


Handbook of Research on

Retailing Techniques for Optimal Consumer Engagement and Experiences

Copyright 2020. Business Science Reference. All rights reserved. May not be reproduced in any form without permission from the publisher, except fair uses permitted under U.S. or applicable copyright law.



EBSCO Publishing : eBook Collection (EBSCOhost)
- printed on 2/8/2023 12:30 PM via

AN: 2257540 ; Musso, Fabio, Druica, Elena ;
Handbook of Research on Retailing



for Optimal Consumer Engagement and Experiences
Account: ns335141

Handbook of Research on Retailing Techniques for Optimal Consumer Engagement and Experiences

Fabio Musso
University of Urbino Carlo Bo, Italy

Elena Druica
University of Bucharest, Romania

A volume in the Advances in Marketing, Customer
Relationship Management, and E-Services
(AMCRMES) Book Series



Published in the United States of America by

IGI Global
Business Science Reference (an imprint of IGI Global)
701 E. Chocolate Avenue
Hershey PA, USA 17033
Tel: 717-533-8845
Fax: 717-533-8661
E-mail: cust@igi-global.com
Web site: <http://www.igi-global.com>

Copyright © 2020 by IGI Global. All rights reserved. No part of this publication may be reproduced, stored or distributed in any form or by any means, electronic or mechanical, including photocopying, without written permission from the publisher. Product or company names used in this set are for identification purposes only. Inclusion of the names of the products or companies does not indicate a claim of ownership by IGI Global of the trademark or registered trademark.

Library of Congress Cataloging-in-Publication Data

Names: Musso, Fabio, 1960- editor. | Druica, Elena, 1971- editor.

Title: Handbook of research on retailing techniques for optimal consumer engagement and experiences / Fabio Musso and Elena Druica, editors.

Description: Hershey, PA : Business Science Reference, [2020] | Includes bibliographical references and index. | Summary: ""This book examines the application of present-day customer relationship management within the retail industry. It also explores in-depth merchandiser knowledge as well as the methods behind positive retailer-consumer relationships""--Provided by publisher"-- Provided by publisher.

Identifiers: LCCN 2019029910 (print) | LCCN 2019029911 (ebook) | ISBN 9781799814122 (hc) | ISBN 9781799814139 (eISBN)

Subjects: LCSH: Retail trade--Customer services. | Customer relations. | Consumer behavior.

Classification: LCC HF5429 .H28334 2020 (print) | LCC HF5429 (ebook) | DDC 658.8/34--dc23

LC record available at <https://lcn.loc.gov/2019029910>

LC ebook record available at <https://lcn.loc.gov/2019029911>

This book is published in the IGI Global book series Advances in Marketing, Customer Relationship Management, and E-Services (AMCRMES) (ISSN: 2327-5502; eISSN: 2327-5529)

British Cataloguing in Publication Data

A Cataloguing in Publication record for this book is available from the British Library.

The views expressed in this book are those of the authors, but not necessarily of the publisher.

For electronic access to this publication, please contact: eresources@igi-global.com.



Advances in Marketing, Customer Relationship Management, and E-Services (AMCRMES) Book Series

Eldon Y. Li

National Chengchi University, Taiwan & California
Polytechnic State University, USA

ISSN:2327-5502
EISSN:2327-5529

MISSION

Business processes, services, and communications are important factors in the management of good customer relationship, which is the foundation of any well organized business. Technology continues to play a vital role in the organization and automation of business processes for marketing, sales, and customer service. These features aid in the attraction of new clients and maintaining existing relationships.

The Advances in Marketing, Customer Relationship Management, and E-Services (AMCRMES) Book Series addresses success factors for customer relationship management, marketing, and electronic services and its performance outcomes. This collection of reference source covers aspects of consumer behavior and marketing business strategies aiming towards researchers, scholars, and practitioners in the fields of marketing management.

COVERAGE

- Cases on Electronic Services
- Relationship Marketing
- Electronic Services
- CRM strategies
- E-Service Innovation
- Legal Considerations in E-Marketing
- Social Networking and Marketing
- Customer Retention
- CRM in financial services
- B2B marketing

IGI Global is currently accepting manuscripts for publication within this series. To submit a proposal for a volume in this series, please contact our Acquisition Editors at Acquisitions@igi-global.com or visit: <http://www.igi-global.com/publish/>.

The Advances in Marketing, Customer Relationship Management, and E-Services (AMCRMES) Book Series (ISSN 2327-5502) is published by IGI Global, 701 E. Chocolate Avenue, Hershey, PA 17033-1240, USA, www.igi-global.com. This series is composed of titles available for purchase individually; each title is edited to be contextually exclusive from any other title within the series. For pricing and ordering information please visit <http://www.igi-global.com/book-series/advances-marketing-customer-relationship-management/37150>. Postmaster: Send all address changes to above address. Copyright © 2020 IGI Global. All rights, including translation in other languages reserved by the publisher. No part of this series may be reproduced or used in any form or by any means – graphics, electronic, or mechanical, including photocopying, recording, taping, or information and retrieval systems – without written permission from the publisher, except for non commercial, educational use, including classroom teaching purposes. The views expressed in this series are those of the authors, but not necessarily of IGI Global.

Titles in this Series

For a list of additional titles in this series, please visit:

<https://www.igi-global.com/book-series/advances-marketing-customer-relationship-management/37150>

Digital Marketing Strategies for Tourism, Hospitality, and Airline Industries

José Duarte Santos (Instituto Superior Politécnico Gaya, Portugal) and Óscar Lima Silva (Instituto Superior Politécnico Gaya, Portugal)

Business Science Reference • copyright 2020 • 267pp • H/C (ISBN: 9781522597834) • US \$225.00 (our price)

Exploring the Power of Electronic Word-of-Mouth in the Services Industry

Sandra Maria Correia Loureiro (Instituto Universitário de Lisboa, Portugal) and Hans Ruediger Kaufmann (University of Applied Management Studies, Germany)

Business Science Reference • copyright 2020 • 463pp • H/C (ISBN: 9781522585756) • US \$265.00 (our price)

Green Marketing as a Positive Driver Toward Business Sustainability

Vannie Naidoo (University of KwaZulu-Natal, South Africa) and Rahul Verma (Department of Training and Technical Education, India)

Business Science Reference • copyright 2020 • 356pp • H/C (ISBN: 9781522595588) • US \$225.00 (our price)

Strategies and Tools for Managing Connected Consumers

Ree C. Ho (Taylor's University, Malaysia)

Business Science Reference • copyright 2020 • 365pp • H/C (ISBN: 9781522596974) • US \$275.00 (our price)

Handbook of Research on Narrative Advertising

Recep Yilmaz (Ondokuz Mayıs University, Turkey)

Business Science Reference • copyright 2019 • 400pp • H/C (ISBN: 9781522597902) • US \$285.00 (our price)

Breaking Down Language and Cultural Barriers Through Contemporary Global Marketing Strategies

Mehdi Khosrow-Pour, D.B.A. (Information Resources Management Association, USA)

Business Science Reference • copyright 2019 • 339pp • H/C (ISBN: 9781522569800) • US \$235.00 (our price)

Myth in Modern Media Management and Marketing

Jan Kreft (Jagiellonian University, Poland) Sylwia Kuczamer-Kłopotowska (University of Gdańsk, Poland) and Anna Kalinowska-Żeleźnik (University of Gdańsk, Poland)

Business Science Reference • copyright 2019 • 317pp • H/C (ISBN: 9781522591009) • US \$215.00 (our price)



701 East Chocolate Avenue, Hershey, PA 17033, USA

Tel: 717-533-8845 x100 • Fax: 717-533-8661

E-Mail: cust@igi-global.com • www.igi-global.com

Table of Contents

Preface	xviii
----------------------	-------

Section 1

Consumer Behavior, Buying Preference, and Relationships With Retailers

Chapter 1

Consumer-Retailer Identification Enhancing Consumer Well-Being	1
<i>Isabella Maggioni, ESCP Europe, Italy</i>	

Chapter 2

Explaining Customer Loyalty to Retail Stores: A Moderated Explanation Chain of the Process	15
<i>Arturo Z. Vasquez-Parraga, University of Texas Rio Grande Valley, USA</i>	
<i>Miguel A. Sahagun, High Point University, USA</i>	

Chapter 3

Satisfying Customers Through Premium Private Labels: Identifying Drivers of Customer Loyalty to the Retailer	33
<i>Elisa Martinelli, Università degli Studi di Modena e Reggio Emilia, Italy</i>	
<i>Donata Tania Vergura, University of Parma, Italy</i>	

Chapter 4

Understanding Individuals' Behavior Under Uncertainty: Strategy Key Driver in Economic Crisis ..	57
<i>Amalia DuțuAmalia DuțuAmalia Duțu, University of Pitesti, Romania</i>	

Section 2

Store Atmosphere and Interaction With Customers

Chapter 5

The Importance of Retail Atmosphere in Online and Offline Environments	87
<i>Sanda Renko, University of Zagreb, Croatia</i>	
<i>Ivana Štulec, University of Zagreb, Croatia</i>	
<i>Kristina Petljak, University of Zagreb, Croatia</i>	

Chapter 6

The In-Store Shopping Experience: A Systematic Literature Review..... 110

Angelo Bonfanti, University of Verona, Italy

Rossella Canestrino, Parthenope University of Naples, Italy

Paola Castellani, University of Verona, Italy

Vania Vigolo, University of Verona, Italy

Chapter 7

Designing In-Store Atmosphere for a Holistic Customer Experience 142

Monia Melia, University of Catanzaro Magna Graecia, Italy

Angela Caridà, University of Catanzaro Magna Graecia, Italy

Chapter 8

Sensorial and Experiential Marketing in Shopping Centers: Effects on Retailer Performance..... 162

Mónica Gómez-Suárez, Universidad Autonoma de Madrid, Spain

María Jesús Yagiüe, Universidad Autonoma de Madrid, Spain

Anne Schmitz, Universidad Autonoma de Madrid, Spain

Cristina García-Gumiel, Ocibar, Spain

Section 3

Retail Context, Store Formats, and Retail Services

Chapter 9

Retail Formats and Alternative Retail Formats: The Mechanisms for the Emergence and Evolution 184

Barbara Borusiak, Poznań University of Economics and Business, Poland

Chapter 10

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline..... 205

Jason J. Turner, Asia Pacific University of Technology and Innovation, Malaysia

Toni Corstorphine, Audi, UK

Chapter 11

The Urban Forest and Shopping Environments 233

Kathleen L. Wolf, University of Washington, USA

Chapter 12

Customer Experience in the Coffee World: Qualitative Research on the US Market..... 257

Patrizia de Luca, University of Trieste, Italy

Giovanna Pegan, University of Trieste, Italy

Donata Vianelli, University of Trieste, Italy

Chapter 13

- Engaging Retail Customers Through Service and Systems Marketing: Insights for Community Pharmacy Stores..... 284
Sergio Barile, Sapienza University of Rome, Italy
Marialuisa Saviano, University of Salerno, Italy

Section 4

Innovation, ICT, and Online Interactions: The Omnichannel Challenges for Retailers

Chapter 14

- Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?..... 310
Maria-Eugenia Ruiz-Molina, University of Valencia, Spain
Irene Gil-Saura, University of Valencia, Spain
Gloria Berenguer-Contrí, University of Valencia, Spain

Chapter 15

- Retailing 4.0 and Technology-Driven Innovation: A Literature Review 338
Fabio Musso, Carlo Bo University of Urbino, Italy
Roxana Adam, National Institute of Statistics, Romania

Chapter 16

- An Empirical Investigation to Improve Information Sharing in Online Settings: A Multi-Target Comparison..... 355
Sandro Castaldo, SDA Bocconi School of Management, Italy
Monica Grosso, Emlyon Business School, France

Chapter 17

- Technical and Hedonistic Variables of Online Visual Merchandising: Do They Influence Apparel Website Popularity and Attractiveness?..... 380
Alessandro Bigi, Verona University, Italy
Michelle Bonera, Università degli studi di Brescia, Italy
Elisabetta Corvi, Università degli studi di Brescia, Italy

Section 5

Consumer Engagement and Retailer Responsibility

Chapter 18

- Actor Engagement in Service Ecosystems: Innovating Value Co-Creation in Food Retail 400
Roberta Sebastiani, Università Cattolica, Italy
Francesca Montagnini, Università Cattolica, Italy

Chapter 19	
3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior	421
<i>Mirian Palmeira, Federal University of Parana, Brazil</i>	
<i>Fabio Musso, Carlo Bo University of Urbino, Italy</i>	
Chapter 20	
Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions: An Overview of the Banking Sector	445
<i>Elena Candelo, University of Turin, Italy</i>	
<i>Cecilia Casalegno, University of Turin, Italy</i>	
<i>Chiara Civera, University of Turin, Italy</i>	
Chapter 21	
Sustainable Initiatives and Organizational Reshaping in Food Retailers	462
<i>Mario Risso, Niccolo Cusano University, Italy</i>	
<i>Susanna Tavino, Niccolo Cusano University, Italy</i>	
Compilation of References	480
About the Contributors	558
Index	567

Detailed Table of Contents

Preface	xviii
----------------------	-------

Section 1

Consumer Behavior, Buying Preference, and Relationships With Retailers

This section offers an overview of the key issues on consumer behavior, highlighting the decision-making criteria for buying products in a context of relationships with the retailer. Together with the analysis of the main characters of consumer behavior, store loyalty, shopping experience, and the role of private label products are deepened in light of consumer perceptions and changes.

Chapter 1

Consumer-Retailer Identification Enhancing Consumer Well-Being	1
<i>Isabella Maggioni, ESCP Europe, Italy</i>	

Consumer-Retailer Identification (CRI) is a powerful tool for retailers to develop meaningful relationships and strengthen the emotional bond with their customers. Besides showing positive attitudes towards brands that reflect their self-concept, consumers prefer to engage with retailers that are more likely to express and enhance their identity. This alignment between a retailer's image and one's identity has been shown to positively affect consumers' sense of well-being and their overall quality of life. This chapter proposes a framework based on a review of past research on the role of consumer's self-concept in the promotion of consumer well-being in retail settings. Focusing on CRI, the chapter offers directions for future research while discussing emerging trends.

Chapter 2

Explaining Customer Loyalty to Retail Stores: A Moderated Explanation Chain of the Process	15
<i>Arturo Z. Vasquez-Parraga, University of Texas Rio Grande Valley, USA</i>	
<i>Miguel A. Sahagun, High Point University, USA</i>	

This chapter reassesses the process of how store customers become loyal to their stores; what are the core subprocesses generating customer store loyalty, and what contributing moderators enrich the final outcome. A new empirical research is designed to identify and test a parsimonious model of core relationships and moderators. The result is an explanation chain that incorporates relational variables, trust, and commitment to the traditional transactional one, customer satisfaction, and the moderating factors of the relational variables. The findings reveal that 1) customer commitment is the major contributor of explanation to true customer loyalty, significantly more than the contributed explanation of customer satisfaction, and 2) four cognitive attitudes and four affective attitudes significantly moderate

the relational effects of trust and commitment on customer store loyalty and, thus, contribute, though in small amounts, to a stronger explanation.

Chapter 3

Satisfying Customers Through Premium Private Labels: Identifying Drivers of Customer Loyalty to the Retailer 33

Elisa Martinelli, Università degli Studi di Modena e Reggio Emilia, Italy

Donata Tania Vergura, University of Parma, Italy

Private labels (PLs) are continuously increasing their presence and evolving their role in the grocery retailing business. It is especially the premium tier, the so-called Premium Private Label (PPL), that shows the most interesting market share increase and prospect of growth. In this context, the chapter explores the role of PPLs in generating customer loyalty to the retailer. Specifically, a theoretical model in which the drivers of customer satisfaction to the PPL - namely: perceived PPL quality, assortment, access, and value - are engendering customer loyalty to the PPL and, through its mediating role, generating customer loyalty to the retailer is proposed and tested. The empirical research builds on a survey with a sample of 299 retail consumers. A structural equation model was performed to analyze the data. Results show that PPLs positively impact customer loyalty to the retailer through a causal relationship driven by PPL perceived quality and PPL value.

Chapter 4

Understanding Individuals' Behavior Under Uncertainty: Strategy Key Driver in Economic Crisis .. 57

Amalia DuțuAmalia DuțuAmalia Duțu, University of Pitesti, Romania

An economic crisis is an uncertain situation with negative economic evolutions like unemployment, inflation rate increase, freezing or decreasing of the wages, purchasing power decrease, etc. All of these represent economic shocks. The individual well-being is determined by many things like level, secure income, job stability, health, social relationships, and economic household security. In order to understand How and Why people behave in certain patterns in such an uncertain situation, a comprehensive analysis of situational consequences should be considered. All of these dimensions of analysis are correlated in some way and explain the consumers' behavior alteration during turbulent times. History's crises showed surviving companies were those characterized by high-speed reaction, strategic flexibility and a very good understanding of market mood. Thus, this chapter explains the consumer's behavior change in recession conditions and the panic mechanism that shapes people reactions in such conditions.

Section 2

Store Atmosphere and Interaction With Customers

In the second section, the store atmosphere and consumer involvement in co-creation of the retail service are considered. Store atmosphere is analyzed in the way it exerts influence on consumers, considering sensorial factors and the relationship with salespeople.

Chapter 5

The Importance of Retail Atmosphere in Online and Offline Environments 87

Sanda Renko, University of Zagreb, Croatia

Ivana Štulec, University of Zagreb, Croatia

Kristina Petljak, University of Zagreb, Croatia

Retailers have found it increasingly difficult to create a differential advantage based on the traditional marketing mix. This chapter sheds light on the increasing role of atmosphere as a tool for keeping retailers favourable in the mind of consumers. As retailers no longer just use the place to do business in the form of physical structures but also the intangible virtual store, this chapter presents the main dimensions of the retail atmosphere in both conventional retail stores and their electronic counterparts. Store attributes are equally important for consumers when making a purchase decision both online and offline. Study results suggest Croatian consumers are very task-oriented and question retailers' decisions in creating the appropriate mix of environmental factors that may influence customers' patronage decisions.

Chapter 6

The In-Store Shopping Experience: A Systematic Literature Review..... 110

Angelo Bonfanti, University of Verona, Italy

Rossella Canestrino, Parthenope University of Naples, Italy

Paola Castellani, University of Verona, Italy

Vania Vigolo, University of Verona, Italy

This chapter provides a systematic literature review on the in-store shopping experience, as presented in retail management studies, to reveal potential gaps in the existing literature and suggest directions for future research. This is a conceptual paper with an analytical approach that draws heavily on theoretical evidence published in the retail management literature. A total of 90 journal articles published between 1992 and 2019 were analysed in a five-step process: obtaining a basic understanding, coding, categorisation, comparison, and further analysis. More precisely, the chapter depicts the period of publication of the articles, the journals in which they were published, the origin of the authors, the research methods, definitions, and the measurement of the in-store shopping experience. Finally, main research gaps and directions for future research are proposed. Scholars can use this paper as a reference point to identify specific research areas that can be theoretically and empirically investigated to further advance knowledge on this topic.

Chapter 7

Designing In-Store Atmosphere for a Holistic Customer Experience..... 142

Monia Melia, University of Catanzaro Magna Graecia, Italy

Angela Caridà, University of Catanzaro Magna Graecia, Italy

The chapter focuses on the design of the in-store atmosphere to create a holistic experience for customers. It investigates the Italian pharmaceutical context from the retailer's perspective to better understand how the new players (Health Corners into large retailers) and the traditional ones (pharmacies) manage the physical, social and sensorial dimension of the store to enable customers to live an immersive experience. The design of a successful in-store atmosphere is particularly critical in the pharmaceutical context as it reflects the increasing buying process complexity. Results reveal the key role of in-store communication activities to the creation of unique customer experiences. Furthermore, they emphasize how the management of the physical spaces, the creation of trustfully relationships and the stimulation of the customers' senses create a useful environment to positively affect the customers' cognitive, affective, emotional, social and physical responses to the retailer.

Chapter 8

Sensorial and Experiential Marketing in Shopping Centers: Effects on Retailer Performance..... 162

Mónica Gómez-Suárez, Universidad Autonoma de Madrid, Spain

María Jesús Yagiie, Universidad Autonoma de Madrid, Spain

Anne Schmitz, Universidad Autonoma de Madrid, Spain

Cristina García-Gumiel, Ocibar, Spain

This chapter states the importance of sensory and experiential strategies for the retail companies, their degree of implementation, and their effect on retail companies' performance. An interdisciplinary review of related studies links sensorial or experiential stimuli with consumer behavior. An empirical analysis answers the following: What degree of knowledge do retail managers have about experiential marketing? What actions and tools are used more frequently? Are their effects measured? What impact do they have on business performance? Survey data collected from 171 managers of Spanish shopping centers show the degree of knowledge of the concepts of sensory and experiential marketing is high, but there are differences in the actions implemented by type of company. Decision makers greatly consider investment in experiential marketing is profitable and effective.

Section 3

Retail Context, Store Formats, and Retail Services

The third section refers to the retail context offering an overview of the way in which formats, retail environment, and locations are changing facing new consumer expectations and values. The shopping activity as an experience to be enriched becomes the subject of new paradigms for the retail offer in the combination of products, services, entertainment, and environmental values whose importance is increasing.

Chapter 9

Retail Formats and Alternative Retail Formats: The Mechanisms for the Emergence and Evolution 184

Barbara Borusiak, Poznań University of Economics and Business, Poland

This chapter explains the mechanisms for the emergence of selected innovative formats based on existing format change theories. The nature of a retail format is explored and the classification both of retail formats and alternative retail formats are presented. Four groups of theories (cyclical, conflict, environmental, and integrated) explaining the emergence and evolution of retail formats are analysed. Retail formats theories are applied in explaining the emergence of two formats: pop-up store and m-commerce. The approach involved a review of literature and analysis of empirical data concerning the structure of the retail trade turnover in the chosen countries.

Chapter 10

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline..... 205

Jason J. Turner, Asia Pacific University of Technology and Innovation, Malaysia

Toni Corstorphine, Audi, UK

This chapter examines customer and retailer perceptions of the decline of the UK High Street and investigates the potential of the service encounter to reverse this decline. UK High Street is in perpetual decline as a result of 3 inter-related factors: the rise in competitor offers from out-of-town retailing and online shopping; rather high business rates; economic uncertainty perpetuated by Brexit. Revisiting interviews conducted in 2013 across 4 Scottish cities with 40 retailers (national chains and independents)

and 40 customers ages 18-60 reveals a difference of opinion between retailers and customers. Unlike retailers, the majority of customers thought potential solutions to the decline in the UK High Street lay in combining the appeal of online convenience and choice with the tangibility of the physical store experience.

Chapter 11

The Urban Forest and Shopping Environments	233
<i>Kathleen L. Wolf, University of Washington, USA</i>	

Many cities and communities are working toward urban sustainability goals, and the urban forest is one strategy to achieve environmental and social co-benefits. Yet retailers and merchants may not find environmental benefits to be compelling when compared to the direct costs of landscape and trees. Nonetheless, a quality outdoor environment can extend store appeal to the curb and boost positive experiences of visitors while in a shopping district. This chapter presents information about the atmospherics of green retail environments. A multi-study program of research shows that having a quality urban forest canopy within business districts and commercial areas can promote positive shopper perceptions and behavior. Positive responses have included store image, patronage behavior, and willingness to pay more for goods and services. This chapter provides a summary of the research, connects results to various psychological marketing theories, provides evidence-based design recommendations, and suggests future research activity.

Chapter 12

Customer Experience in the Coffee World: Qualitative Research on the US Market.....	257
<i>Patrizia de Luca, University of Trieste, Italy</i>	
<i>Giovanna Pegan, University of Trieste, Italy</i>	
<i>Donata Vianelli, University of Trieste, Italy</i>	

This chapter contributes to understanding the customer experience of the in-store environment by analyzing the business of coffee shops in the United States (U.S.) market. After a brief overview of the evolution of coffee shops and a short analysis of the management literature on coffee shops, in the last decade, the main findings of the qualitative research are presented. The chapter outlines the features of the U.S. coffee shop landscape and explores American consumers' perception of the coffee shop experience using the ethnographic research method. The results show a complex picture from the offer and the demand perspective that could also contribute to supporting coffee companies in managing customer experience strategy in the large and multicultural North American market.

Chapter 13

Engaging Retail Customers Through Service and Systems Marketing: Insights for Community Pharmacy Stores.....	284
<i>Sergio Barile, Sapienza University of Rome, Italy</i>	
<i>Marialisa Saviano, University of Salerno, Italy</i>	

This chapter highlights the need for and the directions of a rethinking of the approach to Retail Marketing to overcome the limitations of a view that can fail in effectively engaging customers in the relationship with retailers, as they are still excessively focused on the 'structural' elements of the service offering. Many physical stores, in particular, show what can be called the 'paradox' of a Goods-Dominant Logic in the service offering. Among the advancements of service research, Service-Dominant Logic has

highlighted the need to take a general service view of market exchange to better engage customers in a value co-creation relational context. To accomplish such a paradigmatic change, systems thinking and the Viable Systems Approach (VSA) provide interpretation tools useful to shift focus on interaction. Essentially, this chapter illustrates the conceptual and practical advantages of the adoption of a Service & Systems Approach to Retail Marketing, providing examples and insights with reference to the case of Community Pharmacy.

Section 4

Innovation, ICT, and Online Interactions: The Omnichannel Challenges for Retailers

This section is about innovation, which for retailing is primarily on the field of information and communication technologies (ICT) and the related social media development. The characters of ICT innovation are analyzed with reference to the effects of new media on the interaction between retailers and consumers. Multichannelling and omnichannelling emerge as the most relevant consequences of this evolution. Omnichannelling and its implications for marketing, organization, and distribution strategies seems to be the next-decade challenge for all the players involved in the consumer-retailer-producer interaction.

Chapter 14

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?..... 310

Maria-Eugenia Ruiz-Molina, University of Valencia, Spain

Irene Gil-Saura, University of Valencia, Spain

Gloria Berenguer-Contrí, University of Valencia, Spain

This chapter explores the relationship between retail innovativeness and the level of technological advancement as well as the ICT solutions implemented by store chains of four retail activities – e.g. grocery, textile, electronics, and furniture and decoration. Innovation may become a source of sustainable competitive advantage in the highly competitive environments where retailers have to operate. In this chapter, retailers and consumers' perceptions are compared in order to assess if retailers' expectations of their efforts in innovation and ICT investment match with consumer perceptions about these decisions. Evidence exists of significant differences in consumer perceptions and behavioral intentions. As a result, differences in consumer behaviour are found between high and low innovators that may be explained by the strong relationship between retail innovativeness and the technology implemented by the store. Notwithstanding, these findings are sensitive to the type of product sold by the store.

