers.

An empirical study was conducted to understand the relationship between store image, customer satisfaction and store loyalty [53]. Survey was done using a structured questionnaire among customers of a department store in a major city in Switzerland. The study identified two types of store satisfaction of customers namely manifest satisfaction and latent satisfaction as predictors to store loyalty. The study also employed elaboration in terms of motivation and ability as moderators that strengthen the relationship between satisfaction and
loyalty. The study also confirmed the mediating role of customer satisfaction between store image and store loyalty.

A comparison of customer perceptions with regard to satisfaction across two different forms of retailing namely, conventional grocery stores and specialty grocery stores was also conducted [54]. The study was conducted in the United States. The findings of the study revealed that product price, assortment, quality of the product and services provided by employees in the store influence customer satisfaction irrespective of the type of store they choose. However, the stepwise multiple regression performed indicated that services provided by store employees followed by price of the product, product quality and product assortment had a stepwise order of impact on customer satisfaction with respect to specialty grocery stores. Product assortment, followed by the price, services provided by store employees and quality of product, was the stepwise order of impact on customer satisfaction with respect to conventional grocery stores.

The inter relationship between retail store image attributes and customer satisfaction was further analyzed and confirmed [55]. The study was conducted across various customer groups in the supermarkets in Greece. Data were collected by self administering the structured questionnaire from 630 respondents. An exploratory factor analysis conducted on the collected data arrived at six major factors namely, product, pricing, store atmosphere, store personnel, merchandising and in-store convenience. These factors were further confirmed using confirmatory factor analysis. After the extraction of factors, the relationship between retail store image attributes and customer satisfaction was examined. The analysis revealed that, of the six store image attributes, pricing and products were found to have a greater influence on customer satisfaction, followed by store personnel and in-store convenience. However, the attributes pricing and products alone were significant across the four identified customer
groups namely, the typical customer, the unstable customer, the social customer, and the occasional customer.

The level of customer satisfaction with respect to grocery stores was assessed across the countries, Spain and the United States [56]. Data was collected by self administering the structured questionnaire. The dependent variables used in the study included product price, promotion, product quality, brand availability, location proximity, product assortment, customer attention, additional services, store atmospherics and store opening hours. Linear regression analysis was performed to examine the level of customer satisfaction in the study. The results of the study confirmed that the perceptions about service and convenience, along with quality image of the store had positive and significant influence on the level of customer satisfaction for Spanish customers. For the customers in the United States, the perceptions about service and quality along with convenience positively and significantly influenced the level of customer satisfaction.

The above studies clearly indicate that the attributes of a retail stores has been employed to understand the satisfaction level of customers. Studies have also highlighted the mediating role of customer satisfaction between store image and store loyalty.

2.8 STORE ATTRIBUTES AND REPATRONAGE BEHAVIOUR

Studies also revealed that store attributes enhance the store patronage behavior of customers and their loyalty towards a store. The patronage behaviour of apparel shoppers was analyzed in the study done to understand the significance of store attributes, influence of information sources, personal attributes of customers and their shopping orientations in the patronage behaviour of customers [57]. The study employed seven factors such as store employees, customer service, visual merchandising, product price, return
policies of the store, accessibility to the store, brand, fashion and product quality, and variety to measure the importance of store attributes. The findings of the study indicated that among all the attributes, price/return policies of the store, brand/fashion and product quality/variety partially influenced the patronage behaviour of customers with respect to specialty stores. It was also witnessed that importance of retail store attributes were influenced by shopping orientations, information sources, and personal attributes of customers.

Factors affecting store loyalty in was investigated in the Korean retail market [58]. The study employed store image attributes as the determinants of store loyalty across departmental stores and discount stores in three different Korean markets namely, Busan, Changwon and Masan City. Responses were collected from 136 married women. The statistical analysis conducted on the data highlighted that the store image attributes like store atmosphere, location, shopping facility and sales-personnel service influence store loyalty towards department stores. On the other hand, the store image attributes like advertisement, quality of products, credit payment facilities and store atmosphere significantly affect customer loyalty towards discount stores.