Chapter 15

Retailing 4.0 and Technology-Driven Innovation: A Literature Review 338

Fabio Musso, Carlo Bo University of Urbino, Italy

Roxana Adam, National Institute of Statistics, Romania

The chapter analyzes the contribution of technology for boosting innovation within the retail industry. The study focuses on the main areas of innovation for retailers, both in the relationships with suppliers and the final demand. With reference to vertical relationships (for supplying activities), the key innovation areas are those of technology-based interaction tools, joint management of supplying activities, and E-sourcing. In the relations with consumers, technology is stimulating innovation on checkout technologies, dynamic

in-store pricing, electronic and mobile payments, augmented reality, artificial intelligence-supported devices, and self-service technologies.

Chapter 16

An Empirical Investigation to Improve Information Sharing in Online Settings: A Multi-Target Comparison..... 355

Sandro Castaldo, SDA Bocconi School of Management, Italy

Monica Grosso, Emlyon Business School, France

Internet merchants are compelled to collect personal information from customers in order to exploit ICT development potential in managing the relationships with them. However, lack of control on data provided and unethical behaviors that emerged in several scandals has led to many potential customers demonstrating growing concerns about disclosing personal information to companies. This chapter analyzes the interaction between two strategies that firms can use to alter potential customers' cost/benefit evaluation and increase information disclosure: the development of initial trust and compensation. The derived hypotheses are tested by means of three experimental studies, whose findings are compared across two different consumer target groups that potentially show different behaviors regarding digital technologies: students vs. working people.

Chapter 17

Technical and Hedonistic Variables of Online Visual Merchandising: Do They Influence Apparel Website Popularity and Attractiveness?..... 380

Alessandro Bigi, Verona University, Italy

Michelle Bonera, Università degli studi di Brescia, Italy

Elisabetta Corvi, Università degli studi di Brescia, Italy

This study looks for a correlation between visual hedonistic and technical variables and site success, simultaneously establishing whether there are any recorded evolutionary aspects of technical variables. A mixed method approach was adopted and the analysis was divided into the following phases: content analysis on technical and hedonistic characteristics; traffic analysis, analysis of the position of websites in relation to data traffic using a size reduction technique; cross-analysis of results obtained in the two previous phases to observe the cluster structure from a point of view of data traffic. The results state that there is no clear correlation between technical and hedonistic qualities of an e-commerce site in the apparel industry and the popularity and attractiveness of their site, and therefore, the authors cannot confirm the four proposed hypotheses.

Section 5

Consumer Engagement and Retailer Responsibility

The focus of this section is on consumer involvement in co-creation of the retail service with reference to elements related to social responsibility and ethical/social values. Sustainability and corporate social responsibility represent key issues for retailers, since they have to deal with a high number of stakeholders and play a dual role. On the one hand, they constantly communicate with consumers, for whom information and the image of the company are decisive in the choice of products, playing a guarantee role for the products marketed. On the other hand, retailers act as intermediaries in the consumer supply chain, and for this reason, they pay more attention to the social responsibility of the companies with which they relate.

Chapter 18

Actor Engagement in Service Ecosystems: Innovating Value Co-Creation in Food Retail 400

Roberta Sebastiani, Università Cattolica, Italy

Francesca Montagnini, Università Cattolica, Italy

The actor engagement concept highlights the reciprocal, social, and collective nature of engagement, aimed at enhancing value co-creation processes in service ecosystems. This chapter explores the evolution of the service ecosystem in retailing contexts, with the development of new retail formulas derived from the effective interaction between corporate stances and engaged actors, in particular customers, social movements, and suppliers. In the analysis, the authors focus on two interlinked cases: Eataly, a new venture that emerged from a mutual organizational commitment between corporate power and the Slow Food social movement; FICO-Eataly World, the subsequent evolution of Eataly, which derived from the reshaping of the service ecosystem due to increasing supplier engagement in the retail format. Eataly and FICO represent interesting settings to better understand how forms of resource integration can occur, how and to what extent the community and corporate stances mutually adjust during the value co-creation process, and how a service ecosystem can evolve as a result of actor engagement.

Chapter 19

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior 421

Mirian Palmeira, Federal University of Parana, Brazil

Fabio Musso, Carlo Bo University of Urbino, Italy

The aim of this chapter is to identify the impact of different 3Rs of sustainability approaches on consumer behavior and people's values. Some results, through multi-method study, with ethnography and quantitative research, show that people's priority is on "recycling," performing few activities of "reduce," and lesser actions of "re-use." The focus is on reducing packaging and the use of lower levels of inputs (as energy and water), and to reduce the carbon foot print, mainly using public and/or alternative transport. People are concerned about sustainability; however, they present a low level of activities related to major societal concepts on behalf of the environment. The 3Rs of sustainability have changed from Reduce-Reuse-Recycle to Recycle-Reuse-Reduce. However, this new order does not cause such impact on consumer behavior and in people's values.

Chapter 20

Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions: An Overview of the Banking Sector 445

Elena Candelo, University of Turin, Italy

Cecilia Casalegno, University of Turin, Italy

Chiara Civera, University of Turin, Italy

The chapter aims at synthesizing past research on CSR into the new meaning of CR by investigating if CR is being pursued through an integrated approach with branding by the six major banking corporates in Italy and the UK. In particular, differences and similarities in the extent of implementation are addressed. The research adopts a qualitative approach based on case study development and data analysis according to a CR framework that allowed data extrapolation and systematization, which the authors have designed in accordance with theories of integrated CR. The findings reveal that the extent of integration between CR and branding varies depending on cultural contexts and consumers' perceptions. Most of the sample

is undertaking CR policies and programmes with the intent of driving the whole company towards the execution of an integrated strategy, but the UK sample shows the higher extent of integration. The study favours the emerging of best practices for CR integration among banking players and can be adapted to further geographical areas.

Chapter 21

Sustainable Initiatives and Organizational Reshaping in Food Retailers 462

Mario Risso, Niccolo Cusano University, Italy

Susanna Tavino, Niccolo Cusano University, Italy

This chapter analyses the adoption by large food retailers of corporate social responsibility (CSR) programs targeted at employees and their families. The authors propose an exploratory research. A qualitative approach has been used to examine the emerging redefinition of the organizational approach to improve effectiveness of retail CSR initiatives. The multiple case study analysis is a useful research tool that investigates a contemporary phenomenon in its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. This methodology highlights nine different cases which explain some organizational tools to implement CSR in retail companies that operate in EU. Findings reveal the need for a redefinition of organizational structures and processes for implementing a successful CSR strategy in the retail sector. The selected cases show the importance of closer coordination among the organizational dimensions to implement CSR in retail sector. Some cases show a delay in the implementation of organizational tools and employee engagement.

Compilation of References 480

About the Contributors 558

Index 567

Preface

Nowadays, shopping is no more just an activity to obtain products, it is a social experience. What consumers buy is a complex system of products and services, and a context – physical and virtual – in which they are proposed and delivered. The advent of the Internet contributed to emphasize the experience component

The relationship between consumers and retailers is based on economic factors, but a wide variety of non-economic elements exert an influence, both at the individual and the collective level. Interactions follow economic and social behavior norms, and social norms and codes of conduct change continuously, as a consequence of technology changes and cultural changes. Technology changes – particularly communication technologies – mainly refer to the Internet and social media development. Cultural changes refer to the convergence at the international level of income, lifestyles and habits, on one side, and the increased mobility of people, on the other side, that favor the encounter and interaction between different cultures.

The shopping behavior is changing as well. Since shopping has become something more than a necessary activity – with leisure and entertainment components – new horizons to the development of enriched shopping experiences started to be opened.

Retailers analyze and interpret such changes in a continuous effort aimed at identifying new markets and market segments. However, the responsive nature of retailers has not to be emphasized. Whilst retailers operate with cultural norms and thus reflect these norms, they can also shape the cultural norms in many ways. Retailing-related initiatives and environments are not neutral entities, and they can influence and structure consumers moods and behaviors, and in some case can influence cultural norms.

Modern techniques of retailing and new retail formats allow retailers to assume a more central role to consumers' concerns. The elements of the retail offer pay more attention to store design, ambience and all those issues which have to do with the balance between price, service and quality of purchased products, and also to offer entertainment occasions to customers.

All the changes described above require an examination and updating of knowledge about the relationship between consumers and retailers. At the same time, the role of retailers must be analyzed following a multiple perspective according to issues related to consumers' behavioral dynamics, technology, communication codes and tools, social interaction, market knowledge, and social responsibility.

This book provides theoretical frameworks and the latest empirical research findings on the topics related to the changes that are occurring. Firstly, it is addressed to scholars that need an overview of the research field related to the retailer-consumer relationship in order to better contextualize their studies and receive suggestions for cross-disciplinary analyses. In addition, the book can be a tool for managers and entrepreneurs, both in the retail trade and the manufacturing sector, for upgrading their knowledge in the field and complete their perspective for a better approach to their reference markets.

Preface

Finally, the book can also be a valuable reference for local government agencies and public bodies that are in charge of the management of planning policies for the retail offer development and city centers organization. This field is connected to the Town Center Management (TCM) area of interest, for which is essential a complete knowledge of all the dynamics related to the consumer behavior and its relationship with the shopping activity.

The book is divided into five sections.

The first section provides an overview of the key issues on consumer's behavior, analyzing the decision-making criteria for buying products in a context of relationships with the retailer. Together with the analysis of the main characters of consumer behavior, also store loyalty, shopping experience and the role of private label products are deepened in the light of consumer perceptions and changes.

In the second section, the store atmosphere and consumers' involvement in co-creation of the retail service are considered. Store atmosphere is analyzed for the way in which it exerts influence on consumers, considering sensorial factors and the relationship with salespeople.

The third section refers to the retail context and the way in which formats, retail environment and locations are changing, facing new consumers' expectations and values. The shopping activity as an experience to be enriched becomes the subjects of new paradigms for the retail offer, in the combination of products, services, entertainment and environmental values whose importance is increasing.

The fourth section is about innovation, that for retailing is primarily on the ICT field, internet and the related social media development. This brings to a key issue for retailing management: multichannelling and omnichannelling, and their implications for marketing, organization and distribution strategies not only of retailers, but also of manufacturers. Omnichannelling seems to be the next decade challenge for all the players involved in the consumer-retailer-producer interaction.

The fifth section focuses on consumers' involvement in co-creation of the retail service with reference to elements related to social responsibility and ethical / social values. Sustainability and Corporate Social Responsibility represent key issues for retailers, since they have to deal with a high number of stakeholders and play a dual role. On the one hand, they constantly communicate with consumers, for whom information and the image of the company are decisive in the choice of products, playing a guarantee role for the products marketed. On the other hand, retailers act as intermediaries in the consumer supply chain, and for this reason they pay more attention to the social responsibility also of the companies with which they relate.

In Chapter 1, entitled *Consumer-Retailer Identification Enhancing Consumer Well-Being*, Isabella Maggioni proposes a framework based on a review of past research on the role of consumer's self-concept in the promotion of consumer well-being in retail settings. Consumer-Retailer Identification (CRI) is a powerful tool for retailers to develop meaningful relationships and strengthen the emotional bond with their customers. Besides showing positive attitudes towards brands that reflect their self-concept, consumers prefer to engage with retailers that are more likely to express and enhance their identity. This alignment between a retailer's image and one's identity has been shown to positively affect consumers' sense of well-being and their overall quality of life.

The Second Chapter by Arturo Z. Vásquez-Parraga and Miguel Ángel Sahagún is on *Explaining Customer Loyalty to Retail Stores: A Moderated Explanation Chain of the Process*. The study aimed at re-assessing the process of how store customers become loyal to their stores; what are the core subprocesses generating customer store loyalty, and what contributing moderators enrich the final outcome. An empirical research was conducted to identify and test a parsimonious model of core relationships and moderators. The findings reveal that 1) customer commitment is the major contributor of explanation

to true customer loyalty, significantly more than the contributed explanation of customer satisfaction, and 2) four cognitive attitudes and four affective attitudes significantly moderate the relational effects of trust and commitment on customer store loyalty and, thus, contribute, though in small amounts, to a stronger explanation.

Chapter 3 by Elisa Martinelli and Donata Tania Vergura is entitled *Satisfying Customers Through Premium Private Labels: Identifying Drivers of Customer Loyalty to the Retailer*. The chapter aims at exploring the role of Premium Private Labels (PPLs) in generating customer loyalty to the retailer. The authors developed and tested with an empirical research a theoretical model in which the drivers of customer satisfaction to the PPL engender customer loyalty to the retailer. Results confirm that PPLs positively affect customer loyalty to the retailer through a causal relationship driven by products perceived quality and value.

Chapter 4 is the last chapter of the first section. It is authored by Amalia Dutu and is entitled *Understanding Individuals' Behavior Under Uncertainty: Strategy Key Driver in Economic Crisis*. The chapter analyzes consumers' behavior in a condition of economic crisis. An economic crisis is an uncertain situation with negative economic evolutions like unemployment, inflation rate increase, freezing or decreasing of wages, purchasing power decrease etc., thus representing an economic shocks. The Author explains from an economic and psychological point of view the consumer's behavior alteration in recession conditions and the panic mechanism that shapes people reactions in such conditions.

The second Section of the book is on store atmosphere and the interaction with consumers.

The section starts with Chapter 5, authored by Sanda Renko, Ivana Štulec, and Kristina Petljak. The chapter, entitled *The Importance of Retail Atmosphere in Online and Offline Environments*, highlights the increasing role of atmosphere as a tool for keeping retailers favorable in the mind of consumers. As retailers are no longer just using the place to do business in the form of physical structures, but also use the virtual store, the purpose of this chapter is to present the main dimensions of the retail atmosphere in both conventional retail stores and their electronic counterpart. The chapter concludes that store attributes are equally important for consumers when making a purchase decision whether they are purchasing online or offline.

Chapter 6, entitled *The In-Store Shopping Experience: A Systematic Literature Review*, by Angelo Bonfanti, Rossella Canestrino, Paola Castellani, and Vania Vigolo, provides a systematic literature review on the in-store shopping experience, as presented in retail management studies. The chapter follows an analytical approach that draws on theoretical evidence published in the retail management literature. A total of 90 journal articles published between 1992 and 2019 were analyzed in a five-step process: obtaining a basic understanding, coding, categorization, comparison and further analysis. More specifically the chapter depicts the period of publication of the articles, the journals in which they were published, the origin of the authors, the research methods, definitions and measurement of the in-store shopping experience. As a result, the study identifies the main research gaps and directions for future research.

In Chapter 7, Monia Melia and Angela Caridà focus on the design of the in-store atmosphere to create a holistic experience for customers. Their chapter, entitled *Designing In-Store Atmosphere for a Holistic Customer Experience*, investigates the Italian pharmaceutical context from to the retailer's perspective to better understand how new players (health corners within large retailers) and traditional ones (pharmacies) manage the physical, social and sensorial dimension of the store to enable customers to live an immersive experience. The design of a successful in-store atmosphere is particularly critical in the pharmaceutical context as it reflects the increasing buying process complexity. Results reveal the key role of in-store communication activities to the creation of unique customer experiences. Furthermore,

Preface

it emerges how the management of the physical spaces, the creation of trustfully relationships and the stimulation of the customers senses, create a useful environment which positively affects the customers cognitive, affective, emotional, social and physical response.

In the same field of store atmosphere is Chapter 8, *Sensorial and Experiential Marketing in Shopping Centers: Effects on Retailers' Performance*, by which Mónica Gómez-Suárez, María Jesús Yagüe, Anne Schmitz and Cristina García-Gumiel state how important sensory and experiential strategies for retail companies are. First, an interdisciplinary review of studies related to this discipline was carried out, in order to establish the link between sensorial or experiential stimuli and the consumer behavior. Then, an empirical analysis conducted on managers of Spanish shopping centers answered the following questions: What degree of knowledge do retail managers have about experiential marketing? What actions and tools are used more frequently? Are their effects measured? What impact do they have on business performance? Results show that the degree of knowledge of the concepts of sensory and experiential marketing is high. Nevertheless, there are differences in the actions implemented depending on the type of company.

Section 3 offers an overview on the retail context, store formats and retail services.

In Chapter 9, entitled *Retail Formats and Alternative Retail Formats: The Mechanisms for the Emergence and Evolution*, Barbara Borusiak explains the mechanisms for the emergence of selected innovative formats on the basis of the existing format change theories. The chapter comprises three main parts. First, the nature of a retail format is explored and the classification both of retail formats and alternative retail formats is presented. Second, four groups of theories (cyclical, conflict, environmental and integrated theories) explaining the emergence and evolution of retail formats are analyzed. Third, retail formats theories are applied in explaining the emergence of two formats: pop-up store and m-commerce. The approach involved a review of literature and the analysis of some empirical data concerning the structure of the retail trade turnover in the chosen countries.

Chapter 10 is entitled *The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline*, by Jason J. Turner and Toni Corstorphine. The aims of their study was to examine customer and retailer perceptions of the decline of the UK High Street and investigate the potential of the service encounter to reverse this decline. The chapter addresses an important theme in Western Countries retailing, consolidating existing literature on the use of in-store technology to enhance the customer experience, and takes research forward in the area of the decline of the High Street and the role of customer service. The results from an exploratory research show that rather than being perceived as a threat to the High Street, the growth of online buying and customers increased use of technology for purchasing products and services should be seen as a positive, enhancing the appeal and adding value to customers High Street retail experience.

In Chapter 11 Kathleen L. Wolf contributes knowledge about the “macro” level of consumer perception that is the positive influences of the outdoor environment on buying behavior. The chapter, entitled *The Urban Forest and Shopping Environments* suggests that a quality urban forest helps to define retail place. This chapter presents information about the atmospheric of green retail environments. A multi-study program of research shows that having a quality urban forest canopy within business districts and commercial areas can promote positive shopper perceptions and behavior. Positive responses have included store image, patronage behavior, and willingness to pay more for goods and services. This chapter provides a summary of the research, connects results to various psychological marketing theories, provides evidence-based design recommendations, and suggests future research activity.

Patrizia de Luca, Giovanna Pegan and Donata Vianelli, authors of Chapter 12 (*Customer Experience in the Coffee World: Qualitative Research on the U.S. Market*), contribute to improve understanding of the in-store customer experience in the retail environment by analyzing the business of coffee shops in the United States market. After a brief overview of the evolution of coffee shops and a short analysis of the management literature on coffee shops, the main findings of the qualitative research are presented. The chapter outlines the features of the U.S. coffee shop landscape and explores American consumers' perception of the coffee shop experience using the ethnographic research method. The results show a complex picture from both the offer and the demand perspective that could also contribute to supporting coffee companies in managing customer experience strategy in the large and multicultural North American market.

Chapter 13, entitled *Engaging Retail Customers Through Service and Systems Marketing: Insights for Community Pharmacy Stores*, by Sergio Barile and Marialuisa Saviano, highlights the need for and the directions of a rethinking of the approach to Retail Marketing. A view excessively focused on the 'structural' elements of the service offering can fail in effectively engage customers in the relationship with retailers. Therefore, such a view should be overcome. Many physical stores show what can be called the 'paradox' of a Goods-Dominant Logic in the service offering, highlighting the need to take a general service view of market exchange to better engage customers in a value co-creation relational context. This chapter illustrates the conceptual and practical advantages of the adoption of a Service & Systems Approach to Retail Marketing, providing examples and insights with reference to the case of Community Pharmacy.

Section 4 is about innovation, whose characters are analyzed with reference to the effects of new communication technologies on the interaction between retailers and consumers. Omnichannelling emerges as one of the most relevant consequences of this evolution.

Irene Gil Saura, María Eugenia Ruiz Molina and Gloria Berenguer Contrí explore in Chapter 14 (*Are Retailers' Perceptions of their Innovativeness and Technology Similar to Those of Consumers?*) the relationship between information and communication technologies innovation within retail businesses and consumer behavior. Retailers and consumers' perceptions are compared in order to assess if retailers' expectations of their efforts in innovation and ICT investment match with consumer perceptions about these decisions. There is evidence of the existence of significant differences in consumer perceptions and behavioral intentions. As a result, differences in consumer behaviour were found between high and low innovators that may be explained by the strong relationship between retail innovativeness and the technology implemented by the store.

In Chapter 15, entitled *Retailing 4.0 and Technology-Driven Innovation: A Literature Review*, Fabio Musso and Roxana Adam examine the contribution of technology for boosting innovation within the retail industry. The study focuses on the main areas of innovation for retailers, both in the relationships with suppliers and the final demand. With reference to vertical relationships (for supplying activities), the key innovation areas are those of technology based interaction tools, joint management of supplying activities, and E-sourcing. In the relations with consumers, technology is stimulating innovation on checkout technologies, dynamic in-store pricing, electronic and mobile payments, augmented reality, artificial intelligence-supported devices, and self-service technologies.

Chapter 16 by Sandro Castaldo and Monica Grosso, entitled *An Empirical Investigation to Improve Information Sharing in Online Settings: A Multi-Target Comparison*, analyzes the interaction between two strategies that firms can use to alter potential customers' cost/benefit evaluation and increase information disclosure: the development of initial trust and compensation. Indeed, Internet merchants are compelled

Preface

to collect personal information from customers in order to exploit ICT development potential in managing the relationships with them. However, lack of control on data provided and unethical behaviors emerged in several scandals has led to many potential customers demonstrating growing concerns about disclosing personal information to companies. The derived hypotheses are tested by means of three experimental studies, whose findings are compared across two different consumer target groups that potentially show different behaviors regarding digital technologies: students vs. working people.

The last chapter of Section 4 (Chapter 17) is proposed by Alessandro Bigi, Michelle Bonera and Elisabetta Corvi with the title *Technical and Hedonistic Variables of Online Visual Merchandising: Do They Influence Apparel Website Popularity and Attractiveness?* This study looks for a correlation between visual hedonistic and technical variables and site success within the apparel industry, establishing whether there are any recorded evolutionary aspects of technical variables. The results of the study highlight that there is no clear correlation between technical and hedonistic qualities of an e-commerce site in the apparel industry and the popularity and attractiveness of the website.

Section 5 deals with social responsibility issue for retail companies and the consumers' involvement in co-creation of the retail service.

In Chapter 18 (*Actor Engagement in Service Ecosystems: Innovating Value Co-Creation in Food Retail*), Roberta Sebastiani and Francesca Montagnini explore the evolution of the service ecosystem in retailing contexts, with the development of new retail formulas derived from the effective interaction between corporate stances and engaged actors, in particular customers, social movements, and suppliers. The actor engagement concept highlights the reciprocal, social, and collective nature of engagement, aimed at enhancing value co-creation processes in service ecosystems. The study analyzes two cases which provide useful indications to better understand how forms of resource integration can occur, and how a service ecosystem can evolve as a result of actor engagement.

Chapter 19, entitled *3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior*, by Miriam Palmeira and Fabio Musso, is focused on the impact of different 3Rs of sustainability approaches on consumer behavior and people's values. The focus is on reducing packaging and the use of lower levels of inputs (as energy and water), and to reduce the carbon footprint, mainly using public and/or alternative transport. People are concerned about sustainability, however they present a low level of activities related to major societal concepts on behalf of the environment. After a multi-method study, the Authors found that people's priority is on "recycling", performing few activities of "reduce", and lesser actions of "re-use". Therefore, the classical 3Rs of sustainability seem to have changed from Reduce-Reuse-Recycle to Recycle-Reuse-Reduce.

Elena Candelo, Cecilia Casalegno and Chiara Civera investigate in Chapter 20 (*Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions: An Overview of Banking Sector*), if Corporate Responsibility (CR) is being pursued through an integrated approach with branding policies in the banking sector. The findings of a research based on case studies, revealed that the extent of integration between CR and branding varies depending on cultural contexts and consumers' perceptions. The study favors the emerging of best practices for CR integration among banking players.

The last chapter (Chapter 21) is from Mario Rizzo and Susanna Tavino, with the title *Sustainable Initiatives and Organizational Reshaping in Food Retailers*. The chapter analyzes the adoption by large food retailers of Corporate Social Responsibility (CSR) programs targeted at employees and their families. Findings from a multiple case study analysis reveal the need for a redefinition of organizational structures and processes for implementing a successful CSR strategy in the retail sector. The importance of closer coordination among the organizational dimensions to implement CSR in retail sector emerges.

Actually there are many books related to relationship marketing, customer relationship management, consumer behavior, retailing and retail management. All these fields are usually covered with reference to business to business relationships, to information management tools, or with perspectives limited to specific issues, e.g. consumer behavior, retailing, marketing information system, etc. A broader view on the relationship between retailers and final consumers is missing, although it is treated as a complementary aspect. Since this book is putting together the several perspectives that can be used for analyzing the retailer-consumer relationship, it covers a gap in this area, which is of interest both for retailers and for manufacturers. This may stimulate the search for greater integration of these perspectives in future research, stimulating inter/multi-disciplinary approaches.

Fabio Musso

Carlo Bo University of Urbino, Italy

Elena Druica

University of Bucharest, Romania

Section 1

Consumer Behavior, Buying Preference, and Relationships With Retailers

This section offers an overview of the key issues on consumer behavior, highlighting the decision-making criteria for buying products in a context of relationships with the retailer. Together with the analysis of the main characters of consumer behavior, store loyalty, shopping experience, and the role of private label products are deepened in light of consumer perceptions and changes.

Chapter 1

Consumer–Retailer Identification Enhancing Consumer Well–Being

Isabella Maggioni

ESCP Europe, Italy

ABSTRACT

Consumer-Retailer Identification (CRI) is a powerful tool for retailers to develop meaningful relationships and strengthen the emotional bond with their customers. Besides showing positive attitudes towards brands that reflect their self-concept, consumers prefer to engage with retailers that are more likely to express and enhance their identity. This alignment between a retailer's image and one's identity has been shown to positively affect consumers' sense of well-being and their overall quality of life. This chapter proposes a framework based on a review of past research on the role of consumer's self-concept in the promotion of consumer well-being in retail settings. Focusing on CRI, the chapter offers directions for future research while discussing emerging trends.

INTRODUCTION

Quoting Belk (1988), “we are what we have...our possessions are a major contributor to and reflection of our identities” (p. 139). Besides providing functional benefits, brands enable experiential opportunities through their use (Holbrook, & Hirschmann, 1982; Arnould & Price, 1993). Through brands individuals can show something personal about them to others, but they can also answer to their inner desire to define themselves and to communicate who they are to the society (Shembri, Merrilees, & Kristiansen, 2010). Consumers have a natural affinity for brands that match at best their self- and social-identities and they are steadily involved in a matching process, aimed at identifying which brands are more consistent with their self-concept (Sirgy et al., 1997; Sirgy et al., 2000; Reed et al., 2012; Chattaraman, Lennon, & Rudd, 2010). In particular, brands act twofold, expressing who a person is and revealing what groups a person belongs to and aligns with (Shembri, Merrilees, & Kristiansen, 2010). In this sense, brands play a key role in the communication of individuals' self-image (Belk, 1988; Arnould, & Thompson, 2005;

DOI: 10.4018/978-1-7998-1412-2.ch001

Chattaraman, Lennon, & Rudd, 2010). This customer-retailer identification process has been recognised to have a positive impact on both pre-purchase and post-purchase evaluations and behaviours and on the effective creation and management of relationships with brands (Tuskej et al., 2013). It is argued that the identification of a customer with a retailer crucially impacts on a retailer's success.

Among these outcomes, an emerging stream of research is exploring the impact of consumer-retailer identification on consumer well-being (Sirgy & Lee, 2008; El Hedhli et al., 2013; El Hedhli et al., 2016; Ekici et al., 2017; Maggioni & Sands, 2018). Attributing more value to wellness and personal enhancement than to material objects, consumers are increasingly looking for meaningful experiences and are more concerned about how they invest their money to improve their lives. As consumers search for experiences that are consistent with their self-identities, it is important to further investigate the role of CRI in boosting customer experiences and enhancing the sense of consumer well-being, improving their overall quality of life.

This chapter aims at reviewing previous research on the role of consumer's self-concept in the development of brand-customer relationships, extending the consumer-brand identification theory to retail settings. Specifically, the chapter proposes CRI as a virtuous mechanism through which amplifying the positive effect of a successful customer experience on consumer well-being. This chapter also provides some insights for future research on CRI and well-being in retail settings by critically exploring the role of self-congruity and of customer-retailer identification in the development and management of retailer-customer relationships.

BACKGROUND

Consumer-Brand Identification in Retail

Consumers purchase goods not just for functional reasons, but also because they represent a vehicle for self-expression, acting as an extension of one's self-concept (Belk, 1988). The role of self-concept in consumer behaviour has been explored by several researchers. Besides providing functional benefits, products enable experiential opportunities through their use and carry a variety of symbolic meanings (Keller, 1993; Helgeson and Supphellen, 2004) to the point that brands can be viewed as an extension of one's self (Belk, 1988) and the associated symbolic meanings help consumers in the development of a unique and visible representation of themselves (Ligas, 2000). Through brands individuals can show something personal about them to others, but they can also answer to their inner desire of defining themselves and communicating who they are to the society (Shembri, Merrilees, & Kristiansen, 2010). Thus, brands can act twofold: inward forming one's identity, and outward expressing who a person is and revealing what social groups a person aligns with (Shembri, Merrilees, & Kristiansen, 2010). The role of self-concept in consumer behaviour has been traditionally investigated by two complementary theoretical frameworks: the social identity theory (Tajfel & Turner 1986) and the identity theory (Stryker 1968; Stryker&Burke, 2000). Whereas social identity theory posits that the essence of one's self-identification relies on the membership to a social group (or groups) and also on the value and the emotional significance attached to such a membership (Tajfel & Turner, 1986), identity theory is more focused on individual behaviour and on one's private self, stating that identity is linked to the different social roles that a person can have in a social setting. Having multiple identities hierarchically organized, consumers perceive products and brands as similar or different from themselves according to which kind of identity is more salient in a

particular purchasing context (Arnett, German, & Hunt 2003; Bolton & Reed 2004; Oyserman 2009). These two theories represent the theoretical foundation on which *consumer-brand identification* theory (CBI) has been conceptualised, as both explore the relationship between one's self-concept and social entities (Belk, 1988; Sirgy, 1982). According to Lam et al., (2010), CBI is defined as a psychological state in consumer's mind of perceiving, feeling and valuing the belongingness with a brand. Stokburger-Sauer et al., (2012) provide another definition of CBI that is conceived as "a consumer's perceived state of oneness with a brand"(p. 407). Both definitions describe CBI as a "state" and set it apart from the process of comparison between one's self-concept and brand image. However, Lam et al. (2010)'s approach conceives CBI as a multidimensional construct, formed by three dimensions: the cognitive, the emotional and the value dimensions. On the other hand, Stockburger-Sauer et al. (2012) conceptualise CBI just as a cognitive construct and distinguish it from emotional and value assessment dimensions, which can be considered as inputs or outputs of CBI. A growing body of research has focused on what it means for consumers to identify with a brand and has investigated the implications of CBI for a successful brand management (Stokburger-Sauer et al., 2012; Chernev et al., 2011; Escalas & Bettman, 2003; 2009; Elbedweihy et al., 2016). CBI has been investigated with reference to brand attitude and brand attachment (Park et al., 2010), brand love (Batra, Ahuvia, & Bagozzi, 2012; Carrol & Ahuvia, 2006), and self-brand connection (Escalas & Bettman, 2003; 2009; Fournier, 2009). Several researchers pointed out how consumers tend to develop positive attitudes towards brands that reflect their personality and are more willing to engage in a relationship with brands that express and enhance their identity (Tuskej et al., 2013). CBI has found to play a fundamental role in building and maintain consumer-brand relationships (Lam et al., 2010; Tuskej et al., 2013), showing a significant influence on buying decision making process (Ahearne et al., 2005), satisfaction (Kuenzel & Halliday, 2008), loyalty and positive word of mouth (Bhattacharya & Sen, 2003; Kim et al., 2001; Elbedweihy et al., 2016).

Consumer-brand identification has particular connotations when considering retail settings. According to Aliawadi and Keller (2004) retailer brands are more multi-sensory in nature compared to product brands and can count on richer consumer experiences to develop their image and their brand equity. Their image and personality is defined through different means, such as the retail environment, pricing policies, assortment mix, private labels, and location. Several researchers pointed out how consumers tend to develop positive attitudes towards those stores that reflect their personality (Aaker, 1997; Sirgy et al., 1997; Sirgy et al., 2000, Reed et al., 2012). Babin et al. (1994) show how consumers assign affective qualities to retail stores and Helgesson and Supphellen (2004)'s study highlights that consumers can easily describe retailers and stores using human personality traits. D'Astous and Lévesque (2003) provide a clear distinction between store image and store personality: "Whereas store image is a mental representation that encompasses all dimensions that are associated with a store, [...] store personality is restricted to those mental dimensions that correspond to human traits" (D'Astous and Lévesque, 2003, p. 456). As for brands and products, the congruence between customer's self-concept and retailer image has been found to be crucial to the development of successful retailer-customer relationships (Fournier, 1998; Sirgy et al., 2000; O'Cass & Grace, 2008; Willems & Swinnen, 2011). The virtuous circle triggered by CRI is complex and it stems from the interplay of multiple facets related to the in-store customer experience and the overall retailer image. In the case of retail chains and franchises, consumers evaluations can be shaped at two different levels: at the specific store level and/ or at the chain/franchise/retailer level. Consumers can thus be influenced in their decision-making process by both retailer corporate policies and specific store policies. For instance, a retailer whose corporate image is based on ethical and sustainable values, is expected to provide a shopping experience tailored on such values, including

fair trade products in the assortment and implementing policies to reduce energy waste and pollution, as well as improving the quality of the work environment for its employees. Such a multilevel perspective should be considered when analysing CRI. Rooted in previous conceptualisations of CBI, we conceive *consumer retailer-identification* (CRI) as a psychological state in shoppers' mind, who feel a sense of belongingness with a retailer and/or with a specific store. This process can occur at store, at retailer, or at both levels, in which case it may lead to a stronger effect of CRI on consumer behaviours.

Indeed, it is possible to identify two facets of a retailer brand image that can act as a frame of comparison with consumer's self-concept and play a key role in terms of CRI. These two facets are namely retailer (store) personality and retailer (store) user imagery. Retailer (store) personality is one of the dimensions of brand associations in consumers' mind and can be defined as the set of human characteristics associated with a retailer (Aaker, 1997; D'Astous and Levesque, 2003). The other facet considered in the assessment of self-congruity is a retailer (store) user imagery. As stated by Sirgy et al. (2000), "shoppers perceive stores differently in terms of the store's typical clientele or patrons" (p. 127). The construct of user imagery refers in general to the stereotypic images of users of a product or of a store (Sirgy et al., 1997; Sirgy et al., 2000). Although the image of the typical user of a brand/ store is believed to be reflective of the image of the brand/store, user-imagery and brand personality may not always be in agreement (Keller, 1998; Phau & Lau, 2000) and there are some cases in which users' profiles are inconsistent with the personality of a brand (Aaker, 1997). There could also be more than one type of user for the same brand (Usaki & Baloglu, 2011) and the evaluation of CRI can also be biased by sociological considerations that exceed the brand domain.

The Drivers of Consumer-Brand Identification in Retail

Bhattacharya and Sen (2003) identify as primary drivers of CBI consumer's self-defining and enhancement motivations, while Escalas and Bettman (2003; 2009) highlight the role of social needs, suggesting that consumers identify with brands whose identities are aligned with desirable reference groups and celebrity endorsers. A more comprehensive perspective has been adopted by Stokburger-Sauer et al., (2012) including both cognitive and experiential drivers (Table 1). Among the cognitive drivers of CBI there are three main sub-categories, (1) self-definition drivers, (2) self-expression drivers, and (3) self-enhancement drivers (Bhattacharya & Sen, 2003; Stokburger-Sauer et al., 2012; Chernev et al., 2011). Self-definition drivers reflect consumers' inner desire of define themselves and maintain a clear sense of who they are (Bhattacharya & Sen, 2003; Stokburger-Sauer et al., 2012; Sirgy et al., 2000). As consumers tend to associate human characteristics to brands (Aaker, 1997), they feel closer and get engaged in relationships with the brands they perceive as more similar to them. Self-expression and self-enhancement drivers are related to consumers' "need for uniqueness" (Snyder & Fromkin, 1977; Tepper Tian et al., 2001) and assist with distinguishing one from one another, increasing the social value generated through brand consumption or store patronage (Bhattacharya & Sen, 2003, Belk, 1988). Individuals try to pursue social inclusion and social distinctiveness at the same time in order to affirm their identities according to the different social context in which they are in a particular moment (Thompson et al., 2006). Considering the experiential drivers of CBI, three additional sub-categories can be identified and include (1) affective and emotional drivers, (2) social connection and alignment drivers, and (3) experience-related drivers (Escalas & Bettman, 2003; 2009; Thompson et al., 2006; Stokburger-Sauer et al., 2012).

When referring to affective and emotional drivers, it is possible to distinguish between warm brands and cold brands according to the level of emotional engagement created through brand experience. Brand

Consumer-Retailer Identification Enhancing Consumer Well-Being

Table 1. Drivers of consumer-retailer identification

	CONSUMER NEEDS	CRI DRIVERS
COGNITIVE DRIVERS	<ul style="list-style-type: none"> ■ Self-definition ■ Self-expression ■ Self-enhancement 	<ul style="list-style-type: none"> ■ Retailer-self similarity ■ Retailer distinctiveness ■ Retailer prestige
EXPERIENTIAL DRIVERS	<ul style="list-style-type: none"> ■ Affective and emotional ■ Social connection and alignment ■ Experience 	<ul style="list-style-type: none"> ■ Retailer brand warmth ■ Retailer social benefits ■ Memorable experience

warmth is strictly related to product category, brand distinctiveness and brand positioning (Stokburger-Sauer et al., 2012). Warm (or emotional) brands are more likely to generate CBI than cold (or rational) brands, as they carry deeper and identity-related meanings about systems of values and beliefs that can be shared or not by consumers (Park et al., 2010, Carroll & Ahuvia, 2006). Social connection and alignment drivers predict CBI according to the extent to which consumers perceive interactions with a brand as a way to connect or align with reference groups in a social context. In addition to individual beliefs, brands carry social and cultural meanings (Holt, 2005; Thompson et al., 2005) and act as a device to develop social relationships with others. Literature on brand communities and consumption subcultures have shown how consumers join subgroups or communities in virtue of a shared brand commitment and attachment (Bagozzi et al., 2012; Thompson et al., 2006; Stokburger-Sauer, 2010). Thus, brands that are able to provide a social benefit by increasing the social integrations of an individual are more likely to have a stronger impact on CBI. Regardless the frequency of use, brands can occupy a salient position in consumers' mind. Indeed, some brands can provide consumers with extraordinary and affectively charged experiences that last in their mind for a long time. Memorable brand experiences have been recognized as antecedents of CBI, with brands more likely to leave a mark in defining one's sense of self result in developing a stronger connection with consumers (Stokburger-Sauer et al., 2012).

Self-congruity is one of the drivers of CBI that has been deeply analysed by the literature. It is argued that customers choose products and brands perceptually consistent with their own self-concept (Sirgy, 1982) and while purchasing, consumers tend to evaluate a brand by matching its image with their self-concept. In the marketing literature, self-congruence, self-image congruence, self-congruity, brand-self similarity and image congruence are interchangeably used to refer to this construct. Self-congruity can be defined as the degree of match/mismatch between a brand/store image and a customer's self-image (Sirgy, 1985). So, self-congruity act as a link between the self-concept and the symbolic meanings underlying products and brands (Quester, 2000) and it is strictly linked to the way in which consumers perceives themselves (Parker, 2009). Self-congruity is therefore a dynamic concept that changes from situation to situation as well as a multidimensional concept. Early studies on self-congruity were undertaken in the areas of branding and mainly investigated consumers' pre-purchase evaluations such as purchase intentions (Landon, 1974), product preferences (Dolich, 1969), product choice (Malhotra, 1988) and attitudes. Self-congruity theory has also been extended to analysing post-purchase evaluations and behaviours (Hosay & Martin, 2012), such as satisfaction, perceived quality, perceived value, loyalty (He & Mukherjee, 2007) and more recently consumer well-being (El Hedhi et al., 2013; El Hedhi et al., 2016; Maggioni and Sands, 2018).

Consumer – Retailer Identification and Consumer Well-Being

Today's modern shoppers are confronted with a broad range of alternatives, including channels, formats, stores, and even experiences. Being a core activity in the lives of consumers, shopping has the power to affect people's broader quality of life in multiple ways. Within the domain of shopping, the concept of well-being was first conceptualised by Sirgy and Lee (2008, p. 381), who define well-being as "a desired state of objective and subjective wellbeing involved in the various stages of the consumer/ product life cycle in relation to consumer goods". Well-being is a multidimensional construct having subjective, physical, social, and emotional components (Pressman et al., 2013). Subjective well-being is considered to be a relatively stable cognitive orientation toward life (George, 2010; Ryan and Deci, 2001), reflecting the quality of an individual's life (Lee et al., 2013). Physical well-being concerns the individual's physical functioning that include fatigue, sleep quality, health problems, and self-care behaviour such as exercise, nutrition, recreational activities, and rest (Glajchen, 2012). Social well-being comprises (1) social support that leads to feeling cared and valued, (2) social function/adjustment, which is related to satisfaction with relationships, and performance in social roles (Hahn et al., 2010), and (3) emotional well-being linked to the quality of everyday experiences and frequency and intensity of experiencing joy, stress, sadness or anger (Kahneman & Deaton, 2010, p. 16489).

In the context of shopping, well-being is conceived as the level of contribution that the shopping activity has to satisfaction with important life subdomains, such as consumer life, social life, leisure life, and community life, which results in an improvement of one's overall quality of life (El Hedhli et al., 2013). Ekici et al. (2017) shows that an increase in well-being in shopping settings has a positive impact on the overall level of life satisfaction. Thus, the positive and negative experiences occurring in marketplaces have an influence on quality of life and life satisfaction. It is then proposed that a successful trip could contribute to a consumer's sense of well-being (Ekici et al., 2017).

Consumer well-being increases when a shopping environment is perceived positively across a series of functional and utilitarian attributes, including functionality, convenience, safety, leisure and atmospherics (El Hedhli et al., 2013). Specifically, research on the role of shopping values in influencing shopping well-being pointed out that shopping well-being stems primarily from hedonic value, with shoppers more likely to experience a sense of well-being because they have enjoyed their shopping experience. (El Hedhli et al, 2016). Consumers are more willing to browse and consider the visit as a leisure activity, with shopping atmosphere playing an important role in influencing patronage intentions and the browsing experience (Blut, Teller, & Floh, 2018). Similarly, quality-of-life literature has demonstrated a strong link between leisure and well-being (Ekici et al., 2017). In terms of outcomes of consumer well-being, it has been shown that a shopping experience that increases the quality of life of consumers can have a positive influence on post-purchase behaviour such as customer loyalty, advocacy, and satisfaction (El Hedhli et al., 2013; Sirgy and Lee, 2008). Thus, consumers who perceive a shopping establishment positively and contributing to their quality of life are more likely to develop a stronger relationship with and increased commitment to the retailer, while also engaging in positive word-of-mouth behaviour.

As consumers shop across different locations and outlets, they develop different perceptions of retail establishments. This stereotypic image of the general shopper of a retail establishment has been proven to play an important role in enhancing the well-being of shoppers (Sirgy & Samli, 1985, El Headhli et al. 2016). Consumers tend to prefer shopping in retail outlets where they encounter customers and people they can identify with. They also have a tendency to purchase brands and visit retail premises to satisfy their need for self-expression, in addition to functional reasons. By reflecting consumer values

and traits, retailers may also be associated with specific types of customers. This can in turn affect the shopping experience as “shoppers perceive stores differently in terms of the store’s typical clientele or patrons” (Sirgy et al., 2000, p. 127). The consumer-Retailer identification mechanism operates at a sub-conscious level and leads consumers to compare the existing patrons’ image with their own self-concept, evaluating the extent to which they identify with the typical patron of a retail establishment (El Hedhli et al, 2016; Maggioni and Sands, 2018).

CRI and self-congruity have also been suggested to moderate the relationship between shopping values and well-being (El Hedhli et al., 2016; Maggioni and Sands, 2018). Shoppers who perceive a little fit between their self-image and the retailer image may experience a low sense of self-gratification and feel uncomfortable and distressed while visiting the retailer’s premises. Shoppers with low level of self-congruity are more likely to feel bored, dull and uninterested and will likely focus on the task or the utilitarian need of their shopping trip.

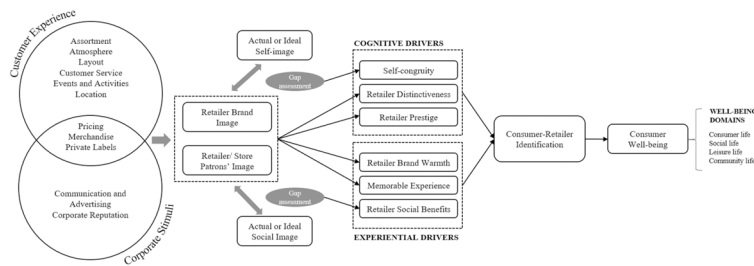
Self-congruity was found to moderate the relationship between customer experience attributes and consumer well-being, with a higher level of self-congruity boosting the quality of the customer experience across both hedonic and functional attributes and increasing consumer well-being (El Hedhli et al., 2013; Maggioni & Sands, 2018).

A FRAMEWORK OF CONSUMER – RETAILER IDENTIFICATION, SHOPPING BEHAVIOUR AND CONSUMER WELL-BEING

CBI has proven to be a valid tool in managing and improving the quality of consumer-brand relationships and increasing the overall quality of life of consumers. Although the limited research on CBI in retail settings, the topic deserves more attention as it represents a powerful tool for fostering retailer-customer relationships (Maggioni, 2014). Retailers should carefully consider the multiple facets implicated in the process of CRI in order to foster the positive impacts on commitment development and relationship building with their customers and promote their well-being. As CRI occurs with reference to two different facets of retailer image (i.e. the personality and the shopper imagery) with the identification process taking place at two different levels (the store and the retailer), the combination of these different facets, consumers define a stereotypic image of retailers that represents the basis for comparison in the process of CRI. Considering the positive influence of CRI on commitment, loyalty, positive word of mouth and well-being, it is also important for retailers to understand how CRI can be fostered to positively impact relational outcomes. The positive relationship between hedonic and utilitarian aspects of the customer experience and customer well-being is boosted by CRI, with customers who highly identify with a retailer deriving a stronger sense of wellbeing from the shopping experience.

The role of stores deserves particular attention when focusing on CRI. Being the most influential touchpoint to engage consumers, the store is the primary vehicle through which communicate symbolic meanings and retailer’s personality traits to consumers. Based on previous insight, we propose a framework of CRI that aims at extending CBI theory to retail setting, considering the prominent role of the store as well as the impact of retailer’s corporate policies (Figure 1). Store cues can reinforce the establishment of CRI with favourable consequences on retailer-customer relationship quality and consumer well-being. Among them, a prominent role is played by atmospherics and location cues, merchandise cues, price and promotion cues (Sirgy et al., 2000) and service cues. Stores also represent the ideal place where implementing the experiential drivers of CRI. Event marketing, product co-creation,

Figure 1. Consumer – Retailer Identification: a conceptual framework



brand communities are some of the tools that can support retailers with delivering endearing and vivid experiences leading to affectively charged memories. In addition, corporate communication and policies can positively impact cognitive cues related to CRI by communicating key retailer values and providing specific product experiences through private labels.

CONCLUSION AND FUTURE RESEARCH DIRECTIONS

Building sustainable retailer-consumer relationships has always been crucial for a business long-term success. More recently, increasing attention has been given to the topic of well-being and how retailers can positively contribute to consumers' quality of life. The role of retail brands should be reconsidered in the light of the growing importance of identity-based motivations in consumer behaviour. A wide body of research has identified *consumer-brand identification* theory (CBI) as a solid theoretical foundation to explore the relationship and the interactions between one's self-concept and brands. CBI has found to play a key role in developing long-term relationships with customers because of its positive impact on several attitudinal and relational constructs, such as preference, loyalty and commitment. Recently the research focus has shifted from the analysis of the outcomes of CBI to the study of its antecedent, i.e. those drivers that enhance the process of identification between a brand and a customer's self-concept. Despite the richness of literature on the topic, little attention has been given to the study of CBI in retail settings. We propose a theoretical framework that extends CBI to retail settings, defining it as *consumer-retailer identification*. It can be stated that the process of identification in retail settings assumes particular connotations, particularly with reference to well-being promotion, with its implications requiring to be further investigated by researchers. The interplay of multiple facets at different levels make CRI a more complex process in improving the wellness and quality of life of consumers. Stores represent the ideal places where retailers can effectively communicate their personality and engage customers through experiential drivers such as in-store events or co-creation. Future research should focus on the role of store image and shopping environment in impacting CRI and well-being. How can retailers develop meaningful experiences that cater to the self-identification needs of their customers, improving their overall sense of well-being? Besides focusing on the role of the store in CRI, retail brand equity and corporate branding strategy effects should deserve more attention from scholars. How corporate advertising and communication can influence CRI? What is the role of private labels? Moreover, as shopping is a social activity and well-being is closely correlated to interactions with other individuals, future research could also investigate CRI adopting a social-identity perspective, focusing on social benefits embedded in retail

brands. From a managerial point of view, CRI represents a powerful tool for enhancing retailer-consumer relationships. However, encouraging customers to identify with a retailer is a complex task that first requires a deep knowledge of who are a retailer's customers. Monitoring customers becomes crucial and retailers should collect information not just in terms of demographics but also including personality traits, emotions, aspirations, and desires. It is important to identify which values are important to customers and use them as a way to better define retailer positioning. The second step implies the creation of a retail brand personality based on a unique positioning align with target consumers' actual and desirable images. While defining a clear and distinctive positioning, retailers should consider both the individual and the social side of brand personality in order to generate brand warmth, emotional engagement and to provide social benefits to their customers. Retailers should pay also particular attention to store design and layout, trying to keep it as consistent as possible and aligned with retail brand and target customers' values. Finally, it is essential to develop an integrated and effective communication strategy, using both traditional and emerging channels, such as blogs and social networks. This kind of actions are key to facilitate the process of identification with a retailer, improving the degree of self-congruity with positive impacts in terms of relational outcomes and consumer well-being.