The impact of the attributes of supermarket and hedonic shopping motivation on shopper loyalty was studied in Vietnam [59]. Data was collected from in-service training students of three Universities across four supermarkets. Super market attributes such as physical facilities like store design and architecture, layout, display, convenient location and parking, quality of services provided by store employees, after sales service like exchanges and refund policies, and merchandise related attributes like variety of product and brand, and availability were employed in the study. In addition to the supermarket attributes, hedonic shopping motivations such as adventure shopping, gratification shopping, role shopping, value shopping, social shopping and idea shopping were also included in the study. Confirmatory factor analysis was used to validate the measures and structural equation modeling was employed.
to test the proposed theoretical model. The study indicated that both supermarket attributes and hedonic shopping motivations play important roles in shopper loyalty. However, supermarket attributes play a major role when compared to hedonic shopping motivations in retaining customers. In addition to the direct impact of supermarket attributes, these attributes were found to indirectly influence shopper loyalty through hedonic shopping motivations.

The interrelationship between grocery retail store image, distance travelled, customer satisfaction and behavioral intentions of customers after buying from the grocery store was examined in yet another study [60]. The study which was conducted in a college town mainly focused on identifying key dimensions of retail store image and the effect of image on customer satisfaction and their behavioral intention after purchase. The study also investigated the influence of travel distance on customer satisfaction and behavioral intention. The respondents for the study included undergraduate college students. An exploratory factor analysis on the store image attributes conducted on a smaller sample size yielded three factors namely Merchandise Attributes (MEA), Store Ambience and Service (SAS) and Marketing Attractiveness (MGA).

Structural equation modeling was then performed to examine the interrelationship between variables. At the first stage confirmatory factor analysis was performed on a larger sample to estimate construct validity and in the next stage, path analysis was done to test the research hypotheses. It was found that grocery retail store image was a second-order construct as explained by the components MEA, SAS and MGA. Findings of the study revealed that the SAS dimension and MEA dimension were important than the MGA dimension. Store image was found to be important driver of behavioural intention. However, the indirect effect of store image on behavioural intention through customer satisfaction was found to be more than the direct effect. Yet another unexpected finding was revealed from the study. The study found out a
positive and direct relationship between travel distance and customer satisfaction.

The role of customer satisfaction and store image as mediators of drivers of store loyalty was also examined [61]. The study was conducted in a Norwegian grocery store. The four store loyalty drivers used in the study included location, service quality, assortment and price evaluation. The study also included three control variables namely, loyalty cards, gender and age. The data collected was analyzed by structural equation modeling. The findings of the study highlighted that store satisfaction and store image had a positive impact on store loyalty. Also, store satisfaction was found to have a positive impact on store image. In addition, store image served as an important mediator between satisfaction and loyalty. Another interesting finding is that the perception of customers about product assortment affects store image which in turn influences store loyalty through satisfaction. However, price and service quality were found to influence store loyalty through store image and satisfaction. Store satisfaction seemed to be very significant for loyalty when compared to store image.

Based on the above studies, it can be understood that the loyalty of customers towards a retail store is influenced by store attributes and shopping motivations. Store attributes were also found to have a direct as well as indirect effect of store loyalty through customer satisfaction.

2.9 CROSS SHOPPING BEHAVIOUR

Store –switching behavior of consumers was investigated for a period of three years from 1986 to 1988 in the US [62]. The data from 21 grocery stores in Springfield, Missouri was considered which comprised of 2,46,704 shopping occasions of 1438 households. Data provided information about the number of shopping trips made by each household, the store visited, the date of visit, total
amount spent during the each trip and consumer demographics. The findings of the study indicated that most of the households visited more than ten different grocery stores. Poisson regression analysis and Probit model were used to analyze repeat shopping and store-switching behavior of customers. The independent variables considered for this study included socio demographic characteristics, frequency of shopping, amount spent per trip, fill-in trip, time between trips and lagged repeat trips. The results of the study indicated that repeat shopping is likely to occur when the household has men and women working, better education, spend more during every shopping trip and the time between trips is longer. Customers are more likely to switch between stores when the income is more, shop frequently and conduct more number of fill-in trips.

The store choice behaviour of customers with respect to hypermarkets and traditional retail stores was carried out in the Portuguese retail market [63]. The study also confirmed that the customers do not exhibit ‘single loyalty’ with respect to their store choice. The study highlighted that customers choice of retail stores varied across product categories. The study also revealed that the consumers preferred hypermarkets due to its convenience and lower prices. On the other hand, customers preferred to shop from traditional retail stores for buying products of more involvement.