REFERENCES

- Aaker, J. (1997). Dimensions of brand personality. *JMR, Journal of Marketing Research*, 34(3), 347–357. doi:10.1177/002224379703400304
- Aguirre-Rodriguez, A., Bosnjak, M., & Sirgy, J. M. (2012). Moderators of the self-congruity effect on consumer decision-making: A meta-analysis. *Journal of Business Research*, 65(8), 1179–1188. doi:10.1016/j.jbusres.2011.07.031
- Ahearne, M., Bhattacharya, C. B., & Gruen, T. (2005). Antecedents and consequences of customer–company identification: Expanding the role of relationship marketing. *The Journal of Applied Psychology*, 90(3), 574–585. doi:10.1037/0021-9010.90.3.574 PMID:15910151
- Aliawadi, K. L., & Keller, K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing*, 80(4), 331–342. doi:10.1016/j.jretai.2004.10.008
- Arnett, D. B., German, S. D., & Hunt, S. D. (2003). The identity salience model of relationship marketing success: The case of nonprofit marketing. *Journal of Marketing*, 67(2), 89–105. doi:10.1509/jmkg.67.2.89.18614
- Arnould, E. J., & Price, L. L. (1993). River magic: Extraordinary experience and the extended service encounter. *The Journal of Consumer Research*, 20(1), 24–45. doi:10.1086/209331
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: Measuring hedonic and utilitarian shopping value. *The Journal of Consumer Research*, 20(4), 644–656. doi:10.1086/209376
- Bagozzi, R. P., Bergami, M., Marzocchi, G., & Morandin, G. (2012). Customer–organization relationships: Development and test of a theory of extended identities. *The Journal of Applied Psychology*, 97(1), 63–76. doi:10.1037/a0024533 PMID:21766998

- Baker, M. J. (2000). Writing a literature review. *The Marketing Review*, 1(2), 219–247. doi:10.1362/1469347002529189
- Batra, R., Ahuvia, A., & Bagozzi, R. P. (2012). Brand Love. *Journal of Marketing*, 76(2), 1–16. doi:10.1509/jm.09.0339
- Berli, A., Díaz Meneses, G., & Gil, S. M. (2007). Self-congruity and destination choice. *Annals of Tourism Research*, 34(3), 571–587. doi:10.1016/j.annals.2007.01.005
- Belk, R. W. (1988). Possessions and the extended self. *The Journal of Consumer Research*, 15(2), 139–168. doi:10.1086/209154
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-company identification: A framework for understanding consumers' relationships with companies. *Journal of Marketing*, 67(2), 76–88. doi:10.1509/jmkg.67.2.76.18609
- Bolton, L. E., & Reed, A. I. I. (2004). Sticky priors and identification based judgments. *JMR, Journal of Marketing Research*, 41, 397–410. doi:10.1509/jmkr.41.4.397.47019
- Carroll, B. A., & Ahuvia, A. C. (2006). Some antecedents and outcomes of brand love. *Marketing Letters*, 17(2), 79–89. doi:10.1007/11002-006-4219-2
- Chernev, A., Hamilton, R., & Gal, D. (2011). Competing for consumer identity: Limits to self-expression and the perils of lifestyle branding. *Journal of Marketing*, 75(3), 66–82. doi:10.1509/jmkg.75.3.66
- Dolich, I. J. (1969). Congruence relationships between self-images and product brands. *JMR, Journal of Marketing Research*, 6(1), 80–84. doi:10.1177/002224376900600109
- El Hedhi, K., Zourrig, H., & Chebat, J.-C. (2016). Shopping well-being: Is it just a matter of pleasure or doing the task? The role of shopper's gender and self-congruity. *Journal of Retailing and Consumer Services*, 31, 1–13. doi:10.1016/j.jretconser.2016.03.002
- El Hedhli, K., Chebat, J. C., & Sirgy, M. J. (2013). Shopping well-being at the mall: Construct, antecedents, and consequences. *Journal of Business Research*, 66(7), 856–863. doi:10.1016/j.jbusres.2011.06.011
- Escalas, J. E., & Bettman, J. R. (2003). You are what they eat: the influence of reference groups on consumers' connections to brands. *Journal of Consumer Psychology*, 13(3), 339–348. doi:10.1207/S15327663JCP1303_14
- Escalas, J. E., & Bettman, J. R. (2005). Self-construal, reference groups, and brand meaning. *The Journal of Consumer Research*, 32(3), 378–389. doi:10.1086/497549
- Fournier, S. (1991). Meaning-based framework for the study of consumer-object relations. [Provo, UT: Association for Consumer Research.]. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 18, 736–742.
- Gardner, B. B., & Levy, S. J. (1955). The product and the brand. [*</jrn>*]. *Harvard Business Review*, 33(2), 33–39.

Consumer-Retailer Identification Enhancing Consumer Well-Being

He, H., & Mukherjee, A. (2007). I am, ergo I shop: Does store image congruity explain shopping behaviour of Chinese consumers? *Journal of Marketing Management*, 23(5-6), 443–460. doi:10.1362/026725707X212766

Helgeson, J. G., & Supphellen, M. (2004). A conceptual and measurement comparison of self-congruity and brand personality: The impact of socially desirable responding. *International Journal of Market Research*, 46(2), 205–233. doi:10.1177/147078530404600201

Holbrook, M. B., & Hirschmann, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *The Journal of Consumer Research*, 9(2), 132–140. doi:10.1086/208906

Holt, D. B. (2005). How societies desire brands: Using cultural theory to explain brand symbolism. In S. Ratneshwar & D. G. Mick (Eds.), *Inside consumption* (pp. 273–291). London, UK: Routledge.

Hosay, S., & Martin, D. (2012). Self-image congruence in consumer behaviour. *Journal of Business Research*, 65(5), 685–691. doi:10.1016/j.jbusres.2011.03.015

<jrn>Fournier, S. (2009). Lessons learned about consumers' relationships with brand. In Handbook of brand relationships. N.Y. Society for Consumer Psychology and M.E. Sharp.

Kang, J., Tang, L., Lee, J. Y., & Bosselman, R. H. (2012). Understanding customer behavior in name-brand Korean coffee shops: The role of self-congruity and functional congruity. *International Journal of Hospitality Management*, 31(3), 809–818. doi:10.1016/j.ijhm.2011.09.017

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22. doi:10.1177/002224299305700101

Kim, A. C., Dongchul, H., & Aeung-Bae, P. (2001). The effect of brand personality and brand identification on brand loyalty: Applying the theory of social identification. *The Japanese Psychological Research*, 43(4), 195–206. doi:10.1111/1468-5884.00177

Kleine, S. S., Kleine, R. E., & Allen, C. T. (1995). How is possession 'me' or 'not me'? Characterizing types and an antecedent of material possession attachment. *The Journal of Consumer Research*, 22(3), 327–343. doi:10.1086/209454

Kuenzel, S., & Halliday, V. S. (2008). Investigating antecedents and consequences of brand identification. *Journal of Product and Brand Management*, 17(5), 293–304. doi:10.1108/10610420810896059

Lam, S. K., Ahearne, M., Hu, Y., & Schillewaert, N. (2010). Resistance to brand switching when a radically new brand is introduced: A social identity theory perspective. *Journal of Marketing*, 74(6), 128–146. doi:10.1509/jmkg.74.6.128

Ligas, M. (2000). People, products, and pursuits: Exploring the relationship between consumer goals and product meanings. *Psychology and Marketing*, 17(11), 983–1003. doi:10.1002/1520-6793(200011)17:11<983::AID-MAR4>3.0.CO;2-J

Maggioni, I. (2014). Identity-based consumer behaviour, self-congruity and retail-consumer relationships: a literature review. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 13–26). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch002

Maggioni, I. & Sands, S. (2018). Zen and the art of shopping: an inquiry into wellbeing, self-congruity and motivational orientation. In *Proceedings of the 2018 European Marketing Academy (EMAC) Conference*. May 29 – June 1, Glasgow, UK: EMAC.

Malhotra, N. K. (1988). Self concept and product choice: An integrated perspective. *Journal of Economic Psychology*, 9(1), 1–28. doi:10.1016/0167-4870(88)90029-3

Musso, F., & Druica, E. (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8

Oyserman, D. (2009). Identity-based motivation and consumer behaviour. *Journal of Consumer Psychology*, 19(3), 276–279. doi:10.1016/j.jcps.2009.06.001

Park, C. W., MacInnis, D. J., Priester, J., Eisingerich, A. B., & Iacobucci, D. (2010). Brand attachment and brand attitude strength: Conceptual and empirical differentiation of two critical brand equity drivers. *Journal of Marketing*, 74(6), 1–17. doi:10.1509/jmkg.74.6.1

Quester, P. G., Karunaratna, A., & Goh, L. K. (2000). Self-congruity and product evaluation: A cross-cultural study. *Journal of Consumer Marketing*, 17(6), 525–535. doi:10.1108/07363760010349939</unknown>

Reed, A. I. I. II, Forehand, M. R., Puntoni, S., & Warlop, L. (2012). Identity-based consumer behaviour. *International Journal of Research in Marketing*, 29(4), 310–321. doi:10.1016/j.ijresmar.2012.08.002

Shembri, S., Merrilees, B., & Kristiansen, S. (2010). Brand consumption and narrative of the self. *Psychology and Marketing*, 27(6), 623–638. doi:10.1002/mar.20348

Sirgy, M. J. (1982). Self-concept in consumer behavior: A critical review. *The Journal of Consumer Research*, 9(3), 287–300. doi:10.1086/208924

Sirgy, M. J. (1985). Using self-congruity and ideal congruity to predict purchase motivation. *Journal of Business Research*, 13(3), 195–206. doi:10.1016/0148-2963(85)90026-8

Sirgy, M. J., Grewal, D., & Mangleburg, T. (2000). Retail environment, self-congruity, and retail patronage: An integrative model and a research agenda. *Journal of Business Research*, 49(2), 127–138. doi:10.1016/S0148-2963(99)00009-0

Sirgy, M. J., Grewal, D., Mangleburg, T. F., Park, J., Chon, K., Claiborne, C. B., ... Berkman, H. (1997). Assessing the predictive validity of two methods of measuring self-image congruence. *Journal of the Academy of Marketing Science*, 25(3), 229–241. doi:10.1177/0092070397253004

Sirgy, M. J., Johar, J. S., Samli, A. C., & Claiborne, C. B. (1991). Self-congruity versus functional congruity: Predictors of consumer behaviour. *Journal of the Academy of Marketing Science*, 19(4), 363–375. doi:10.1007/BF02726512

Sirgy, M. J., & Lee, D. J. (2008). Well-being Marketing: An ethical business philosophy for consumer goods firms. *Journal of Business Ethics*, 77(4), 377–403. doi:10.1007/10551-007-9363-y

Consumer-Retailer Identification Enhancing Consumer Well-Being

- Snyder, C. R., & Fromkin, H. L. (1977). Abnormality as a positive characteristic: The development and validation of a scale measuring need for uniqueness. *Journal of Abnormal Psychology, 86*(5), 518–527. doi:10.1037/0021-843X.86.5.518 PMID:915113
- Solomon, M. R. (1988). Mapping product constellations: A social categorization approach to consumption symbolism. *Psychology and Marketing, 5*, 233–258.
- Stokburger-Sauer, N., Ratneshwar, S., & Sankar, S. (2012). Drivers of consumer–brand identification. *International Journal of Research in Marketing, 29*(4), 406–418. doi:10.1016/j.ijresmar.2012.06.001
- Stryker, S. (1968). Identity salience and role performance. *Journal of Marriage and the Family, 4*(4), 558–564. doi:10.2307/349494
- Stryker, S., & Burke, P. J. (2000). The past, present, and future of an identity. *Social Psychology Quarterly, 63*(4), 284–297. doi:10.2307/2695840
- Tajfel, H., & Turner, J. C. (1986). The social identity theory of inter-group behavior. In S. Worchel & W. G. Austin (Eds.), *Psychology of intergroup relations*. Chicago, IL: Nelson-Hall.
- Tepper Tian, K., Bearden, W. O., & Hunter, G. L. (2001). Consumers' need for uniqueness: Scale development and validation. *The Journal of Consumer Research, 28*(1), 50–66. doi:10.1086/321947
- Thompson, C. J., Rindfleisch, A., & Arsel, Z. (2006). Emotional branding and the strategic value of the Doppelgänger brand image. *Journal of Marketing, 70*(1), 50–64. doi:10.1509/jmkg.70.1.050.qxd
- Thomson, M., MacInnis, J. D., & Park, C. W. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of Consumer Psychology, 15*(1), 77–91. doi:10.1207/15327663jcp1501_10
- Tuškej, U., Golob, U., & Podnar, K. (2013). The role of consumer–brand identification in building brand relationships. *Journal of Business Research, 66*(1), 53–59. doi:10.1016/j.jbusres.2011.07.022
- <unknown>Parker, B. T. (2009). A comparison of brand personality and brand user-imagery congruence. *Journal of Consumer Marketing, 26*(3), 175–184. doi:10.1108/07363760910954118
- Willems, K., & Swinnen, G. (2011). Am I cheap? Testing the role of store personality and self-congruity in discount retailing. *International Review of Retail, Distribution and Consumer Research, 21*(5), 513–539. doi:10.1080/09593969.2011.618888

KEY TERMS AND DEFINITIONS

Consumer – Brand Identification: A psychological state in consumer’s mind of perceiving, feeling and valuing the belongingness with a brand.

Consumer – Retailer Identification: A psychological state in shoppers’ mind, who feel a sense of belongingness with a retailer and/or with a specific store. This process may occur at store, at retailer, or at both levels, and may involve both retailer (store) personality and retailer (store) user imagery.

Consumer Well-Being: The level of contribution that the shopping activity has to satisfaction with important life subdomains, such as consumer life, social life, leisure life, and community life, which results in an improvement of one’s overall quality of life.

Memorable Customer Experience: The ability of a brand to deliver vivid and remarkable experiences originating from extraordinary consumption activities, regardless the frequency of use.

Retailer Brand Warmth: The degree to which a retail brand is able to arouse emotions and empathy in consumers, as being perceived as warm instead of cold.

Retailer Distinctiveness: The ability of a brand of being recognized as unique and different from other brands, in order to address consumers’ need for uniqueness at both individual and social levels.

Retailer Personality: A mental representation of a retailer (store) based on human traits, such as friendly, annoying, enthusiastic, irritating, or honest.

Retailer Prestige: The level of exclusivity of a retailer that enables consumers to satisfy self-enhancement needs.

Retailer Social Benefits: A series of benefits provided by a retailer linked to its capability to carry social and cultural meanings and to provide social interaction opportunities to consumers.

Retailer User Imagery/Patrons’ Image: The stereotypic images of users of a product or of patrons of a store. Not always the image of the typical user/patron of a brand/store is reflective of the image of the brand/store, as well as there can be more than one type of user/patron for the same brand/store.

Self – Congruity: The degree of similarity between a brand/store image and a customer’s self-image.

Chapter 2

Explaining Customer Loyalty to Retail Stores: A Moderated Explanation Chain of the Process

Arturo Z. Vasquez-Parraga

University of Texas Rio Grande Valley, USA

Miguel A. Sahagun

 <https://orcid.org/0000-0002-6962-4714>

High Point University, USA

ABSTRACT

This chapter reassesses the process of how store customers become loyal to their stores; what are the core subprocesses generating customer store loyalty, and what contributing moderators enrich the final outcome. A new empirical research is designed to identify and test a parsimonious model of core relationships and moderators. The result is an explanation chain that incorporates relational variables, trust, and commitment to the traditional transactional one, customer satisfaction, and the moderating factors of the relational variables. The findings reveal that 1) customer commitment is the major contributor of explanation to true customer loyalty, significantly more than the contributed explanation of customer satisfaction, and 2) four cognitive attitudes and four affective attitudes significantly moderate the relational effects of trust and commitment on customer store loyalty and, thus, contribute, though in small amounts, to a stronger explanation.

DOI: 10.4018/978-1-7998-1412-2.ch002

INTRODUCTION

In today's overcrowded consumer markets, customers can more easily identify themselves with brands based on successful positioning and effective fitting of product values to consumer needs. Notwithstanding, customers may not follow the same process when becoming loyal to stores where many brands, some of them competing, may complicate the B to C relationships and, thus, the way store customers become loyal.

The study aims at investigating anew the entire process of how store customers become loyal to their stores by not only describing the process but also attempting to explain it based on empirical research. Thus, this study of customer store loyalty focuses on 1) the explanation of true loyalty, 2) the understanding of a core process generating customer loyalty that is based on relational components in addition to transactional ones, and 3) the moderating effects produced by cognitive and affective attitudes shaping or modifying the core process. Thus, the following research questions are proposed: 1) what are the relational variables that necessarily mediate the relationship between customer store satisfaction and customer store loyalty? 2) What are the factors that moderate the effect of the mediating relational variables of the store satisfaction-loyalty relationship?

The conceptual framework that provides the basis to propose a conceptual model is first introduced and discussed. The research method and the results obtained are then presented, followed by a discussion of the findings and derivation of some research and managerial implications. Suggestions for future research, some managerial implications and the study conclusions are finally offered.

CONCEPTUAL FRAMEWORK

The conceptual framework of this study focuses on true loyalty, the core process store customers use to achieve it, and the moderating forces and attitudes intervening in the process either as shapers of a common path in customer loyalty formation or modifiers of specific paths in customer loyalty implementation.

Customer Store Loyalty

Store customers develop loyalty in various representations. Some of these refer to behavior, like going to the same store every week because the store is close to consumers' home, and others reflect attitudes like cognitive and affective. Past studies have focused on behavioral loyalty and helped build customer loyalty programs that encourage customers to repeat purchase in the same stores. Loyalty programs do not attempt to proactively influence customer attitudes. Customer loyalty involves both human behavior and attitudes; "a favorable correspondence between relative attitude and repeat patronage" (Dick & Basu, 1994, p. 102).

Thus, following Dick and Basu (1994) and Oliver (2010), this study examines customer loyalty in its three dimensions, cognitive, affective and behavioral. Both behavior and attitudes act in unison to generate customer store loyalty, true loyalty. True loyalty requires a meaningful presence of both positive attitudes and behavioral experience in consumers. The absence of attitudes limits the human experience to "spurious" loyalty and the absence of behavioral experience limits the attitudes to "latent" loyalty (Dick & Basu, 1994). "Spurious" loyalty is often represented or exemplified by repeat purchase and customer retention - themes that have been the focal point of abundant research.

Customer Satisfaction

Satisfaction is an evaluative, affective, or emotional response that evolves with the experience a consumer has with a good or service over a period (Oliver & Swan, 1989). Store customers experience satisfaction in more than one way (Oliver, 2010). They can be satisfied with the products they buy but fundamentally they may be satisfied with the transaction they get involved in when acquiring the product. Satisfaction is a cumulative construct that includes not only satisfaction with specific products and services but also with the various aspects of the transaction and the organization such as the interaction with employees and the physical facilities. Yet, transaction satisfaction is different from consumption satisfaction (Oliver, 2010) and both are different from competing satisfaction, particularly in stores (Chu, Vasquez-Parraga, & Ma, 2018; Vasquez-Parraga & Sahagun, 2014). Transaction satisfaction occurs during the interaction between the customer and the store personnel. Consumption satisfaction relates to satisfaction with the product and may occur after the purchase is completed. Finally, competing satisfaction is generated by other stores to which customers can switch. To comprehensively study customer satisfaction with stores it must include transaction and competing customer satisfactions.

In addition, the literature mentions brand satisfaction or satisfaction with the brand (Oliver, 2010). Granted, brand satisfaction may also deal with all three types of satisfaction but depend a lot more on consumption satisfaction than on transaction and competing satisfaction. Besides, stores can carry private brands which can be compared to national brands used at the store. Yet, this comparison alone is another subject.

Customer Satisfaction – Loyalty Relationship

According to Oliver (1993, p. 418), “a satisfactory purchase experience would appear to be one requirement for the type of continued interest in a product that may lead to repeat purchasing.” Moreover, “customer loyalty is a deeply held commitment to rebuy or re-patronize a preferred product or service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts that have the potential to cause switching behavior” (Oliver, 2010, p. 432). Accordingly, previous research has emphasized the role of customer satisfaction in the formation and evolution of customer loyalty and considered the satisfaction-loyalty linkage a solid explanation (Hallowell, 1996; Heskett, Jones, Loveman, Sasser, & Schlesinger, 1994; Liu, Huang, & Chen, 2014; Reichheld, 1996; Wang, Zha, Bi, & Chen, 2018).

Customer store satisfaction alone can be the result of a good transaction. Repeated purchases increase the number of transactions and therefore generate loyalty (Bolton, Lemon, & Verhoef, 2004; Chiou & Droge, 2006). Well, the customer loyalty those authors are talking about is so called spurious loyalty a related concept to repeated purchase (Orel & Kara, 2014; Terblande, 2018; Thomas, 2013). Spurious loyalty is fundamentally behavioral and relies on transactions, like the ones promoted by existing loyalty programs (Irshad, Amjad, & Janjua, 2015; Stathopoulou & Balabanis, 2016).

From Transactional to Relational Exchanges

Actual experiences of store customers, however, do not validate the customer satisfaction-loyalty simple path in the formation of their loyalty. Instead, store customers seem to follow a more complex path, one in which relational components are present and often dominate the transactional ones in the experienced core

process. Satisfaction with the transaction requires relational interactions; true loyalty is both behavioral and attitudinal; more importantly, attitudinal loyalty requires relational approaches to be generated. All these requirements force the researcher to look elsewhere for a meaningful explanation of how customer loyalty is generated and sustained.

Moreover, recent research has found that customer satisfaction and loyalty are only indirectly related (Miranda, Konya, & Havrila, 2005; Sivadas & Baker-Prewitt, 2000), that store loyalty cannot be generated by satisfaction alone as other predictors are better and stronger than satisfaction (Kumar, Pozza, & Ganesh, 2013), and that, therefore, there is a more complex process involved in the generation of customer loyalty (Schirmer, Ringle, Gudergan, & Feistel, 2018; Vasquez-Parraga, Sahagun, & Escobedo, 2014; Vasquez-Parraga & Sahagun, 2014).

Role of Trust and Commitment

The explanation of customer store loyalty requires an integrated explanation of the core process and the identification of moderating factors intervening in either the formation of the process or the sustenance of the process, or both. Empirical research shows that customers rely on both relations and transactions in their way to become loyal (Oliver, 2010). Key transactions include the purchase process, store characteristics, store brand, brand equity, private label share or usage, and the resulting customer satisfaction (Bilgihan, 2016; Coelho, Matos, & Caiado, 2016; Ipek, Askin, & Ilter, 2016; Koschate-Fisher, Cramer, & Hoyer, 2014; Murray, Elms, & Teller, 2017; Rubio, Villasenor, & Yague, 2016). Key relational processes include trust and commitment exchanges (Morgan & Hunt, 1994). Both transactions and relational processes are revealed in the loyalty path used by store customers (Carpenter, 2008; Chu, Vasquez-Parraga, & Ma, 2018; De Wulf, Odekerken-Schroder, & Iacobucci, 2001; Rafiq, Fulford, & Lu, 2013; Shpetim, 2012; Vasquez-Parraga, Sahagun, & Escobedo, 2014; Vasquez-Parraga & Sahagun, 2014), hotel guests (Zamora, Vasquez-Parraga, Morales, & Cisternas, 2004), airline travelers (Bravo, Vasquez-Parraga, & Zamora, 2005), land-transportation travelers (Zamora, Vasquez-Parraga, Rodriguez, & Gonzalez, 2011), non-profit services (Barra, Pressgrove, & Torres, 2018), and fast-food consumers (Sahagun & Vasquez-Parraga, 2014). Additional relational variables are examined in other studies such as word-of-mouth communication (Sivadas & Baker-Prewitt, 2000), and service experience (Kocak, Kabadayi, & Yilmaz, 2016).

CONCEPTUAL MODEL

Four cornerstone concepts are adopted in the conceptual model representing the core process of customer store formation, that is, how store customers become loyal to their stores. These concepts are customer satisfaction, trust, commitment and loyalty, all four sequentially linked to constitute an explanation chain (Vasquez-Parraga & Alonso, 2000). An explanation chain includes key variables used to offer a parsimonious explanation of a sought outcome or phenomenon (Hunt, 2010). The proposed explanation for customer store loyalty starts with customer satisfaction, which in turn generates customer trust that is followed by customer commitment to a relationship, which in turn results in customer loyalty. Thus, customer store loyalty can be defined as the result of customers and providers achieving successful relationships of trust and commitment after an initial satisfactory encounter (Chu, Vasquez-Parraga, & Ma, 2018; Vasquez-Parraga & Sahagun, 2014; Vasquez-Parraga, Sahagun, & Escobedo, 2014).

Explaining Customer Loyalty to Retail Stores

In addition, this conceptual model examines the moderating effects of relevant cognitive and affective attitudes impacting on the relational variables, trust and commitment (Vasquez-Parraga, Sahagun, & Escobedo, 2014). The cognitive factors include store familiarity, store choice, customer perceived risk, and communication between the company and the customer. The affective factors include customer opportunistic tendencies, consumer involvement, shared personal values, and shared management values.

METHODOLOGY

Research Design

The research method is designed to test a core process and its moderating factors in the formation of customer store loyalty, following the Vasquez-Alonso (V-A) approach (Vasquez-Parraga, Sahagun, & Escobedo, 2014). The core process is relational and highlights two relational variables, trust and commitments, as mediators in the relationship between customer store satisfaction and customer store loyalty. Thus, the core process consists of an explanation chain that starts with customer satisfaction, which influences trust. Trust is essentially linked to commitment as per previous literature, and commitment is the immediate antecedent of customer loyalty: Satisfaction → trust → commitment → customer loyalty. The explanation chain is supplemented by the moderating effects of cognitive and affective consumer traits on trust, when it relates to commitment, and commitment, when it relates to customer loyalty. The examined cognitive attributes include store familiarity, store choice, customer perceived risk, and communication between the company and the customer. The evaluated affective characteristics include customer opportunistic tendencies, consumer involvement, shared personal values, and shared management values.

Measurement

Customer store loyalty was examined in its three dimensions, cognitive, affective, and behavioral, as in Vasquez-Parraga, Sahagun, and Escobedo (2014). Cognitive loyalty and affective loyalty were measured using five items per construct, and behavioral loyalty was measured employing six items and a 7-point Likert Scale (1 = Strongly Disagree, 7 = Strongly Agree). Customer store satisfaction was assessed regarding consumption (4 items), transaction (4 items), and competition (4 items), as in Vasquez-Parraga, Sahagun, and Escobedo (2014). Trust was measured using six items and commitment was measured using 5 items. Table 2 shows the retained items under each construct.

The five cognitive moderators of trust and commitment include customer perceived risk, store familiarity, store choice, and communication between the company and the customer, and all are measured using five items per construct and a 7-point Likert Scale (1 = Strongly Disagree, 7 = Strongly Agree). The four affective moderators of trust and commitment include customer opportunistic propensity, consumer involvement, shared personal values, and shared management values with the retailer, and all are measured using five items per construct and a 7-point Likert Scale (1 = Strongly Disagree, 7 = Strongly Agree). Table 3 includes the retained items under each construct.

Sample

To implement the survey, adult consumers were approached in a geographical area where 1) consumers experience grocery stores carrying either national or local or both types of brands and 2) different requirements to get customer satisfaction in the short-term and gain customer loyalty, trust and commitment in the long-term can be scrutinized. Only adults who reported having shopping experience were interviewed. The approached overall sample included 488 store customers: about 61% are women, 45% are married, and 32% are older than 30 years, as shown in Table 1.

RESULTS AND DISCUSSION

Reliability and Validity Assessment

Using maximum likelihood factor analysis, it was found that all items loaded in the targeted constructs. Table 2 shows the core constructs including the items measured, their factor loadings, their reliability coefficients (α), and the average variance explained (AVE). The items representing cognitive, affective and behavioral loyalty loaded as expected in corresponding constructs and with standardized loading estimates above the minimum threshold (.50). The three constructs reflecting customer loyalty (cognitive, affective, and behavioral) show high reliability coefficients (above .70) and average variances explained

Table 1. Store Customers: Sample Profile (In %)

Sample Characteristics	Store Customers (n = 488)
Gender	
Males	
Females	
Marital Status	
Married	38.9
Single	61.1
Divorced and Separated	44.5
Age	45.9
20 years or less	9.6
Between 21-30 years	4.5
Between 31-40 years	50.1
Between 41-50 years	16.5
Household Size	15.9
Small (3 members or less)	51.4
Medium (4 -5 members)	42.0
Large (6 members or more)	6.6
Family Members Using the Same Store	38.5
3 members or less	39.9
4 to 6 members	21.6
More than 6 members	71.1
Employment Status	28.9
Employed (with formal or informal job)	100.0
Not employed (retired, student, housewife)	
TOTAL in each category	

Explaining Customer Loyalty to Retail Stores

Table 2. Core constructs: confirmatory factor analysis

Constructs and Items	Factor Loading
Cognitive Loyalty ($\alpha = .819$, AVE = 58.4%)	
Once I get to know a grocery store, I tend to use that store more often	.734
For the time being, I am not looking for an alternative store	.721
When I decide to stay with a store, I make sure that the store is adequate to my needs	.814
I am loyal to my grocery store because personnel at this store is very knowledgeable	.772
Client loyalty in grocery stores is based on good personal reasons and experiences	.775
Affective Loyalty ($\alpha = .885$, AVE = 68.7%)	
Once I get used to a store, I hate to switch	.782
I feel a strong loyalty to my favorite store	.865
I have developed some sort of emotional connection with my favorite store	.826
Continues service from my favorite store gives me peace of mind	.844
I'd like to have my current favorite store as my permanent store	.826
Inner Behavioral Loyalty ($\alpha = .860$, AVE = 70.8%)	
Even though grocery stores are available in many brands, I always use the same one	.819
If I like a grocery store, I rarely switch from it just to try something different	.767
I have been with my favorite store for a long time	.893
I plan to continue relying on my favorite store for a long time	.881
Outer Behavioral Loyalty ($\alpha = .854$, AVE = 87.3%)	
I say positive things about my favorite store to others	.934
I encourage friends and relatives to use my favorite store	.934
Commitment ($\alpha = .913$, AVE = 74.5%)	
I am proud to be a client of my favorite grocery store	.885
I feel a sense of belonging to my store	.905
As far I am concerned no one could choose a better grocery store	.865
I am very confident about the success of my store	.833
I feel that I have a personal relationship with my grocery store	.825
Trust ($\alpha = .909$, AVE = 68.8%)	
I have complete faith in the integrity of the personnel at my store	.821
I feel quite confident that my store will always try to treat me fairly	.877
My grocery store has been truthful in dealing with me	.841
My store would never try to gain an advantage by deceiving its clients	.813
My grocery store is trustworthy	.867
I am sure that the offerings at my favorite grocery store are valuable ones	.754
Satisfaction with Service ($\alpha = .919$, AVE = 80.8%)	
This is one of the best experiences with a grocery store I have ever had	.840
This grocery store is exactly what I need	.919
This grocery store has worked out as well as I thought it would	.926
This grocery store has adequately fulfilled my expectations	.908
Satisfaction with Employees ($\alpha = .881$, AVE = 74.0%)	
Employees at my current grocery store give me personal attention	.865
Employees at my current grocery store know what they are doing	.873
Employees at my grocery store are never too busy to respond to client requests promptly	.859
Employees from my favorite grocery store are polite	.842
Satisfaction Despite Competition ($\alpha = .912$, AVE = 79.1%)	
Compared to the other stores my grocery store offers the best products	.884
Compared to the other stores, my grocery store has the best reputation	.898
Compared to the other stores, my stores give customers the best satisfaction overall	.911
I am satisfied with my decision to choose this store over all the other stores	.864

α = Cronbach coefficient alpha.

AVE = average variance extracted

above .50, as required in reliability and convergent validity assessments (Hair, Babin, Anderson, & Black, 2018).

The relational core constructs, trust and commitment, showed to be unidimensional and have all measured items loaded into the corresponding constructs with standardized loading estimates higher than .75, reliability coefficients above .90, and average variance explained above 68 percent. The items reflecting satisfaction with consumption, satisfaction with transaction, and satisfaction in competition loaded as expected in corresponding constructs with standardized loading estimates higher than .86, reliability coefficients above .88, and average variance explained above 74 percent. Confirmatory factor analysis performed for the moderating factors showed that all items loaded into the expected construct with standardized loading estimates higher than .60, reliability coefficients above .70 and average variances explained above 50 percent, as shown in Table 3. Thus, all constructs in this study passed the test of reliability and convergent validity (Hair et al., 2018).

All correlations are positive and significant among the core constructs (coefficients vary from .63 to .78). All cognitive moderating factors are positively and significantly related to each other and to the other variables with very few exceptions. Store choice is positively and significantly related to all variables. Store familiarity, perceived risk, and communication are also positively and significantly related to all variables except opportunism (with store familiarity) and shared personal values (with perceived risk and communication). Similarly, all affective factors are significantly related to all variables, although three variables positively and one variable (opportunism) negatively. Correlations are negative between opportunism and the core variables, as expected, and negative with the moderating variables except store choice and perceived risk. Consumer involvement, shared personal values and shared management values are positively and significantly related to all variables except shared personal values (involvement), commitment (shared personal values), and opportunism (shared management values), as shown in Table 4.

For discriminant validity assessment, Table 3 shows that all square roots of average variance explained estimates are larger than the corresponding inter-construct correlation estimates (Hair et al., 2018).

Explanation Chain

SEM Results

A structural equation model is presented to estimate the simultaneous relationships and the measurement errors occurring in the explanation chain. Figure 1 shows the well-fitted second-order constructs of loyalty and satisfaction, and the resulting overall fit of the model representing the explanation chain. Customer loyalty is a second-order factor derived from four dimensions: cognitive loyalty, affective loyalty, inner behavioral loyalty, and outer behavioral loyalty. Customer satisfaction is also a second-order factor derived from three types of satisfaction: service satisfaction, transaction satisfaction, and competing satisfaction. The R^2 obtained for customer loyalty using SEM is higher ($R^2 = .671$) than the coefficient estimated using SPSS ($R^2 = .556$) mainly because of the simultaneous effects.

Table 5 summarizes the results obtained using SEM. All factor loadings are above .40 as required for item retention and all structural parameter estimates are higher than .70 (Hair et al., 2018). The model fit measures are within the thresholds required (Hair et al., 2018): CFI = .918, NNFI = .912, Chi Squared (692) = 1,788.581 at $p = .000$, RMSEA = .057, and SRMR = .0615. Both, Figure 1 and Table 5 also show the explained variances of trust ($R^2 = .588$), commitment ($R^2 = .698$) and customer loyalty ($R^2 = .671$), denoting elevated levels of explanation that derive from these variables alone.

Explaining Customer Loyalty to Retail Stores

Table 3. Moderating factors: confirmatory factor analysis

Constructs and Items	Factor Loading
Store Choice ($\alpha = .705$, AVE = 50.5%)	
I know that there are several possible alternatives to my favorite grocery store	.743
Before I selected my grocery store, I knew about several alternatives	.806
I often check about new possible alternatives to my current grocery store	.645
The prices at my favorite store are competitive	.603
Store Familiarity ($\alpha = .879$, AVE = 67.7%)	
Compared to other people, I know a lot about grocery stores	.842
Compares to most of my friends, I know a lot about grocery stores	.849
I am familiar with many products offered by my favorite store	.834
I know a lot about selecting products and services made available by grocery stores	.850
I have a clear idea about what grocery stores should offer for me to get maximum satisfaction	.732
Opportunism ($\alpha = .852$, AVE = 63.0%)	
To accomplish its own objectives, my store might not provide me with the best benefits available	.719
To accomplish its own objectives, my store sometimes promises to do things without actually delivering them	.805
My grocery store sometimes pretends that a service is of values to me, when in fact the store is looking out for itself	.858
I think that my store does not care about me	.814
My grocery store only cares about the money I pay	.766
Perceived Risk ($\alpha = .848$, AVE = 62.5%)	
I am concerned about making a mistake in choosing a grocery store	.758
The decision to choose a grocery store involves high risk	.842
If I have to switch my current store, I might lose some benefits I have already earned	.832
I think that there is a hidden cost if I switch my current store	.828
Switching among stores involves a cost in terms of time and effort	.681
Communication ($\alpha = .872$, AVE = 66.5%)	
My store keeps me informed of new products	.736
My store clearly explains the product features when I ask	.846
When I make suggestions, the personnel working at my store always listens to my suggestions	.845
If I want to, I can have detailed conversations regarding products and prices with personnel from my store	.858
As far as I know, my store cares about receiving feedback from its customers	.786
Consumer Involvement ($\alpha = .897$, AVE = 71.0%)	
I have great interest in grocery stores	.858
Grocery stores are fascinating	.889
I have a compulsive need to know more about grocery stores	.857
I like to make comparisons between grocery stores	.747
I like to talk to my friends about grocery stores	.856
Shared Personal Values ($\alpha = .708$, AVE = 51.7%)	
In this business, unethical behaviors shouldn't be tolerated	.784
In this business, using unethical advertising cannot be justified	.792
The way opportunistic stores try to get new customers is unethical	.679
It is unethical to call a competitor's customers and try to convince them to switch stores	.605
Shared Management Values ($\alpha = .714$, AVE = 54.3%)	
In this business, unethical behaviors shouldn't be tolerated	.807
In this business, using unethical advertising cannot be justified	.746
The way opportunistic stores try to get new customers is unethical	.725
It is unethical to call a competitor's customers and try to convince them to switch stores	.662

α = Cronbach coefficient alpha.

AVE = average variance extracted

Regression

Table 6 summarizes the results of a multi-regression analysis showing the effects of the core variables on customer loyalty and the effects of the moderating variables interacting with the relational variables,

Table 4. Correlations matrix

Variable	1	2	3	4	5	6	7	8	9	10	11	12
1. Loyalty	.812^a											
2. Commitment	.720**	.864^a										
3. Trust	.659**	.779**	.835^a									
4. Satisfaction	.629**	.678**	.723**	.879^a								
5. Opportunism	-.133**	-.110**	-.222**	-.254**	.797^a							
6. Shared Personal Values	.171**	.134**	.166**	.195**	.006	.719^a						
7. Shared Management Values	.145**	.186**	.189**	.258**	.007	.495**	.738^a					
8. Communication	.503**	.577**	.619**	.697**	-.215**	.157**	.253**	.815^a				
9. Store Familiarity	.418**	.482**	.452**	.510**	-.053	.223**	.162**	.477**	.824^a			
10. Store Choice	.186**	.285**	.296**	.204**	.269**	.214**	.163**	.221**	.335**	.711^a		
11. Perceived Risk	.258**	.383**	.242**	.305**	.226**	.046	.199**	.385**	.335**	.219**	.789^a	
12. Consumer Involvement	.266**	.434**	.308**	.362**	.049	.127**	.227**	.528**	.491**	.234**	.565**	.846^a

^aSquare root of average variance explained estimates.
 **Correlation is significant at the 0.01 level (2-tailed).
 * Correlation is significant at the 0.05 level (2-tailed).

trust and commitment.

Model 1 accounts for the basic explanation chain (presented in research design) in which only core variables participate. The resulting R² is .556 to which commitment is the major contributor, followed by satisfaction and trust. Model 2 incorporates the moderating factors in the regression with a .027 increase in the overall explanation and four variables contributing significantly, store familiarity and, to a lesser extent, consumer involvement, shared personal values, and shared management values. Finally, Model 3 adds two-way interaction terms between core variables and moderating variables. The result is a net increase of .015 in the R² with only one significant though negative interaction between shared personal values and trust. Models 2 and 3 contribute a total ΔR² = .042.

The overall regression results (R² = .596) reveal that the large effects of satisfaction, trust and commitment, formed in an explanation chain, on customer loyalty, the dependent variable, clearly overwhelm the small effects of the moderating variables (ΔR² = .042). These results do not deny the importance of other variables in the process of generating customer store loyalty; they highlight the importance of the core variables of the explanation chain as the central forces shaping the formation and sustenance process of customer store loyalty.

FUTURE RESEARCH DIRECTIONS

Despite the well-supported findings in this research, additional research is needed on customer store loyalty in different contexts and other characteristics. New research may also explore other moderating

Explaining Customer Loyalty to Retail Stores

Table 5. SEM results

Measurement Parameters Standardized Estimates							
Factor Loadings				Error Variances			
λSat_E1	.811***	λLo_B1	.692***	eSat_E1	.061***	eLo_B1	.090***
λSat_E2	.811***	λLo_B2	.611***	eSat_E2	.046***	eLo_B2	.113***
λSat_E3	.797***	λLo_B3	.863***	eSat_E3	.063***	eLo_B3	.060***
λSat_E4	.755***	λLo_B4	.886***	eSat_E4	.054***	eLo_B4	.048***
λSat_S1	.745***	λLo_B5	.876***	eSat_S1	.058***	eLo_B5	.078***
λSat_S2	.860***	λLo_B6	.822***	eSat_S2	.037***	eLo_B6	.088***
λSat_S3	.885***	λLo_A1	.713***	eSat_S3	.031***	eLo_A1	.105***
λSat_S4	.885***	λLo_A2	.835***	eSat_S4	.028***	eLo_A2	.063***
λSat_C1	.813***	λLo_A3	.717***	eSat_C1	.042***	eLo_A3	.110***
λSat_C2	.821***	λLo_A4	.752***	eSat_C2	.043***	eLo_A4	.078***
λSat_C3	.875***	λLo_A5	.776***	eSat_C3	.033***	eLo_A5	.071***
λSat_C4	.803***	λLo_C1	.612***	eSat_C4	.044***	eLo_C1	.077***
λTrust1	.812***	λLo_C2	.623***	eTrust1	.053***	eLo_C2	.104***
λTrust2	.837***	λLo_C3	.694***	eTrust2	.043***	eLo_C3	.074***
λTrust3	.774***	λLo_C4	.750***	eTrust3	.049***	eLo_C4	.086***
λTrust4	.771***	λLo_C5	.626***	eTrust4	.062***	eLo_C5	.082***
λTrust5	.800***			eTrust5	.041***		
λTrust6	.621***			eTrust6	.070***		
λComt1	.858***			eComt1	.042***		
λComt2	.870***			eComt2	.043***		
λComt3	.804***			eComt3	.059***		
λComt4	.771***			eComt4	.052***		
λComt5	.757***			eComt5	.075***		
Structural parameter estimates		Gamma (γ 's)					
γSatisfaction-Trust		.766					
γTrust-Commitment		.835					
γCommitment-Loyalty		.819					
Second order factors		Gamma (γ 's)		Second order factors		Gamma (γ 's)	
γLoyalty-Loy_B		.746		γSatisfaction-Sat_E		.869	
γLoyalty-Loyal_A		.949		γSatisfaction-Sat_S		.873	
γLoyalty-Loyal_C		.929		γSatisfaction-Sat_C		.918	
Explained variances:		R²Trust = .588		R²Commitment = .698		R²Loyalty = .671	
Goodness of fit:							
X ² (692) = 1788.581, p = .000 CMIN/DF = 2.585							
RMSEA = .057 SRMR = .0615							
TLI/NNFI = .912							
CFI = .918							

***p<.001 (two-tailed)

Figure 1. Customer Store Loyalty: Explanation Chain

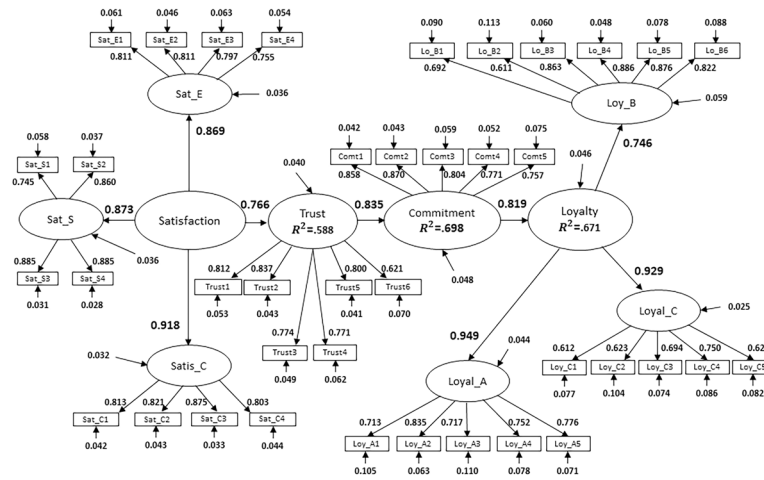


Table 6. Explanation of store loyalty: regression results

Dependent Variable: Customer Loyalty	MODEL 1 ^a		MODEL 2 ^b		MODEL 3 ^c	
	beta	t-value	beta	t-value	beta	t-value
Constant	21.169***	7.595	21.452***	5.386	2.360	.181
Commitment	.483***	10.353	.495***	10.145	.360	1.398
Trust	.143***	2.878	.127***	2.495	.468***	1.754
Satisfaction	.201***	4.738	.146***	3.104	.151***	3.196
Opportunism			-.007	-.192	-.008	-.210
Shared Personal Values			.079**	2.197	.310**	2.219
Shared Management Values			-.080**	-2.192	-.068*	-1.796
Communication			.040	.909	.046	1.028
Store Familiarity			.163***	4.173	-.037	-.223
Store Choice			-.055	-1.569	-.057	-.403
Perceived Risk			-.024	-.606	-.020	-.506
Consumer Involvement			-.088**	-2.084	.320**	1.981
Trust x Shared Personal Values					-.761**	-2.215
R²	.556		.584		.596	
F	201.568		60.738		36.326	
R²			.027		.015	

^aCore variable effects

^bModerating variable effects

^cTwo-way interaction effects

*p<.10, **p<.05, ***p<.01 (one-tailed test for hypothesized relationships).

Explaining Customer Loyalty to Retail Stores

factors or the same factors under different conditions. Because the offered explanation chain can be rivaled by other explanations, other frameworks and other explanation proposals can be generated and tested for validity, reliability, and parsimony.

MANAGERIAL IMPLICATIONS

Important managerial implications of this research relate to the understanding and practice of loyalty development among store customers. Store managers will benefit from knowing that customer satisfaction alone will not generate customer loyalty in the long-term mainly because transactions alone (repeated purchase, spurious loyalty) do not guarantee stable consumer attitudes in the presence of competition. In today's complex environment of increasing competition and innovation among stores, managers will learn to achieve "true" customer loyalty by pursuing the relational path of trust and commitment immediately after attaining customer store satisfaction. Managers will also learn to use knowledge about the role of some moderating factors, such as store familiarity, consumer involvement, or shared personal values, in the formation of customer store loyalty.

CONCLUSION

This study aimed at examining anew the entire process of how store customers become loyal to their stores. To accomplish this objective, a theoretical and empirical research was aimed at identifying and testing a parsimonious model. A core process of customer loyalty formation was defined and modeled as an explanation chain that incorporates key variables used to offer a parsimonious explanation of customer true loyalty as follows: store loyalty starts with customer satisfaction, which in turn generates customer trust that is followed by customer commitment to a relationship, which in turn results in customer loyalty. Said differently, customer store loyalty is the result of customers and providers achieving successful relationships of trust and commitment after an initial satisfactory encounter.

The key contribution of this research lies on the use of relational components (trust and commitment) in addition to transactional ones (satisfaction), and the moderating effects produced by cognitive and affective attitudes shaping or modifying the core process. The findings demonstrate that customer commitment is the major contributor of explanation to customer loyalty, significantly more than the contributed explanation of customer satisfaction.

Some cognitive moderating factors (store familiarity) and some affective moderating factors (consumer involvement, shared personal values, and shared management values) are significantly related to the core variables and thus contribute an explanation; yet their contribution is very small in comparison to the contribution of the core variables.

This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

REFERENCES

- (2000). Antecedents of customer loyalty for strategic intent. In Vasquez-Parraga, A. Z., & Alonso, S. (Eds.), *Proceedings of Marketing Theory and Applications*. Chicago, IL: American Marketing Association.
- Barra, C., Pressgrove, G., & Torres, E. (2018). Trust and commitment in the formation of donor loyalty. *Service Industries Journal*, 38(5-6), 360–377. doi:10.1080/02642069.2017.1405937
- Bilgihan, A. (2016). Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. *Computers in Human Behavior*, 61, 103–113. doi:10.1016/j.chb.2016.03.014
- Bolton, R. N., Lemon, K. N., & Verhoef, P. C. (2004). The theoretical underpinnings of customer asset management: A framework and propositions for future research. *Journal of the Academy of Marketing Science*, 32(3), 271–292. doi:10.1177/0092070304263341
- Bravo, M., Vasquez-Parraga, A. Z., & Zamora, J. (2005). Loyalty in the air: Real and fictitious factors in the formation of loyalty of airline passengers. *Studies and Perspectives in Tourism*, 14(2), 101–126.
- Carpenter, J. M. (2008). Consumer shopping value, satisfaction and loyalty in discount retailing. *Journal of Retailing and Consumer Services*, 15(5), 358–363. doi:10.1016/j.jretconser.2007.08.003
- Chiou, J. S., & Droge, C. (2006). Service quality, trust, specific asset investment, and expertise: Direct and indirect effects in a satisfaction-loyalty framework. *Journal of the Academy of Marketing Science*, 34(4), 613–627. doi:10.1177/0092070306286934
- Chu, Y., Vasquez-Parraga, A. Z., & Ma, J. (2018). Antecedents of store loyalty among Chinese customers. *International Journal of Business*, 23(2), 151–165.
- Coelho, R., Matos, P. V., & Caiado, J. (2016). The impact of private labels on consumer store loyalty: An integrative perspective. *Journal of Retailing and Consumer Services*, 28, 179–188. doi:10.1016/j.jretconser.2015.10.003
- De Wulf, K., Odekerken-Schroder, G., & Iacobucci, D. (2001). Investments in consumer relationships: A cross-country and cross-industry exploration. *Journal of Marketing*, 65(October), 33–50. doi:10.1509/jmkg.65.4.33.18386
- Dick, A. S., & Basu, K. (1994). Customer loyalty: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(Spring), 99–113. doi:10.1177/0092070394222001
- Hair, J., Babin, B., Anderson, R., & Black, W. (2018). *Multivariate data analysis, a global perspective* (8th ed.). Boston, MA: Cengage Learning.
- Hallowell, R. (1996). The relationships of customer satisfaction, customer loyalty, and profitability: An empirical study. *International Journal of Service Industry Management*, 7(4), 27–42. doi:10.1108/09564239610129931
- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E., Jr., & Schlesinger, L. A. (1994). Putting the service profit chain to work. *Harvard Business Review*, (March-April).

Explaining Customer Loyalty to Retail Stores

Hunt, S. D. (2010). *Marketing Theory: Foundations, Controversy, Strategy, Resource-Advantage Theory*. New York, NY: M. E. Sharpe.

Ipek, I., Askin, N., & Ilter, B. (2016). Private label usage and store loyalty: The moderating impact of shopping value. *Journal of Retailing and Consumer Services*, *31*, 72–79. doi:10.1016/j.jretconser.2016.03.011

Irshad, M., Amjad, S., & Janjua, S. Y. (2015). Impact of loyalty programs on customers' loyalty: A case study of shoes and handbags retail outlets of Pakistan. *Pakistan Journal of Psychological Research*, *30*(1), 95.

Kocak, A., Kabadayi, E. T., & Yilmaz, C. (2016). Cognitive and affective constituents of the consumption experience in retail service settings: Effects on store loyalty. *Service Business*, *10*(4), 715–735. doi:10.1007/11628-015-0288-8

Koschate-Fisher, N., Cramer, J., & Hoyer, W. (2014). Moderating effects of the relationship between private label and store loyalty. *Journal of Marketing*, *78*(March), 69–82. doi:10.1509/jm.13.0075

Kumar, V., Pozza, I. D., & Ganesh, J. (2013). Revisiting the satisfaction-loyalty relationship: Empirical generalizations and directions for future research. *Journal of Retailing*, *89*(3), 246–262. doi:10.1016/j.jretai.2013.02.001

Liu, C.-M., Huang, C.-J., & Chen, M.-L. (2014). Relational benefits, customer satisfaction, and customer loyalty in chain store restaurants. *International Journal of Organizational Innovation*, *7*(1), 46–56.

Miranda, M. J., Konya, L., & Havrila, I. (2005). Shoppers' satisfaction levels are not the only key to store loyalty. *Marketing Intelligence & Planning*, *23*(2), 220–232. doi:10.1108/02634500510589958

Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, *58*(3), 20–38. doi:10.1177/002224299405800302

Murray, J., Elms, J., & Teller, C. (2017). Examining the role of store design on consumers' cross-sectional perceptions of retail brand loyalty. *Journal of Retailing and Consumer Services*, *38*, 147–156. doi:10.1016/j.jretconser.2017.06.001

Musso, F., & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8

Oliver, R. L. (1993). Cognitive, affective, and attribute bases of the satisfaction response. *The Journal of Consumer Research*, *20*(December), 418–430. doi:10.1086/209358

Oliver, R. L. (2010). *Satisfaction: A behavioral perspective on the consumer* (2nd ed.). New York, NY: M.E. Sharpe.