Store choice behaviour of retail consumers in India was investigated in a study conducted in Ahmedabad, a business city in the state of Gujarat and revealed various drivers of store choice across different categories of product [64]. The study was done across old and new formats of retail stores dealing with different product types such as food and grocery, consumer durables, leisure, medicines, apparels and paan/cigarette. The new formats are self service retail stores where customers move around the store, touch and feel the products while the old formats are the ones where the customers were not allowed inside the stores but were serviced by shopkeepers. The dependent
variable of analysis was the type of product bought by the customers. The independent variables included proximity of the store, merchandise offered, store ambience, patronized store and referrals.

The study [64] found out that the merchandise offered and location proximity of the store was the primary reasons for customers’ store format choice. However, the importance attached to attributes differed across product types. Customers visited grocery stores due to proximity and patronization. Consumer durable stores were preferred due to merchandise, referral and ambience. For leisure items, store ambience play a major role. In case of apparels stores merchandise, store ambience and branding of the stores were considered to be primary reasons for shopping. It was found from the study that the location of the store in the neighbourhood and the personal relationship between the storekeeper and the customers are the major drivers for customers choosing a grocery store. However, the customers' perception changed after visiting the store and the store created an impression in the minds of the customer about the product variety and convenient operating hours. It was also identified that, the factors such as service provided inside the store, entertainment activities, trustworthiness of employees and the design of the store did not have an impact although, store ambience was found to be the only store atmosphere parameter which had an influence on the store choice behaviour in some product categories.

Cross-format shopping motives of grocery consumers in India were identified in another study conducted in India [65]. The study categorized cross-format shopping categories of consumers based on the underlying motives. The study employed both qualitative (personal interviews) and quantitative research (mall-intercept survey). The study resulted in nine cross-format shopping motivations among grocery consumers. These motives include value for money, price-conscious, value for time, shopping enjoyment, local shopping, variety seeking, social shopping, entertainment and brand-conscious. The study also
segmented the shoppers based on these motives into five different categories namely, economic shopper, convenience shopper, price-promotional shopper, hedonic shopper and social shopper. It is also understood that there exist significant differences among shopper categories with respect to store format choice and re-patronage intention.

Another study that identified the factors that influence consumers’ cross-shopping behavior among retail formats that include traditional stores, convenience stores, supermarkets and hypermarkets was also conducted in India [66]. The study also investigated the impact of those factors on re-patronage behavior. The study highlighted that the variables, value for money and time, shopping motives, shopping situations and store attributes have a significant positive correlation with cross-shopping behavior of customers. Multiple Discriminant analysis employed indicated that value for money and time, task definitions, basket size, shopping trip pattern, price promotions, price-conscious and local shopping motives, service provided by the store, store environment, distance travelled to store, and monthly income of customers were able to discriminate re-patronage intentions of customers.

The above studies clearly indicate the cross shopping behaviour of retail customers across the world.

2.10 RESEARCH GAP

- The combined effect of store attributes, shopping motives and consumer demographics were not considered in any of the studies conducted in India to understand the cross shopping behaviour of customers.

- Studies conducted in India have so far not employed shopping motives that are very specific to retail stores in their research work.
• In addition, the cross-shopping behaviour of retail customers in the metropolitan city of Chennai which has diverse set of population and a good mix of retail store formats has not been explored yet. This in turn has been identified as another gap that needs to be filled up in the existing body of knowledge.

• Indian studies in retail management have not employed Structural Equation Modeling (SEM) to validate their proposed model. The present study has employed SEM model to validate the proposed model.

2.11 RESEARCH OBJECTIVES

The objectives of the study are

• To understand the impact of consumer demographics on store format choice of food and grocery retail customers
• To describe the shopping pattern of food and grocery retail customers
• To analyze the impact of retail store attributes on retail store format choice of customers
• To analyze the impact of retail store attributes on customers’ attitude towards a retail store
• To examine the moderating role of shopping motives on the strength of relationship between retail store attributes and retail store preference
• To explore the mediating role of customer satisfaction in the relationship between store attributes and re-patronage intention
• To validate the proposed model of shopping behaviour of food and grocery retail customers
2.12 RESEARCH FRAMEWORK

Based on the review of literature, a conceptual framework has been developed to analyze the association between store attributes, shopping motives and shopper demographics in predicting the store choice behaviour and attitude of customers towards a retail store. The model has employed retail store attributes and consumer demographics as independent variable and shopping motives as moderators. The dependent variables employed in the model are attitude towards retail stores, retail store format choice and customer satisfaction. The model has also included re-patronage intention of customers as an extension of the study (Figure 2.1).

![Figure 2.1 Research Framework]