Oliver, R. L., & Swan, J. E. (1989). Equity and disconfirmation perceptions as influences on merchant and product satisfaction. *The Journal of Consumer Research*, *16*(December), 372–383. doi:10.1086/209223

Orel, F. D., & Kara, A. (2014). Supermarket self-checkout service quality, customer satisfaction, and loyalty: Empirical evidence from an emerging market. *Journal of Retailing and Consumer Services*, *21*(2), 118–129. doi:10.1016/j.jretconser.2013.07.002

- Rafiq, M., Fulford, H., & Lu, X. (2013). Building customer loyalty in online retailing: The role of relationship quality. *Journal of Marketing Management*, 29(3-4), 494–517. doi:10.1080/0267257X.2012.737356
- Reichheld, F. F. (1996). *The Loyalty Effect*. Boston, MA: Harvard Business School Press.
- Rubio, N., Villasenor, N., & Yague, M. J. (2016). Creation of consumer loyalty and trust in the retailer through store brands: The moderating effect of choice of store brand name. *Journal of Retailing and Consumer Services*, 34, 358–368. doi:10.1016/j.jretconser.2016.07.014
- Sahagun, M., & Vasquez-Parraga, A. (2014). Can fast-food consumers be loyal customers, if so how? Theory, method and findings. *Journal of Retailing and Consumer Services*, 21(2), 168–174. doi:10.1016/j.jretconser.2013.12.002
- Schirmer, N., Ringle, C., Gudergan, S., & Feistel, M. (2018). The link between customer satisfaction and loyalty: The moderating role of customer characteristics. *Journal of Strategic Marketing*, 26(4), 298–317. doi:10.1080/0965254X.2016.1240214
- Shpetim, C. (2012). Exploring the relationships among service quality, satisfaction, trust and store loyalty among retail customers. *Journal of Competitiveness*, 4(4), 16–35. doi:10.7441/joc.2012.04.02
- Sivadas, E., & Baker-Prewitt, J. L. (2000). An examination of the relationship between service quality, customer satisfaction, and store loyalty. *International Journal of Retail & Distribution Management*, 28(2), 73–82. doi:10.1108/09590550010315223
- Stathopoulou, A., & Balabanis, G. (2016). The effects of loyalty programs on customer satisfaction, trust, and loyalty toward high- and low-end fashion retailers. *Journal of Business Research*, 69(12), 5801–5808. doi:10.1016/j.jbusres.2016.04.177
- Terblande, N. (2018). Revisiting the supermarket in-store customer shopping experience. *Journal of Retailing and Consumer Services*, 40, 48–59. doi:10.1016/j.jretconser.2017.09.004
- Thomas, S. (2013). Linking customer loyalty to customer satisfaction and store image: A structural model for retail stores. *Decision (Washington, D.C.)*, 40(1-2), 15–25.
- Vasquez-Parraga, A. Z., & Sahagun, M. (2014). Explaining customer loyalty to retail stores in U.S. Hispanic markets. *International Journal of Economic Behavior*, 4, 3–16.
- Vasquez-Parraga, A. Z., Sahagun, M., & Escobedo, P. J. (2014). Customer store loyalty: Process, explanation chain, and moderating factors. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 70–85). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch005
- Wang, D., Zha, Y., Bi, G., & Chen, Y. (2018). Meta-analysis of satisfaction-loyalty relationship in E-commerce: Sample and measurement characteristics as moderators. *Wireless Personal Communications*, 103(1), 941–962. doi:10.1007/11277-018-5488-9
- Zamora, J., Vasquez-Parraga, A. Z., Morales, F., & Cisternas, C. (2004). Formation process of guest loyalty: Theory and an empirical test. *Studies and Perspectives in Tourism*, 13(3-4), 197–221.

Explaining Customer Loyalty to Retail Stores

Zamora, J., Vasquez-Parraga, A. Z., Rodriguez, A., & Gonzalez, A. (2011). Road travelers' motivations and loyalty: Train versus bus services. *Journal of Travel & Tourism Marketing*, 28(5), 541–555. doi:10.1080/10548408.2011.588119

ADDITIONAL READING

Ailawadi, K. L., Pauwels, K., & Steenkamp, J.-B. E. M. (2008). Private-label use and store loyalty. *Journal of Marketing*, 72(6), 19–30. doi:10.1509/jmkg.72.6.019

Bustos-Reyes, C. A., & Gonzalez-Benito, O. (2008). Store and store format loyalty measures based on budget allocation. *Journal of Business Research*, 61(9), 1015–1025. doi:10.1016/j.jbusres.2007.03.008

Chen, Y.-H., Wang, X., Wang, Y.-Y., & Tsai, S.-C. (2010). The moderating effect of retailer image on customers' satisfaction-loyalty link. In *The 2010 7th. International Conference on Service Systems and Service Management (ICSSSM)*, Taichung, Taiwan: Asia University.

Evanschitzky, H., & Wunderlich, M. (2006). An examination of moderator effects in the four-stage loyalty model. *Journal of Service Research*, 8(4), 330–345. doi:10.1177/1094670506286325

Fullerton, G. (2005). The service quality-loyalty relationship in retail services: Does commitment matter? *Journal of Retailing and Consumer Services*, 12(2), 99–111. doi:10.1016/j.jretconser.2004.04.001

Lee, W.-I., Chang, C.-Y., & Liu, Y.-L. (2010). Exploring customers' store loyalty using the means-end chain approach. *Journal of Retailing and Consumer Services*, 17(5), 395–405. doi:10.1016/j.jretconser.2010.04.001

Sawmong, S., & Ogenyy, O. (2004). The store loyalty of the U.K.'s retail consumers. *The Journal of American Academy of Business, Cambridge*, (September): 503–509.

Torres, E., Vásquez-Parraga, A. Z., & Zamora, J. (2008). Customer satisfaction and loyalty: Start with the product, culminate with the brand. *Journal of Consumer Marketing*, 25(5), 302–313. doi:10.1108/07363760810890534

Wong, A., & Sohal, A. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing*, 17(5), 495–513. doi:10.1108/08876040310486285

KEY TERMS AND DEFINITIONS

Customer Commitment: Customer's engagement or continuous obligation to buy the same product or use the same company.

Customer Satisfaction: Customer's fulfillment or gratification for buying a product or using a company.

Customer Store Loyalty: Long-term relationship of customers to their stores.

Customer Trust: Customer's confidence in a product or person or company.

Explanation Chain of Customer Store Loyalty: The process of customer store loyalty is explained using three antecedents in a sequential order as follows: it starts with customer satisfaction, which influences trust. Trust is essentially linked to commitment as per previous literature, and commitment is the immediate antecedent of customer loyalty: Satisfaction → trust → commitment → customer store loyalty.

Store Customer: Buyers and users of store products.

Vasquez-Alonso (V-A) Approach: Refers to the conceptual model designed to explain customer store loyalty using four core variables (customer satisfaction, trust, commitment, and loyalty) to account for the main effects, and eight secondary variables to account for the moderating effects. The last group includes four cognitive variables (store familiarity, store choice, customer perceived risk, and communication) moderating the effects of trust and commitment on customer loyalty, and four affective variables (customer opportunism, consumer involvement, customer shared personal values, and customer shared management values) likewise moderating the effects of trust and commitment on customer loyalty.

Chapter 3

Satisfying Customers Through Premium Private Labels: Identifying Drivers of Customer Loyalty to the Retailer

Elisa Martinelli

Università degli Studi di Modena e Reggio Emilia, Italy

Donata Tania Vergura

University of Parma, Italy

ABSTRACT

Private labels (PLs) are continuously increasing their presence and evolving their role in the grocery retailing business. It is especially the premium tier, the so-called Premium Private Label (PPL), that shows the most interesting market share increase and prospect of growth. In this context, the chapter explores the role of PPLs in generating customer loyalty to the retailer. Specifically, a theoretical model in which the drivers of customer satisfaction to the PPL - namely: perceived PPL quality, assortment, access, and value - are engendering customer loyalty to the PPL and, through its mediating role, generating customer loyalty to the retailer is proposed and tested. The empirical research builds on a survey with a sample of 299 retail consumers. A structural equation model was performed to analyze the data. Results show that PPLs positively impact customer loyalty to the retailer through a causal relationship driven by PPL perceived quality and PPL value.

INTRODUCTION

Private labels (PLs), termed as store brands or retail brands too, are defined as brands owned, controlled, and sold exclusively by one retailer under its own brand name (Sethuraman & Cole, 1999). Today PLs are a consistent phenomenon in retailing and are very popular among consumers, especially among Europe's shoppers. The Private Label Manufacturers Association (PLMA, 2019) registers that in 17 European countries PLs market share holds 30% or more, meaning that at least every third product sold is a PL

DOI: 10.4018/978-1-7998-1412-2.ch003

product. Spain (51%), Switzerland (49%) and United Kingdom (47%) lead the way with the highest market shares; in these countries every second product sold is a retailer brand. In Italy, national study context of the research presented in this chapter, PLs possess a lower market share, equals to 19.3%, but show a tendency to a slow but steady increase over time (IRI, 2019).

PLs have grown in availability and market share, thanks to the following driving factors: firstly, the increasing level of concentration in retailing, which enables grocery chains to offer own brands, as this policy requires economies of scale to be purposed; secondly, a much more positive consumer attitude towards PLs in general, thanks to an increase in their quality perceptions (Steenkamp et al., 2010); thirdly, their price convenience in comparison with national brands (NB).

Traditionally, PLs have been positioned as low price/good value for money offerings as for the perceived quality differential with NBs. However, the PL role has greatly evolved over time: the width of PL offerings has enlarged and these products are now present not only in almost any Fast Moving Consumer Goods (FMCG) category (Martos-Partal et al., 2015), but also in the non-food ones (e.g. clothes, appliances, etc.) and in services (travel booking, broadband communications, etc.) (Martinelli et al., 2015). At the same time, the depth of PLs offerings has increased and different lines of store brands have been introduced by retailers in order to satisfy consumers' demands in different market segments (Sayman & Raju, 2004). New types of PLs are now present on the shelves and some of them are explicitly direct at significantly improving perceived quality as they tend to use the same creation codes as NBs (Burt, 2000). On the basis of positioning differentiation, store brands can now be divided into 2-tier (Yang & Wang, 2010) or 3-tier (Lamey et al., 2007) PLs. Under this strategy, Premium Private Labels (PPL) are gaining an increasing interest. PPLs were outlined as *"consumer products, produced by or on behalf of retailers with high quality and priced close to national brands, that contribute to differentiating the retailer from its competitors"* (Huang & Huddleston, 2009). Examples are Tesco's "Finest" in UK, Loblaws' "President's Choice" in Canada, Coop's "Fior Fiore" in Italy. In order to achieve a "premium" positioning for their products, retailers are investing in appealing packaging and in advertisement on the media, as well as in store brand retail outlets (Lincoln & Thomassen, 2008).

Given these premises, the current chapter aims at investigating the role performed by PPLs in generating customer loyalty to the retailer. Specifically, the drivers of customer satisfaction to the PPL - namely: perceived PPL quality, PPL assortment, PPL access and PPL value - are considered as engendering customer loyalty to the PPL and, through its mediating role, generating customer loyalty to the retailer. As a matter of fact, PPLs are an important tool that grocery retailers are recently using to upgrade the chain's image and strengthen customer loyalty to the retailer as a brand. Consequently, it would be useful to give support to this strategy verifying the role of PPLs in the formation of customer loyalty to the retailer as extant literature does not provide sufficient empirical proof of this relationship. In fact, the literature on PLs is rich in studies on the drivers influencing the introduction of standard PLs (among others: Raju et al., 1995; Sayman & Raju, 2004), but poor when it comes to PPLs (Ter Braak et al., 2014). But as Walsh and Mitchell (2010) stated "Now that the market for PLB is maturing and any retailers are offering premium PLB that compete directly with national brands on the basis of quality and branding to attract a different segment of the market, research needs to look at other explanatory variables that might explain consumers' intention to buy private label brands". Accordingly, the present study aims at contributing to the scientific knowledge on consumer behaviour regarding PPLs, verifying the effect of some key drivers generating loyalty to the PPL. This is conceptualized in a conative perspective as intention to purchase PPL SKUs. Moreover, current literature lacks in verifying the determinants of customer satisfaction with PPLs. Therefore, our research questions are as follows: Which are the driv-

Satisfying Customers Through Premium Private Labels

ers of customer satisfaction with PPLs? Does customer satisfaction with PPL translate into customer loyalty to the PPL? And ultimately: is customer loyalty to the PPL able to generate customer loyalty to the retailer? To respond to these queries, this study intends to test a theoretical model on the basis of the data collected administering a questionnaire to a sample of 299 Italian retail customers

In this way, this chapter aims at contributing to the literature on customer behavior and private labels as follows. Firstly, it systematically outlines the evolution of the literature on the role of PLs in the retailer-consumer relationship, aiming at becoming a reference for tracing the achievements of the extant literature on the topic. Secondly, it specifically examines and investigates the role of PPL in the process of developing customer loyalty to the retailer, filling in the gap of knowledge of extant literature on this topic. From this point of view, it would give scientific support of the importance of PPLs in building customer satisfaction and loyalty for these kinds of products, and in so doing gaining customer loyalty to the retail chain. This chapter would also contribute to extend the knowledge of retail managers and consultants on PLs and customer loyalty in retail contexts. Moreover, the reading of this chapter would provide retail managers and consultants with the knowledge of PPLs cues in which to invest in order to satisfy customers and gain their preferences.

From a structural point of view, the chapter is organised as follows. After reviewing the literature on the role played by PLs in the retailer-consumer relationship, the chapter would focus on PPLs and then it explains the conceptual framework and the hypotheses underpinning the study. Subsequently, the methodology is presented, describing the sample and the data collection procedure adopted, together with the measurements employed. Subsequently, results are depicted and discussed, followed by some reflections on possible further research directions. Final conclusions and remarks end the work.

BACKGROUND

Previous research on PLs is broad in scope and established around several different issues. Three are the main areas of study: the contribution of PLs to retailer sales and profitability; the impact of PLs in the supplier-retailer relationship; the role played by PLs in the retailer-consumer relationship. This paragraph would concentrate on the latter study area, as rising matter of research interest, reviewing the extant literature on this topic.

Early studies on PLs dated back to mid-1960s, when they appear on the market as “generic” products and were mainly descriptive. The initial focus was on understanding buyers’ profile in terms of demographic and psychographic characteristics (e.g. Burger & Scott, 1972; Coe, 1971; Dick et al., 1995; Frank & Boyd, 1965; Murphy, 1978; Myers, 1967). Burger and Scott (1972) highlighted that PLs buyers encompass all socio-economic groups, and Frank and Boyd (1965) evidenced that people prone to buy PLs do not differ in their socio-economic and consumption characteristics from people who buy NBs. Myers (1967) suggested that individual characteristics are not indicative of PLs preferences. In sum, these studies generally failed to determine consistent consumer profiles, leading a number of scholars to address an ongoing interest to this theme. Thus, several authors have focused on the relationship between PL proneness and purchase and socio-demographic characteristics, namely age (Putsis & Cotterill, 1999; Sethuraman & Cole, 1999), gender (Sethuraman & Cole, 1999), income level (Baltas & Argouslidis, 2007; Dhar & Hoch, 1997; Richardson et al., 1996), size of the household (Richardson et al., 1996), level of education (Binkley et al., 2001), and ethnicity (Putsis & Cotterill, 1999). However, the results obtained are mixed and do not enable to derive common beliefs on the characteristics of PLs buyers.

Erdem et al. (2004) found that consumer uncertainty about quality, consumer learning and perceived risk play an important role in consumers selecting PLs. In fact, socio-economic and cultural features are important in explaining the differential growth of PLs in different markets. Sebri and Zaccour (2017), investigating the factors that makes a market more favorable than another for PL products performance, identified two different patterns where education, degree of retail modernity, uncertainty avoidance and urbanism significantly affect the performance of PLs among countries, but not necessarily in the same way in the two endogenously determined market segments.

Since the mid-eighties, with the advent of scanner data and the increasing application of analytical models in marketing, there has been an upsurge in the number of studies dealing with PLs and the research interest raised also on other streams relative to consumer perceptions of PLs and behavioral patterns. Specifically, PLs became the research object and sought to understand what are consumer preferences towards PLs versus NBs (Quelch & Harding, 1996; Raju et al., 1995; Sethuraman & Cole, 1999), which are the product attributes of greatest interest to consumers (Baltas, 1997; Baltas et al., 1997; Glynn & Chen, 2009; McNeill & Wyeth, 2011; Mieres et al., 2006) and which other factors impact on PLs proneness. Dekimpe et al. (1997) showed that PLs cause a decline in consumers NB loyalty. Traditionally, consumers' preference for a NB over a PL often relates to the higher perceived purchasing risk carried by the latter (Batra and Sinha, 2000; Calvo-Porrall & Levy-Mangin, 2016; Liljander et al., 2009). This is an influencing factor emerged also in previous studies. For example, Bettman (1974) found variables reflecting lower perceived risk and greater information to be associated with PL proneness, as well as Livesey and Lennon (1978) highlighted the importance of consumer experience with PLs and perceived risk. The focus was particularly placed on PLs quality differential. But while during '80ies studies evidenced that consumers perceived these products as being of relatively poor quality and consequently they tend to be unwilling to purchase them (Bellizzi et al., 1981; Cunningham et al., 1982; Richardson et al., 1994), in the following decade consumer perceptions of PLs started to improve. As the PL has evolved over time, the actual and perceived quality gap with NB is decreasing (Hoch & Banerji, 1993; Quelch & Harding, 1996; Batra & Sinha, 2000). Bellizzi et al. (1981) found that store-brand prone consumers are less sensitive to brands and advertising. Accordingly, Baltas (1997) profiled PL purchasers as price cautious, shopping frequent and familiar with PLs, but not promotion sensitive consumers. Richardson et al. (1996) identified familiarity with store brands, extrinsic cues usage in product evaluation, perceived quality variation, perceived risk and perceived value for money as factors influencing PL proneness. Miquel et al. (2002) demonstrated that greater involvement leads to better knowledge, which in turn increases store brand proneness. This resulted to be more category specific than consumer specific (Sethuraman & Cole, 1997) as PLs tend to gain higher share in less-promoted categories with a small number of brands, and when the price differential with national brands is large (Dhar & Hoch, 1998; Hoch & Banerji, 1993).

In the new millennium, the interest for the role of intrinsic and extrinsic PL cues as determinants or moderators of shopping habits continued, but the extant literature gave also increasing attention to consumers' attitude towards PL products (e.g. De Wulf et al., 2005; Liu & Wang, 2008; Garretson et al., 2002; Collins-Dodd & Lindley, 2003), and to the relationship between PLs and store loyalty (Ailawadi et al., 2008; Binninger, 2008; Corstjens & Lal, 2000; Dhar et al., 2001; González-Benito & Martos-Partal, 2012; Martenson, 2007; Richardson et al., 1996; Steenkamp & Dekimpe, 1997). But results are mixed: the relationship may be nonlinear, possibly even non-monotonic. Ailawadi and Harlam (2004) found that medium PL users contribute more than light users or non-users of PLs to retailer sales and profits, but heavy PL users contribute less than medium users. In any case, a few authors have dealt directly with

Satisfying Customers Through Premium Private Labels

PLs by addressing consumer loyalty. This is why this chapter would focus on this topic but in relation to a specific PL tier, namely PPLs, as highlighted in the subsequent paragraph.

PREMIUM PRIVATE LABELS

In the last decade, the most enlightened retailers heavily revised their PLs strategies adopting a multi-tiered segmentation of PL products - economy, standard and premium (Ter Braak et al., 2014). Between these tiers, the premium one results to be highly attractive, given its high growth rates and profitability (Ter Braak et al., 2013). Due to these positive results and trends, PPLs were defined as the “Holy Grail” of retailers (Pauwels & Srinivasan, 2009, p.279). The PPLs positioning is very different from that of the standard PL (Sethuraman & Gielens, 2014): if the latter represents a value-for-money offering (Geyskens et al., 2010) and is sold at a price lower than 20-30% compared to that of NBs (Steenkamp et al., 2010), PPLs have instead quality and price in line or even superior to the premium NBs (Geyskens et al., 2010). Therefore, these are PL lines aimed at satisfying specific customer targets, differentiating from competitors as they «can be said to possess a degree of product advantage that creates a competitive advantage for retailers» (Huang & Huddleston, 2009, p. 979). The success achieved by this type of brands has meant over time the conviction that the development of “premium” lines was a prerogative of the only retail brands recognized for their quality and not of those who compete on price (Pastore et al., 2007). In reality, even discounters such as Lidl, with its Deluxe brand, whose slogan reads “luxury for all”, have heavily invested on PPLs.

Kumar and Steenkamp (2007) distinguished between two types of PPL: “premium-lite PL” and “premium-price PL”. The premium-lite brands have the same quality level as NBs, but offer a price about 10% lower than the industrial brand leaders. An example of a premium lite PL is the Woolworths Select brand of the Australian retailer Woolworths. The brand aspires to be the best quality; however, it is cheaper than premium NBs. A premium-price PL is not only equal to or better than a competing NB, but it is also offered at a generally higher price. Examples of this type of PPL are “Tesco Finest” or “Sainsbury’s: taste the difference”, offered by British retailers.

The development of PPLs has a fourfold objective (Pastore et al., 2007): to increase the profitability of the categories in which this line is developed; to widen the assortment boundaries among categories; to try to untie the PL from NBs; to increase customer loyalty.

Compared to the first objective, if the development and launch costs of premium products are kept under control and the retailer is able to convince consumers of their superior quality, the PPLs guarantee an improvement in the conditions of marginality of the category (Kumar & Steenkamp, 2007). Regarding the second objective, the PPL allows to broaden the choice opportunities within the product categories in which it is inserted, responding to specific and more complex needs of the demand. The third objective is to minimize the comparability of the PPL price with that of the reference NB, reducing the transparency of price on the market. However, the prior objective of retailers in offering PPLs is to retain customers through a higher quality proposal, intercepting new trends (local products, well-being, organic, etc.) or responding to specific needs, even if unexpressed, of consumer niches. The high quality of the premium lines makes it possible to improve store loyalty and the image of the entire offer of the retailer (Burt & Davis, 1999). Into this perspective, PPLs have also been defined as a PL tier that «reflect the personality of stores» (Huang & Huddleston, 2009, p. 976).

In Italy, PPLs account for 8.3% of PLs market share, but they are showing the best increase within PLs year-over-year (+ 13% in 2018 - IRI, 2019). The following paragraph describes the conceptual framework used in the study that is going to be depicted and its hypotheses.

CONCEPTUAL FRAMEWORK AND HYPOTHESES

Retailers offer PLs for three main reasons: firstly, they can boost their margins and sales (Hoch & Bannerji, 1993); secondly, they can increase their contractual power with NB manufacturers (Narasimhan & Wilcox, 1998); thirdly, they can obtain customer loyalty (Steenkamp & Dekimpe 1997).

From the early 1990s on, customer loyalty has become a key concept in marketing studies. The benefits that companies can get from customer loyalty are well documented in the literature. Loyal customers are less sensitive to price (Krishnamurthi & Raj, 1991) and to the promotional policies and offerings of competitors (Jensen & Hansen 2006). Maintain loyal customers is less costly than acquiring new ones (Reichheld, 1993), especially in mature and competitive markets as grocery retailing is nowadays. In this sector, pursuing customer loyalty has become an objective of strategic importance (Jensen, 2011). In the last decade, retailers experienced multi-loyalty and variety-seeking behaviors by consumers, making assortment and products key factors in building customer loyalty (East et al., 1995; Odekerken-Schroöder et al., 2001).

The prevailing literature on customer loyalty in retail settings investigated the relationship at a store level (Bloemer & De Ruyter, 1998; Sirohi et al., 1998; Sivadas & Baker-Prewitt, 2000), while attempts to examine this relationship at the retailer level are more contemporary and reply to the call for more research on issues related to the retail brand equity perspective made recently by relevant scholars (Ailawadi & Keller, 2004; Burt, 2000; Burt & Davies, 2010). Consequently, this study would consider a conceptualisation of customer loyalty in relation to the retailer as a brand. In particular, it will focus on the behavioural dimension of customer loyalty as intended in a conative sense.

Traditionally, a PL has been considered as a brand extension of a retailer as the parent brand (e.g. Aaker & Keller, 1990; Völckner & Sattler, 2006). In this perspective, the success of a PL depends on the transfer of store equity to the PL. But also the inverse could be true as PLs are perceived today as brands per se.

Empirical evidence on the relationship between PL purchase and store loyalty has been explored, proving a positive correlation between PL use and store loyalty (Ailawadi et al. 2001; Corstjens & Lal, 2000; Kumar & Steenkamp, 2007). And as Corstjens and Lal (2000) have analytically demonstrated that store brands can generate retail differentiation, store loyalty and store profitability only if the quality of the store brand is sufficiently high, this paper would focus on the highest tier of PLs, that is: PPLs. Because of their higher positioning and role, PPLs should be particularly prone to develop customer loyalty not only to the store, but also to the retailer, at the chain level. But this is an issue that extant literature did not empirically address so far (Martinelli & Vergura, 2014). Binninger (2008) showed that PL satisfaction and loyalty influence store loyalty but the author did not distinguish between PL-tiers and focused on customer loyalty to the store, not to the retailer. Kremer and Viot (2012) evidenced that store brands contribute to the retailer image, but they exclude to verify this impact at the PPL level. Huang and Huddleston (2009) addressed theoretically the impact of PPL on customer loyalty, but did not confirm it empirically.

Satisfying Customers Through Premium Private Labels

As the extant literature evidenced that customer satisfaction is one of the main determinants of customer loyalty to products or stores (Oliver, 1999; Garbarino & Johnson, 1999; Jones & Suh, 2000), a model in which customer loyalty is measured through behavioural intentions to repurchase the PPL and to repurchase from the retailer is proposed (Macintosh & Lockshin, 1997; Bloemer & De Ruyter 1998). Likewise, while numerous authors are questioning the intricate and determinist link between satisfaction and loyalty (Kamakura et al., 2002; Kumar et al., 2013), those two measures still remain massively important at the corporate level (Martinelli & Vergura, 2015).

Our model is also addressed at measuring the impact of some main components of PPL image on the sequence analyzed. Four PPL drivers are explored, namely: perceived quality, assortment, access and value.

The quality of a product plays a crucial role in consumers' preference, their satisfaction level and purchase decision (Raju et al., 1990; Parasuraman et al., 1996). It is also a crucial aspect affecting a brand's performance (Aaker, 2004) and the decision to select the store in which to purchase (Pan & Zinkhan, 2006). PL perceived quality is here defined in terms of product performance and the consistency of performance over time with respect to intrinsic attributes (Richardson et al., 1996). Researchers have suggested that the principal reason for the growth of PLs has been their improved quality (Hoch & Banerji, 1993). This has been proved also when PPLs are considered (Martinelli et al., 2017). Perceived merchandise quality was found to positively influence customer satisfaction (Babakus, Bienstock, & Van Scotter, 2004). Therefore, the same relationship can be postulated when the product under observation is the PPL.

H1: PPL perceived quality positively impacts on customer satisfaction with the PPL

PLs have been recognized for their capacity to increase perceived assortment variety (Nies & Natter, 2012). This should reveal particularly true for high-quality and specialty PLs lines since these are more unique and valuable than economy and standard PLs. PPLs are extending to an increasing number of product categories. In Italy for instance, PPLs presence in retailers' assortment showed an increase of 12,2% during 2018 (IRI, 2019); consequently, the PPL assortment, intended as the retailer's offer of a broad and complete range of products with the PL brand name, can influence the level of customer satisfaction. Sayman and Raju (2004) suggested that store brands have been introduced by retailers in order to satisfy consumers' demands in different market segments; consequently, we can postulate that PPL assortment can positively affect the level of satisfaction that a consumer can get from PPLs.

H2: PPL assortment positively impacts on customer satisfaction with the PPL

In addition, since not only improvements in quality but also in packaging/features (Choi & Coughlan, 2006) and in the way retailers are evidencing PLs in-store are increasingly characterizing the growth of these store brands, PPL access, defined here as the easiness to locate these products into the store and on the shelves, would be considered as the third antecedent of customer satisfaction with the PPL.

H3: PPL access positively impacts on customer satisfaction with the PPL

As stated in the previous paragraph, issues of quality and pricing of PLs relative to NBs have been a dominant focus of research in this literature. From this point of view, PPLs are high quality products and their price tends to communicate this value. In this work PPL value is intended as the perceived quality of a product in relation to the price paid for that product (Zeithaml, 1988). As it has been suggested that where consumers balance price and quality there is a more favorable attitude and perception toward PLs, it is possible to postulate a positive and direct effect of PPL value on customer satisfaction with the PPL.

H4: PPL value positively impacts on customer satisfaction with the PPL

Customers who are satisfied with a brand are likely to buy it again in order to simplify their brand choice decisions and diminish uncertainty (Bloemer & Kasper, 1995). However, «researchers have commonly neglected the possibility that consumers have strong preferences for or even feel loyal toward a particular PL [...] Empirical evidence, on the contrary, increasingly suggests that at least some PLs command loyal customer bases» (Nies & Natter, 2012, p. 280). Veloutsou et al. (2004) find that customer loyalty occurs when consumers are satisfied with the PL. Consequently, the following hypothesis could be postulated:

H5: customer satisfaction with the PPL positively impacts on customer loyalty to the PPL

A consumer who is loyal to a PL will have a more favorable perception of the overall retailer brand (de Wulf et al., 2005). Consumers who profess to be loyal to a specific PL are likely to be more loyal to the retailer from whom they bought the PL (Binninger, 2008; Steenkamp & Dekimpe, 1997; Uncles & Ellis, 1989). Thus it could be posited that PPL loyalty has a positive impact on customer loyalty to the retailer as a brand:

H6: customer loyalty to the PPL positively impacts on customer loyalty to the retailer.

METHODOLOGY

Sample and Data Collection

The survey was conducted in a grocery retailing context. Data were collected administering a structured questionnaire to a convenience sample of 299 retail customers. Respondents were approached while exiting two stores located in different Italian towns and regions (Parma in Emilia Romagna and Florence in Tuscany) and belonging to two of the main grocery retailers operating in the country. Both retailers have a 3-tier PL policy. The decision to administer the questionnaire in different stores/retailers responds to the opportunity to avoid possible distortions due to the localization of a certain retailer/store.

Data were gathered within a period of two weeks on different days and at different times in order to collect the greatest likely variety of buying models.

The sample is mainly composed of women (70%). Overall, 36% of respondents are aged between 36 and 50, while 35% are aged over 50. The level of education is quite high: half of the sample (50%) has completed the high-school; 35% are graduated or post-graduated; 2% have left school after the primary level and a further 12% after the secondary level. The prevalent employment condition is full-time worker (57%), while 25% of the respondents are part-time workers (10%) or retired (15%). Family composition is diversified: 22% are single, 6% live in a family of 5 or more members and the remaining live in families from 2 to 4 components. The annual net income does not exceed 36,000 euros for the 48% of the sample, while the income of 41% ranged from 36,000 to 70,000 euros. Only 10% earned more than 70,000 euros a year.

Measurements

The latent variables were measured using scales that have been well validated by the literature (Table 1). All the responses ranged from 1 (=completely disagree) to 7 (=completely agree).

The components of PPL image, namely perceived quality, assortment, access and value, have been assessed through ten items derived and adapted from Kremer and Viot (2012).

Satisfying Customers Through Premium Private Labels

Customer satisfaction has been measured in a “backward looking” perspective (Vesel & Zabkar, 2010). This is based on the belief that customers become loyal when they develop a cumulative satisfaction through a series of positive service encounters with the retail brand (Garbarino & Johnson, 1999; Oliver, 1999). In the light of this interpretation, satisfaction results from the retailer’s performance that a customer has so far experienced (Gustafsson et al., 2005), rather than an assessment of the last transaction-specific experience of satisfaction or dissatisfaction. As a matter of fact, marketing literature evidenced the better predictability of the former perspective rather than the latter (Jones & Suh 2000). Consequently, the two-items scale developed by Garbarino and Johnson (1999) has been adopted for the measurement of customer satisfaction with the PPL.

Customer loyalty to the PPL and to the retailer is intended in a conative way, such as “a brand-specific commitment to repurchase” (Oliver, 1999, p. 35). In retailing context, this construct can be measured through behavioural intention’s indicators such as intention to repurchase in a store (Macintosh and Lockshin 1997; Sivadas and Baker-Prewitt, 2000). Sharing with this view, three items derived from Chaudhuri and Holbrook (2001) and Sirohi et al. (1998) were used for the measurement of customer loyalty to the PPL and the three-items scale developed by Sivadas and Baker-Prewitt (2000) assessed the customer loyalty to the retailer.

Structural Equation Modeling (SEM) was used to identify the path of relationships between the latent variables and to estimate the parameters of structural models (Bollen, 1989; Hair et al., 2005). Data was analyzed through Lisrel 8.80.

RESULTS

Descriptive Statistics

Results (Table 2) show that consumer perception of the components of PPL image is very good. All four components (quality, assortment, access and value) achieve high scores, with the access items rated as best. Also, customer satisfaction toward PPLs is high, as well as stated intentions to rebuy PPL products and to repurchase from the retailer.

The findings of correlation analyses revealed that the observed variables are positively related to each another (Appendix 1).

Analysis of the Measurement Model

Reliability of the scales was first assessed as internal consistency using Cronbach’s alpha coefficient and item-total correlation. The alpha index is much greater than the threshold value of 0.70 (Nunnally & Bernstein, 1994) for each scales (α PPL quality = 0.88; α PPL assortment = 0.91; α PPL access = 0.97; α PPL value = 0.95; α CS PLL = 0.97; α CL PPL = 0.88; α CL R = 0.97) and all items had a high item-total correlation, indicating their capability of measure the construct.

To check convergent and discriminant validity of the measurement scales, a confirmatory factor analysis (CFA) was also estimated. Structural equation modelling with maximum likelihood method was employed. To scale the latent variables, the first factor loading for each of them was set to 1.

The fit statistics show that the measurement model fits the data well ($\chi^2 = 374.828$; $df = 114$; CFI = 0.977; NNFI = 0.970; RMSEA = 0.085, $p = 0.000$; SRMR = 0.062), according to Hu and Bentler

Table 1. Constructs and items used in the questionnaire

Constructs	Items	References	
PPL quality	<i>The PPL “X” offer high quality products.</i>	Adapted from Kremer & Viot, 2012	
	<i>I like the PPL “X” products.</i>		
	<i>I can be certain of the quality of PPL “X” products.</i>		
PPL assortment	<i>The PPL “X” offer the products I search for.</i>		
	<i>The PPL “X” offer a broad range of products.</i>		
	<i>Within the PPL “X” I always find what I need.</i>		
PPL access	<i>PPL “X” products are well positioned on the shelves.</i>		
	<i>PPL “X” products are easy to find into the store.</i>		
PPL value	<i>PPL “X” products offer good value for money.</i>		
	<i>PPL “X” products prices are fair.</i>		
Customer satisfaction with the PPL (CS PPL)	<i>I am satisfied with the PPL “X” products.</i>		Garbarino & Johnson, 1999
	<i>Overall, the PPL “X” satisfies my needs.</i>		
Customer loyalty to the PPL (CL PPL)	<i>I will continue to buy the PPL “X” products.</i>	Chaudhuri & Holbrook, 2001; Sirohi et al., 1998	
	<i>I will buy again the PPL “X” next time I go shopping.</i>		
	<i>I am willing to buy again the PPL “X” products.</i>		
Customer Loyalty to the retailer (CL R)	<i>I will shop again at this retailer.</i>	Sivadas & Baker-Prewitt, 2000	
	<i>I intend to continue shopping at this retailer.</i>		
	<i>Should I need to do shopping again, I will return at this retailer.</i>		

Source: own elaboration

(1995) and Browne and Cudeck (1993). Convergent validity was tested by evaluating Composite Reliability (CR) and Average Variance Extracted (AVE) and by checking that all items substantially and significantly loaded into the expected latent construct (Anderson & Gerbing, 1988; Hair et al., 2005).

The recommended cut-off points of the two indices are 0.70 for CR (Steenkamp & van Trijp, 1991) and 0.50 for AVE (Fornell & Larcker, 1981). As shown in Table 3 they are well above the threshold values. All factor loading for the observed variables are also significant. Discriminant validity was assessed by the Fornell and Larcker’s (1981) criterion. The average variance explained by each latent variable was greater than any of the squared correlations involving the variable, suggesting that discriminant validity was achieved.

Satisfying Customers Through Premium Private Labels

Table 2. Descriptive statistics for the observed variables

Constructs	Variables	Mean	Std. Dev.
PPL quality	MQ1	5.62	1.731
	MQ2	5.98	1.565
	MQ3	5.80	1.585
PPL assortment	MA1	4.65	2.084
	MA2	5.26	1.792
	MA3	4.65	2.058
PPL access	ML1	6.19	1.482
	ML2	6.23	1.471
PPL value	MPr1	5.34	1.796
	MPr2	5.22	1.853
CS PPL	CS1	5.64	1.885
	CS2	5.63	1.881
CL PPL	I1	5.75	1.841
	I2	4.80	2.218
	I3	5.73	1.851
CL R	INT1	6.46	1.361
	INT2	6.41	1.454
	INT3	6.40	1.447

Source: own elaboration

Analysis of the Proposed Model

Findings indicate that the model in Fig.1 fits the data acceptably well ($\chi^2 = 402.154$; $df = 123$; $CFI = 0.976$; $NNFI = 0.970$; $RMSEA = 0.085$, $p = 0.000$; $SRMR = 0.063$).

Results show that PPL positively contribute to customer loyalty toward the retailer. The four components of PPL image in total explain 63% of the variance in customer satisfaction toward PPL, but only quality ($\beta = .673$, $p < .01$) and value ($\beta = .133$, $p < .05$) have a statistically significant regression coefficient. Thus, H1 and H4 are supported. The effects of PPL assortment and access, instead, are not significant, leading us to reject H2 and H3.

The examination of the path coefficients also shows that customer satisfaction towards PPL significantly increases the loyalty to PPL products ($\beta = .966$, $p < .01$; $R^2 = 0.93$), thus supporting H5. Also, the prediction path from loyalty to PPL to retailer repurchase intentions is statistically significant ($\beta = .443$, $p < .01$; $R^2 = 0.20$), supporting H6. In synthesis, these paths of relationships are structured in a causal sequence in which CL PPL mediates the influence of CS on CL R. Mediation analysis, in fact, shows that the indirect effect of CS on CL R is significant (0.428 , $p < .01$; $95\% CI = [0.355, 0.502]$). Figure 1 shows the tested structural model with standardized coefficients.

Table 3. Factor loadings

	PPL quality	PPL assortment	PPL access	PPL value	Satisfaction	Intention to rebuy PPL	Intention to rebuy from the retailer
MQ1	0.721						
MQ2	0.919						
MQ3	0.891						
MA1		0.949					
MA2		0.743					
MA3		0.944					
ML1			0.962				
ML2			0.983				
PR1				0.955			
PR2				0.939			
CS1					0.981		
CS2					0.959		
I1						0.988	
I2						0.632	
I3						0.973	
INT1							0.951
INT2							0.995
INT3							0.996
Construct reliability	0.88	0.91	0.97	0.95	0.97	0.91	0.99
AVE	0.72	0.78	0.95	0.90	0.94	0.77	0.96

Source: own elaboration

DISCUSSION

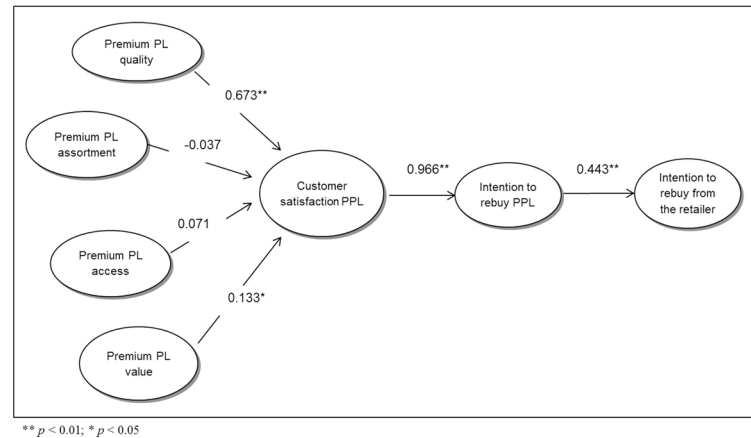
Private labels play an important role in retail strategy. From the consumer's perspective, PL brands offer products alternative to the national brands at very attractive price levels. Contextually, in the retailer perspective, PL has the potential to help in building loyalty to the retailer. As a consequence, the understanding of PL purchase behavior and of the effect of PL evaluation on the attachment to the retailer is a critical issue for both scholars and marketers.

The review of the literature on the role of PLs in the retailer customer-relationship evidenced that there is an increasing interest in understanding the way in which customer loyalty can be affected by PLs. In fact, in the first part of the chapter it has been pointed out that many authors call for supplementary research on this theme.

This work contributes to the body of knowledge in this area by focusing on a specific PL tier, namely PPLs, and empirically examining their role as activator of customer loyalty. The results offer a new contribution to the interpretation of the marketing role of PLs. Descriptive findings evidenced that the image possessed by PPLs and perceived by customers in terms of quality, assortment, access and value

Satisfying Customers Through Premium Private Labels

Figure 1. Structural model with standardized coefficients



obtained high scores from the retail customers interviewed, confirming the good evaluation and image developed by these products. But the following structural model tested showed that only quality and value resulted in impacting customer satisfaction and by this way customer loyalty to the PPL and then from to the retailer. This is consistent with the results obtained by Nenycz-Thiel and Romaniuk (2016).

PPLs can strengthen the relationship that a consumer has with a retailer but only after that customer loyalty to the PPL brand has emerged. This is the mediating factor affecting the satisfaction-loyalty relationship.

These findings may help retailers in their decisions regarding PPL correct market positioning. As expected, the relationship between perceived quality and customer satisfaction to PPL was found to be highly significant. The importance given to the PPL quality demonstrates that the retailer brand is evaluated not only for its value for money, but also on the basis of its intrinsic characteristic. As a consequence, retailers should emphasize the efforts placed on quality control process to maintain more consistent levels of quality as well as on improving them. Objective tests reveal that there is often little, if any, quality difference between PLs and NBs (Apelbaum et al., 2003), and Steenkamp et al. (2010) find that, on average, the perceived quality gap is small too. Thus, retailers should try to stress the quality perception and rightly communicate it in their store chain. Investment in high quality, in fact, means investment in image (Burt, 2000). At the same time, the present study highlights that price is a key component in convincing consumers in the value of PPL. Therefore, pricing, as a key variable, requires considerable attention. As private labels are typically cheaper alternatives to national brands, the price gap between the two brand types represents a strategic choice that goes beyond category boundaries since the PL price contributes to create the price image of the retailer and leads the consumer to choose it. On the contrary, retailers do not need to be particularly preoccupied of extending the PPL to every category and accurate in assigning good shelves space to PPL products. These factors do not increase customer satisfaction and lack in developing customer loyalty.

In conclusion, PPLs emerge as a tool that could possibly contribute to strengthening the relationship with the retailer, potentially acting as a vehicle for information about the value of the retailer over its competitors. This confirms the process of trading up of the PL in recent years and the role it has gained as signal of reputation, credibility and trust. Therefore, PLs and, in particular, PPLs can represent a mean to establish lasting relationships with customers.

FUTURE RESEARCH DIRECTIONS

PLs are experiencing a terrific growth of popularity between consumers. As a consequence, this area of study would continue to raise its importance in the future, maintaining high the interest on the enduring comparison with NBs and on consumer factors affecting PLs success. But other topics are growing too, especially when PPLs are concerned. Increasing attention should be given to consumers' perceptions of PPLs in relation to other PLs tiers (Nenycz-Thiel & Romaniuk, 2016), as little is known to this regard. Moreover, PPLs show a tendency to segment themselves in order to catch the rising trends in food attitudes and behaviors: organic premium lines, well-being SKUs and local products would increasingly featuring this PL tier (Martinelli, 2018), calling for specific studies. Particularly when local products are concerned, the role of multi-layered branding strategies should be better investigated: in fact, this kind of products might present an EU label together with the PPL of a specific retailer (Martinelli et al., 2017) and maybe the farmer label too; so, understanding consumer perceptions about this multi-layered brands would represent a possible avenue for future research. Last but not least, an increasing number of retailers are launching or evaluating concept stores mainly based on PLs and where the presence of the PPL is particularly strong (Martinelli et al., 2019): investigating this rising phenomenon would be beneficial for the academic literature on PLs and retailing.

CONCLUSION

The chapter has highlighted the growing role played today by PLs in the studies on the retailer-consumer relationship (Musso & Druica, 2014) and reviewed the main literature on this theme, stating an increasing and recent interest of PL studies for the link with customer loyalty. In this perspective, the chapter has also reported the results of a study aimed at specifically focus on PPLs as literature lacks in empirically demonstrate their contribution to customer loyalty. Findings reached this goal: PPLs can positively impact on customer loyalty to the retailer, measured through behavioural intentions to repurchase the PPL, through a causal relationship driven by PPL quality and PPL value and mediated by satisfaction and loyalty to the PPL.

However, despite the contribution made by the study, some limitations affect its relevance. Firstly, the survey relates to a generic concept of PPL, although previous literature found differences in the impact of PLs depending of the product category. Secondly, the loyalty construct investigated is measured as behavioural while also attitudinal loyalty should be included to measure true loyalty (Dick & Basu, 1994). Moreover, there are other important constructs forming part of the satisfaction-loyalty framework which were not included in this study, such as trust (Calvo-Porrà & Levy-Mangin, 2016). Other variables can then impact or moderate the effect of PPL on customer loyalty, such as PL attitude, level of familiarity, customer involvement. For instance, the relationship between customer satisfaction and repurchase behavior has been found to be contingent on the mediating effects of convenience, competitive intensity, customer involvement, and household income (Seiders et al., 2005). Finally, it has been taken for granted the interviewees' ability to distinguish between different PL tiers.

REFERENCES

- Aaker, D. A., & Keller, K. L. (1990). Consumer evaluation of brand extensions. *Journal of Marketing*, 54(1), 27–41. doi:10.1177/002224299005400102
- Ailawadi, K., & Keller, K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing*, 80(4), 331–342. doi:10.1016/j.jretai.2004.10.008
- Ailawadi, K., Pauwels, K., & Steenkamp, J.-B. (2008). Private-label use and store loyalty. *Journal of Marketing*, 72(6), 19–30. doi:10.1509/jmkg.72.6.019
- Ailawadi, K. L., & Harlam, B. (2004). An empirical analysis of the determinants of retail margins: The role of store brand share. *Journal of Marketing*, 68(1), 147–166. doi:10.1509/jmkg.68.1.147.24027
- Ailawadi, K. L., Neslin, S. A., & Gedenk, K. (2001). Pursuing the value-conscious consumer: Store brands versus national brand promotions. *Journal of Marketing*, 65(1), 71–89. doi:10.1509/jmkg.65.1.71.18132
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411–423. doi:10.1037/0033-2909.103.3.411
- Apelbaum, E., Gerstner, E., & Naik, P. A. (2003). The effects of expert quality evaluations versus brand name on price premiums. *Journal of Product and Brand Management*, 12(2–3), 154–165. doi:10.1108/10610420310476915
- Babakus, E., Bienstock, C. C., & Van Scotter, J. R. (2004). Linking perceived quality and customer satisfaction to store traffic and revenue growth. *Decision Sciences*, 35(4), 713–737. doi:10.1111/j.1540-5915.2004.02671.x
- Baltas, G. (1997). Determinants of store brand choice: A behavioral analysis. *Journal of Product and Brand Management*, 6(5), 315–324. doi:10.1108/10610429710179480
- Baltas, G., & Argouslidis, P. C. (2007). Consumer characteristics and demand for store brands. *International Journal of Retail & Distribution Management*, 35(5), 328–341. doi:10.1108/09590550710743708
- Baltas, G., Doyle, P., & Dyson, P. (1997). A model of consumer choice for national vs store brands. *The Journal of the Operational Research Society*, 48(10), 988–995. doi:10.1057/palgrave.jors.2600454
- Batra, R., & Sinha, I. (2000). Consumer-level factors moderating the success of private label brands. *Journal of Retailing*, 76(2), 175–191. doi:10.1016/S0022-4359(00)00027-0
- Bellizzi, J. A., Krueckeberg, H. F., Hamilton, J. R., & Martin, W. A. (1981). Consumer perceptions of national, private, and generic brands. *Journal of Retailing*, 57(4), 56–70.
- Bettman, J. R. (1974). Relationship of information-processing attitude structures to private brand purchasing behavior. *The Journal of Applied Psychology*, 59(1), 79–83. doi:10.1037/h0035817
- Binkley, J., Eales, M., Jekanowski, M., & Dooley, R. (2001). Competitive behavior of national brands: The case of orange juice. *Agribusiness*, 17(1), 139–160. doi:10.1002/1520-6297(200124)17:1<139::AID-AGR1007>3.0.CO;2-4

- Binninger, A. S. (2008). Exploring the relationships between retail brands and consumer store loyalty. *International Journal of Retail & Distribution Management*, 36(2), 94–110. doi:10.1108/09590550810853057
- Bloemer, J., & De Ruyter, K. (1998). On the relationship between store image, store satisfaction and store loyalty. *European Journal of Marketing*, 32(5/6), 499–513. doi:10.1108/03090569810216118
- Bloemer, J. M., & Kasper, H. D. (1995). The complex relationship between consumer satisfaction and brand loyalty. *Journal of Economic Psychology*, 16(2), 311–329. doi:10.1016/0167-4870(95)00007-B
- Bollen, K. A. (1989). *Structural equations with latent variables*. New York, NY: Wiley Interscience. doi:10.1002/9781118619179
- Browne, M. W., & Cudeck, R. (1993). Alternative ways of assessing model fit. In K. A. Bollen & J. S. Long (Eds.), *Testing structural equation models*. Newbury Park, CA: Sage.
- Burger, P. C., & Schott, B. (1972). Can private brand buyers be identified? *JMR, Journal of Marketing Research*, 9(May), 219–222. doi:10.1177/002224377200900217
- Burt, S. (2000). The strategic role of retail brands in British grocery retailing. *European Journal of Marketing*, 34(8), 875–890. doi:10.1108/03090560010331351
- Burt, S., & Davis, S. (1999). Follow my leader? Look-alike retailer brands in non-manufacturer-dominated product markets in the UK. *International Review of Retail, Distribution and Consumer Research*, 9(2), 163–185. doi:10.1080/095939699342624
- Burt, S. L., & Davies, K. (2010). From the retail brand to the retail-er as a brand: Themes and issues in retail branding research. *International Journal of Retail & Distribution Management*, 38(11/12), 865–878. doi:10.1108/09590551011085957
- Calvo-Porrá, C., & Levy-Mangin, J. P. (2016). Food private label brands: The role of consumer trust on loyalty and purchase intention. *British Food Journal*, 118(3), 679–696. doi:10.1108/BFJ-08-2015-0299
- Choi, S. T., & Coughlan, A. T. (2006). Private label positioning: Quality versus feature differentiation from the national brand. *Journal of Retailing*, 82(2), 79–93. doi:10.1016/j.jretai.2006.02.005
- Coe, B. D. (1971). Private versus national preference among lower and middle-income consumers. *Journal of Retailing*, 4(Fall), 61–72.
- Collins-Dodd, C., & Lindley, T. (2003). Store brands and retail differentiation: The influence of store image and store brand attitude on store brand own perceptions. *Journal of Retailing and Consumer Services*, 10(4), 345–352. doi:10.1016/S0969-6989(02)00054-1
- Corstjens, M., & Lal, R. (2000). Building store loyalty through store brands. *JMR, Journal of Marketing Research*, 37(3), 281–291. doi:10.1509/jmkr.37.3.281.18781
- Cunningham, I., Hardy A.P., & Imperia, G. (1982). Generic brands versus national brands and store brands. *Journal of Advertising Research*, 22(October/ November), 25-32.
- De Wulf, K., Odekerken-Schroöder, G., Goedertier, F., & Van Ossel, G. (2005). Consumer perceptions of store brands versus national brands. *Journal of Consumer Marketing*, 22(4), 223–232. doi:10.1108/07363760510605335

Satisfying Customers Through Premium Private Labels

- Dekimpe, M. G., Steenkamp, J. B. E. M., Mellens, M., & Vanden Abeele, P. (1997). Decline and variability in brand loyalty. *International Journal of Research in Marketing*, 14(5), 405–420. doi:10.1016/S0167-8116(97)00020-7
- Dhar, S. K., & Hoch, S. J. (1997). Why store brand penetration varies by retailer. *Marketing Science*, 16(3), 208–227. doi:10.1287/mksc.16.3.208
- Dhar, S. K., Hoch, S. J., & Kumar, N. (2001). Effective category management depends on the role of the category. *Journal of Retailing*, 77(2), 165–184. doi:10.1016/S0022-4359(01)00045-8
- Dick, A. S., & Basu, K. (1994). Customer loyalty: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(2), 99–113. doi:10.1177/0092070394222001
- Dick, A. S., Jain, A. K., & Richardson, P. (1995). Correlates of store brand proneness: Some empirical observations. *Journal of Product and Brand Management*, 4(4), 15–22. doi:10.1108/10610429510097663
- East, R., Harris, P., Wittson, G., & Lomax, W. (1995). Loyalty to supermarkets. *International Review of Retail, Distribution and Consumer Research*, 5(1), 99–109. doi:10.1080/09593969500000006
- Erdem, T., Zhao, Y., & Valenzuela, A. (2004). Performance of store brands: A cross-country analysis of consumer store-brand preferences, perceptions, and risk. *JMR, Journal of Marketing Research*, 41(1), 86–100. doi:10.1509/jmkr.41.1.86.25087
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *JMR, Journal of Marketing Research*, 18(1), 39–50. doi:10.1177/002224378101800104
- Frank, R. E., & Boyd, H. W. (1965). Are private-brand prone grocery customers really different? *JMR, Journal of Marketing Research*, 4, 27–35.
- Garbarino, E., & Johnson, M. S. (1999). The different roles of satisfaction, trust and commitment in customer relationships. *Journal of Marketing*, 63(2), 70–87. doi:10.1177/002224299906300205
- Garretson, J., Fisher, D., & Burton, S. (2002). Antecedents of private label attitude and brand promotion attitude: Similarities and differences. *Journal of Retailing*, 78(2), 91–99. doi:10.1016/S0022-4359(02)00071-4
- Geyskens, I., Gielens, K., & Gijsbrechts, E. (2010). Proliferating private-label portfolios: How introducing economy and premium private labels influences brand choice. *JMR, Journal of Marketing Research*, 47(5), 791–807. doi:10.1509/jmkr.47.5.791
- Glynn, M. S., & Chen, S. (2009). Consumer-factors moderating private label brand success: Further empirical results. *International Journal of Retail & Distribution Management*, 37(11), 896–914. doi:10.1108/09590550910999343
- González-Benito, O., & Martos-Partal, M. (2012). Role of retailer positioning and product category on the relationship between store brand consumption and store loyalty. *Journal of Retailing*, 88(2), 236–249. doi:10.1016/j.jretai.2011.05.003

Gustafsson, A., Johnson, D. M., & Ross, I. (2005). The effects of customer satisfaction, relationship commitment, dimensions, and triggers on customer retention. *Journal of Marketing*, 69(4), 210–218. doi:10.1509/jmkg.2005.69.4.210

Hair, J. F., Black, W. C., Babin, B., Anderson, R. E., & Tatham, R. L. (2005). *Multivariate Data Analysis* (6th ed.). Englewood Cliffs, NJ: Prentice Hall.

Hoch, S. J., & Banerji, S. (1993). When do private labels succeed? *Sloan Management Review*, 34(Summer), 57–67.

Hu, L. T., & Bentler, P. M. (1995). Evaluating model fit. In R. H. Hoyle (Ed.), *Structural equation modeling: concepts, issues, and applications*. Thousand Oaks, CA: Sage.

Huang, Y., & Huddleston, P. (2009). Retailer premium own-brands: Creating customer loyalty through own-brand products advantage. *International Journal of Retail & Distribution Management*, 37(11), 975–992. doi:10.1108/09590550910999389

IRI. (2019). MDD: quota 20, Marca, Bologna, 17 gennaio 2019. Retrieved from <http://www.marca.bolognafiere.it/eventi/programma/presentazione-del-xv-rapporto-sullevoluzione-dei-prodotti-a-marca-del-distributore-in-italia/9078.html>

Jensen, J. M. (2011). Consumer loyalty on the grocery product market: An empirical application of Dick and Basu's framework. *Journal of Consumer Marketing*, 28(5), 333–343. doi:10.1108/07363761111149983

Jensen, J. M., & Hansen, T. (2006). An empirical examination of brand loyalty. *Journal of Product and Brand Management*, 15(7), 442–449. doi:10.1108/10610420610712829

Jones, M. A., & Suh, J. (2000). Transaction-specific satisfaction and overall satisfaction: An empirical analysis. *Journal of Services Marketing*, 14(2), 147–159. doi:10.1108/08876040010371555

Kamakura, W. A., Mittal, V., de Rose, F., & Mazzon, J. A. (2002). Assessing the service-profit chain. *Marketing Science*, 21(3), 294–317. doi:10.1287/mksc.21.3.294.140

Kremer, F., & Viot, C. (2012). How store brands build retailer brand image. *International Journal of Retail & Distribution Management*, 40(7), 528–543. doi:10.1108/09590551211239846

Kumar, N., & Steenkamp, J.-B. E. M. (2007). *Private Label Strategy*. Cambridge, MA: Harvard Business School Press.

Kumar, V., Dalla Pozza, I., & Ganesh, J. (2013). Revisiting the satisfaction–loyalty relationship: Empirical generalizations and directions for future research. *Journal of Retailing*, 89(3), 246–262. doi:10.1016/j.jretai.2013.02.001

Lamey, L., Deleersnyder, B., Dekimpe, M. J., & Steenkamp, J.-B. E. M. (2007). How business cycles contribute to private-label success: evidence from the United States and Europe. *Journal of Marketing*, 71(1), 1–15. doi:10.1509/jmkg.71.1.1

Liljander, V., Polsa, P., & van Riel, A. (2009). Modelling consumer responses to an apparel store brand: Store image as a risk reducer. *Journal of Retailing and Consumer Services*, 16(4), 281–290. doi:10.1016/j.jretconser.2009.02.005

Satisfying Customers Through Premium Private Labels

- Lincoln, K., & Thomassen, L. (2008). *Private label: Turning the retail threat into your biggest opportunity*. London, UK: Kogan Page.
- Liu, T. C., & Wang, C. Y. (2008). Factors affecting attitudes toward private labels and promoted brands. *Journal of Marketing Management*, 24(3-4), 283–298. doi:10.1362/026725708X306103
- Livesey, F., & Lennon, P. (1978). Factors affecting consumers' choice between manufacturer brands and retailer own labels. *European Journal of Marketing*, 12(2), 158–170. doi:10.1108/EUM0000000004965
- Macintosh, G., & Lockshin, L. S. (1997). Retail relationships and store loyalty: A multi-level perspective. *International Journal of Research in Marketing*, 14(5), 487–497. doi:10.1016/S0167-8116(97)00030-X
- Martenson, R. (2007). Corporate brand image, satisfaction and store loyalty: A study of the store as a brand, store brands and manufacturer brands. *International Journal of Retail & Distribution Management*, 35(7), 544–555. doi:10.1108/09590550710755921
- Martinelli, E. (2018). *Marca del Distributore. Premium Private Label, tipicità e fedeltà*. Roma, Italy: Aracne editrice.
- Martinelli, E., Belli, A., & Marchi, G. (2015). The role of customer loyalty as a brand extension purchase predictor. *International Review of Retail, Distribution and Consumer Research*, 25(2), 105–119. doi:10.1080/09593969.2014.940997
- Martinelli, E., De Canio, F., & Marchi, G. (2019). Premium Private Labels (PPLs): from food products to concept stores. In J. Byrom & D. Medway (Eds.), *Case studies in food retailing and distribution*. Elsevier. doi:10.1016/B978-0-08-102037-1.00018-9
- Martinelli, E., De Canio, F., Marchi, G., & Nardin, G. (2017). Premium private labels and PDO/PGI products: effects on customer loyalty. In F. J. Martínez-López, J. C. Gázquez-Abad, K. L. Ailawadi, and M. J. Yagüe-Guillén (a cura di), *Advances in national brand and private label marketing*, Springer, Cham, Switzerland, 65-72.
- Martinelli, E., & Vergura, D. T. (2014). Evolving the private label role in the retailer-customer relationship: antecedents and impact of premium private labels on customer loyalty to the retailer. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 86–106). Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8.ch006
- Martinelli, E., & Vergura, D. T. (2015). Le componenti della fedeltà all'insegna nel retail grocery: Un modello multidimensionale. *Mercati & Competitività*, 2(2), 45–65. doi:10.3280/MC2015-002004
- Martos-Partal, M., González-Benito, O., & Fustinoni-Venturini, M. (2015). Motivational profiling of store brand shoppers: Differences across quality tiers. *Marketing Letters*, 26(2), 187–200. doi:10.1007/11002-013-9274-x
- McNeill, L., & Wyeth, E. (2011). The private label grocery choice: Consumer drivers to purchase. *International Review of Retail, Distribution and Consumer Research*, 21(1), 95–109. doi:10.1080/09593969.2011.537822

- Mieres, C. G., Martin, A. M., & Gutierrez, J. A. T. (2006). Influence of perceived risk on store brand proneness. *International Journal of Retail & Distribution Management*, 34(10), 761–772. doi:10.1108/09590550610691347
- Miquel, S., Caplliure, E. M., & Aldas-Manzano, J. (2002). The effect of personal involvement on the decision to buy store brands. *Journal of Product and Brand Management*, 11(1), 6–18. doi:10.1108/10610420210419513
- Murphy, P. E. (1978). The effect of social class on brand and price consciousness for supermarket products. *Journal of Retailing*, 54(Summer), 33–42.
- Musso, F. & Druica, E. (Eds.) (2014). Handbook of research on retailer-consumer relationship development. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Myers, J. G. (1967). Determinants of private brand attitude. *Journal of Marketing Research*, 4(1), 73–81. doi:10.1177/002224376700400110
- Narasimhan, C., & Wilcox, R. (1998). Private labels and the channel relationship: A cross-category analysis. *The Journal of Business*, 71(4), 573–600. doi:10.1086/209757
- Nenycz-Thiel, M., & Romaniuk, J. (2016). Understanding premium private labels: A consumer categorisation approach. *Journal of Retailing and Consumer Services*, 29, 22–30. doi:10.1016/j.jretconser.2015.10.008
- Nies, S., & Natter, M. (2012). Does private label quality influence consumers' decision on where to shop? *Psychology and Marketing*, 29(4), 279–292. doi:10.1002/mar.20521
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). New York, NY: McGraw-Hill.
- Odekerken-Schroöder, G., de Wulf, K., Kasper, H., Kleijnen, M., Hoekstra, J., & Commandeur, H. (2001). The impact of quality on store loyalty: A contingency approach. *Total Quality Management*, 12(3), 307–322. doi:10.1080/09544120120034474
- Oliver, R. L. (1999). Whence customer loyalty? *Journal of Marketing*, 63(4_suppl1), 33–44. doi:10.1177/00222429990634s105
- Pan, Y., & Zinkhan, G. M. (2006). Determinants of retailing patronage: a meta-analytical perspective. *Journal of Retailing*, 82(3), 229–243. doi:10.1016/j.jretai.2005.11.008
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31–46. doi:10.2307/1251929
- Pastore, A., Fornari, E., & Cecconi, V. (2007). Sviluppo e riposizionamento delle marche commerciali. *Finanza. Marketing e Produzione*, 2, 61–86.
- PLMA (Private Label Manufacturer's Association). (2019). Private label today. Retrieved from <https://www.plmainternational.com/industry-news/private-label-today>
- Putsis, W. P. Jr, & Cotterill, R. W. (1999). Share, price and category expenditure – geographic market effects and private labels. *Managerial and Decision Economics*, 20(4), 175–187. doi:10.1002/(SICI)1099-1468(199906)20:4<175::AID-MDE928>3.0.CO;2-I

Satisfying Customers Through Premium Private Labels

- Quelch, J., & Harding, D. (1996). Brands versus private labels: Fighting to win. *Harvard Business Review*, 74(1), 99–109.
- Raju, J., Sethuraman, R., & Dhar, S. (1995). National brand: store brand price differential and store brand market share. *Pricing Strategy and Practice*, 3(2), 17–24.
- Raju, J. S., Srinivasan, V., & Lal, R. (1990). The effects of brand loyalty on competitive price promotional strategies. *Management Science*, 36(3), 276–304. doi:10.1287/mnsc.36.3.276
- Reichheld, F. (1993). Loyalty-based management. *Harvard Business Review*, 71(2), 64–73. PMID:10124634
- Richardson, P. S., Dick, A. S., & Jain, A. K. (1994). Extrinsic and intrinsic cue effects on perceptions of store brand quality. *Journal of Marketing*, 58(4), 28–36. doi:10.1177/002224299405800403
- Richardson, P. S., Jain, A. K., & Dick, A. S. (1996). Household store brand proneness: a framework. *Journal of Retailing*, 72(2), 159–185. doi:10.1016/S0022-4359(96)90012-3
- Sayman, S., & Raju, J. S. (2004). Investigating the cross-category effects of store brands. *Review of Industrial Organization*, 24(2), 129–141. doi:10.1023/B:REIO.0000033349.67467.b7
- Sebri, M., & Zaccour, G. (2017). Cross-country differences in private-label success: An exploratory approach. *Journal of Business Research*, 80, 116–126. doi:10.1016/j.jbusres.2017.07.009
- Seiders, K., Voss, G. B., Grewal, D., & Godfrey, A. L. (2005). Do satisfied customers buy more? Examining moderating influences in a retailing context. *Journal of Marketing*, 69(4), 26–43. doi:10.1509/jmkg.2005.69.4.26
- Sethuraman, R., & Cole, C. (1999). Factors influencing the price premiums that consumers pay for national brands over store brands. *Journal of Product and Brand Management*, 8(4), 340–351. doi:10.1108/10610429910284319
- Sethuraman, R., & Gielens, K. (2014). Determinants of store brand share. *Journal of Retailing*, 90(2), 141–153. doi:10.1016/j.jretai.2014.04.002
- Sirohi, N. E., McLaughlin, W., & Wittink, D. R. (1998). A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Retailing*, 74(2), 223–245. doi:10.1016/S0022-4359(99)80094-3
- Sivadas, E., & Baker-Prewitt, J. L. (2000). An examination of the relationship between service quality, customer satisfaction, and store loyalty. *International Journal of Retail & Distribution Management*, 28(2), 73–82. doi:10.1108/09590550010315223
- Steenkamp, J. B., & van Trijp, H. (1991). The use of LISREL in validating marketing constructs. *International Journal of Research in Marketing*, 8(4), 283–299. doi:10.1016/0167-8116(91)90027-5
- Steenkamp, J.-B. E. M., & Dekimpe, M. G. (1997). The increasing power of store brands: Building loyalty and market share. *Long Range Planning*, 30(6), 917–930. doi:10.1016/S0024-6301(97)00077-0
- Steenkamp, J. B. E. M., Van Heerde, H., & Geyskens, I. (2010). What makes consumers willing to pay a price premium for national brands over private labels? *Journal of Marketing Research*, 47(6), 1011–1024. doi:10.1509/jmkr.47.6.1011

- Ter Braak, A., Dekimpe, M. G., & Geyskens, I. (2013). Retailer private-label margins: The role of supplier and quality-tier differentiation. *Journal of Marketing*, 77(4), 86–103. doi:10.1509/jm.11.0566
- Ter Braak, A., Geyskens, I., & Dekimpe, M. G. (2014). Why premium private label presence varies by category. *Journal of Retailing*, 90(2), 125–140. doi:10.1016/j.jretai.2014.01.003
- Uncles, M. D., & Ellis, K. (1989). The buying of own labels. *European Journal of Marketing*, 23(3), 57–70. doi:10.1108/EUM00000000000561
- Veloutsou, C., Gioulistanis, E., & Moutinho, L. (2004). Own labels choice criteria and perceived characteristics in Greece and Scotland: Factors influencing the willingness to buy. *Journal of Product and Brand Management*, 13(4/5), 228–241. doi:10.1108/10610420410546943
- Vesel, P., & Zabkar, V. (2010). Comprehension of relationship quality in the retail environment. *Managing Service Quality*, 20(3), 213–235. doi:10.1108/09604521011041952
- Völckner, F., & Sattler, H. (2006). Drivers of brand extension success. *Journal of Marketing*, 70(2), 18–34. doi:10.1509/jmkg.70.2.18
- Walsh, G., & Mitchell, V. W. (2010). Consumers' intention to buy private label brands revisited. *Journal of General Management*, 35(3), 3–24. doi:10.1177/030630701003500302
- Yang, D., & Wang, X. (2010). The effects of 2-tier store brands' perceived quality, perceived value, brand knowledge, and attitude on store loyalty. *Frontiers of Business Research in China*, 4(1), 1–28. doi:10.1007/11782-010-0001-7
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(July), 2–22. doi:10.1177/002224298805200302

ADDITIONAL READING

- Bao, Y., Bao, Y., & Sheng, S. (2011). Motivating purchase of private brands: Effects of store image, product signatureness, and quality variation. *Journal of Business Research*, 64(2), 220–226. doi:10.1016/j.jbusres.2010.02.007
- Dawes, J., & Nenycz-Thiel, M. (2013). Analyzing the intensity of private label competition across retailers. *Journal of Business Research*, 66(1), 60–66. doi:10.1016/j.jbusres.2011.07.023
- Dick, A. S., Jain, A. K., & Richardson, P. (1996). How consumers evaluate store brands. *Journal of Product and Brand Management*, 5(2), 19–28. doi:10.1108/10610429610119405
- Hyman, M. R., Kopf, D. A., & Lee, D. (2010). Review of literature – future research suggestions: private label brands: benefits, success factors and future research. *Journal of Brand Management*, 17(5), 368–389. doi:10.1057/bm.2009.33
- Keith, L., & Thomassen, L. (2008). *Private label: Turning the retail brand threat into your biggest opportunity*. Kogan Page.

Satisfying Customers Through Premium Private Labels

Palmeira, M. M., & Thomas, D. (2011). Two-tier store brands: The benefic impact of a value brand on perceptions of a premium brand. *Journal of Retailing*, 87(4), 540–548. doi:10.1016/j.jretai.2011.09.004

Vahie, A., & Paswan, A. (2006). Private label brand image: Its relationship with store image and national brand. *International Journal of Retail & Distribution Management*, 34(1), 67–84. doi:10.1108/09590550610642828

KEY TERMS AND DEFINITIONS

Customer Loyalty: Likelihood of a customer to continue to purchase in the retailer's chain stores

Customer Satisfaction: Ability of a product/service to meet/exceed consumer expectations

Groceries: Food and non-food products widely distributed and relatively inexpensive, purchased frequently and with minimum of effort.

Grocery Retailer: Retailer who possesses a number of stores (store chain)

Premium Private Label: PL with high quality and priced close to national brands

Private Label: Brand owned, controlled and sold exclusively by one retailer under its brand name.

Structural Equation Modeling (SEM): A statistical technique for testing and estimating causal relations.

Appendix

Correlation Matrix Between Observed Variables

Table 4.

	MQ1	MQ2	MQ3	MA1	MA2	MA3	ML1	ML2	MPr1	MPr2	I1	I2	I3	CS3	CS4	INT1	INT2
MQ2	.620																
MQ3	.697	.820															
MA1	.479	.409	.472														
MA2	.563	.567	.612	.692													
MA3	.422	.375	.423	.901	.691												
ML1	.564	.651	.605	.326	.424	.298											
ML2	.556	.664	.590	.324	.409	.312	.946										
MPr1	.406	.509	.473	.458	.490	.476	.410	.462									
MPr2	.455	.505	.466	.466	.501	.467	.374	.400	.897								
I1	.453	.735	.630	.329	.426	.290	.583	.615	.466	.460							
I2	.293	.438	.411	.316	.331	.280	.328	.359	.389	.378	.621						
I3	.429	.714	.614	.336	.429	.309	.552	.580	.498	.483	.962	.621					
CS3	.510	.727	.652	.416	.530	.385	.544	.566	.498	.521	.912	.610	.892				
CS4	.471	.764	.684	.385	.487	.354	.583	.606	.519	.501	.923	.594	.907	.926			
INT1	.186	.275	.265	.193	.270	.163	.261	.309	.211	.152	.451	.314	.440	.426	.445		
INT2	.160	.270	.256	.182	.300	.188	.224	.270	.244	.189	.437	.290	.429	.414	.429	.946	
INT3	.158	.266	.253	.192	.301	.197	.227	.274	.260	.202	.431	.279	.423	.407	.424	.947	.990

$p < .01$

Chapter 4

Understanding Individuals' Behavior Under Uncertainty: Strategy Key Driver in Economic Crisis

Amalia Duțu

University of Pitesti, Romania

ABSTRACT

An economic crisis is an uncertain situation with negative economic evolutions like unemployment, inflation rate increase, freezing or decreasing of the wages, purchasing power decrease, etc. All of these represent economic shocks. The individual well-being is determined by many things like level, secure income, job stability, health, social relationships, and economic household security. In order to understand How and Why people behave in certain patterns in such an uncertain situation, a comprehensive analysis of situational consequences should be considered. All of these dimensions of analysis are correlated in some way and explain the consumers' behavior alteration during turbulent times. History's crises showed surviving companies were those characterized by high-speed reaction, strategic flexibility and a very good understanding of market mood. Thus, this chapter explains the consumer's behavior change in recession conditions and the panic mechanism that shapes people reactions in such conditions.

INTRODUCTION

Starting with 2008, the global economy has entered a period of profound restructuring; the world faced one of the worst economic crises in its history after the Great Depression in 1930. It was amazing how fast the financial crisis that started in the U.S. turned into an economic global crisis. The rapid expansion of the economic crisis worldwide, confirms the acceleration of the globalization process and the interdependencies existing between national economies at present. The unique character of the 2008 crisis was determined by several aspects, including its severity and global nature. If the confidence crisis that followed the financial crisis played an important role in turning the financial crisis into an economic one, the acceleration of economic globalization and increasing interdependence in economy have contributed significantly to the expansion of global economic crisis by the so-called domino and contagious effects.

DOI: 10.4018/978-1-7998-1412-2.ch004

Still, during the history, many other economic turbulent times were experienced in different countries or regions. Thus, during the time, analysis and researches identified different causes for each important economic crisis episode, a common point being the emotion. At the conference “Crisis of Confidence - The Recession and the Economy of Fear” held in 2009, sponsored by the University of Pennsylvania’s Department of Psychiatry and the Psychoanalytic Center, the following aspect was emphasized: “The emotion not only led America into the present economic crisis but it could also keep it there.” David M. Sachs, training and supervising analyst at the Psychoanalytic Center of Philadelphia stated that “the economic crisis is not one of concern but one of confidence”. In this respect, Nobel economist Stiglitz (2008) claimed that the financial crisis emerged from a catastrophic collapse of confidence. At the same time, Ron Anderson (2009) asked some questions in an article posted on his blog: “Have you noticed that in general, people provide only economic explanations to the present crisis? Have you noticed the majority of arguments are built on economic and political elements and only on a small scale on psychological ones?”. Generally, recessions lead to unemployment problems, therefore, incomes fall, consumer confidence decreases, and all these lead to a raise in uncertainty about the future (Kay, 2010). For instance, the anxiety of losing the job is higher than the anxiety of unemployment situation. Also, it was proved that people are loss averse. The unhappiness feeling is higher if the wage is diminishing with \$10 than the happiness feeling in case of wage increasing with \$10. So, loss aversion makes consumers more sensitive to the economic negative evolutions.

Looking at different global economic turmoil moments, the transformation mechanism of the financial crisis into an economic one spread worldwide is based on the fact that a certain type of crisis has created the emergence of another type of crisis, the key driver of this emergence being the emotion. The core mechanism of this phenomenon is considered the “economy of fear”. Due to the exposure to uncertainty and economic shocks, the emotional response of consumers to the effects of the financial crisis has determined the decline in their confidence in brands, companies, sectors of activity, and anti-crisis measures taken by governments. In other words, the negative emotional response has determined the appearance of confidence crisis, which is associated with the change in consumption and spending allocation, people considered savings as a proper response to the uncertainty of their existence. Thus, in this context, safe living becomes a higher priority for each and every individual.

People choose saving their money instead of spending it (Simon, 2009). The fall in consumer spending leads to a decrease in aggregate demand and therefore lower economic growth. This had as a consequence market contractions and their structure alterations, generating the classical overproduction crisis, but also the prologue of the economic crisis. Thus, the new market situation is characterized as the “age of thrift” which has radically changed customer purchase behavior providing an environment dominated by public skepticism and lack of trust in business and in marketing offers (Piercy et al., 2010). This is supported by the evolution of Consumer Confidence Index (CCI) which, according to Nielsen Global Confidence Index Report 2008 has experienced significant decreases in all national markets in which it was measured, in some national markets taping an absolute record of decrease. In the first half of 2009, CCI continued to decline in 48 of the 50 monitored countries. Also, analyzing the 2008 crisis, Gerzema and D’Antonio (2011) supported the fact that that confidence in all types of big organizations, including big government and big business, has declined by nearly 50 percent in the past two years. Consumer confidence has dropped especially in the financial and automotive sectors, but also in retail, packaged goods, consumer electronics, and 20 other product and service categories.

There is no doubt that during the economic turbulent times the key drivers of the individuals’ behavior are related to emotions. Confronted with economic shocks, consumers adapt themselves to the

Understanding Individuals' Behavior Under Uncertainty

situation through adjustment of purchase behavior and spending allocation and “learned” how to live from “adjustment to adjustment”. Therefore, in recession context companies have to operate on volatile markets, characterized by contractions and important changes in their structures this phenomena being correlated with consumer behavior alterations. That is why understanding the psychology of the crisis and the panic mechanism behind it is very useful in elaborating the recovery strategies and in determining people’s post-crisis behavior.

In September 15, 2018 there was the 10-year “anniversary” of the collapse of the investment bank Lehman Brothers – the start of the Global Financial Crisis. Over 11 years after the crisis, the global economy has gradually recovered. According to the Euromonitor International the long-term view, shows that household income and consumption are still depressed under negative effects of the Great Financial Crisis. Regarding the future economic trends “High policy uncertainty, ongoing trade tensions, and a further erosion of business and consumer confidence are all contributing to the slowdown,” said the OECD in its report. On the other hand according to the European Commission “the EU’s economic growth is predicted on receding uncertainties and a gradual unwinding of temporary domestic factors currently holding back domestic growth. Risks remain substantial and mainly stem from potential policy mistakes across the globe. Even if easing somewhat, trade tensions and the uncertainty surrounding their evolution still pose high risks for the global economy”. Thus, the evolution of global economy is under uncertainty and the future will be marked by volatility.

In this context, the present chapter is intended to explain the consumer behavior alteration during economic turbulent times, explaining the panic mechanism that shapes the individual reaction in such a particular context considering the effects of economic shocks exposure. The chapter was developed adopting a psychological perspective.

The main objectives of the chapters are:

- To present the results to an extensive literature review regarding consumers behavior change in the context of different crisis episodes worldwide in order to identify some patterns of purchase alteration and shopping behavior,
- To present a comprehensive picture of the effects of the individuals’ economic shock exposure – economic, social and health effects;
- To explain the panic mechanism behind the economic behavior alteration and to introduce a model of consumer behavior change in uncertain conditions, developed and empirically tested in Romania during 2010,
- To introduce a psychological market segmentation model and a consumers typology regarding behavior alteration used for a better understanding of market mood during economic uncertainty;
- To present some prospects of building the response of the companies in crisis conditions.

The chapter is organized into three complementary parts in the attempt to present a comprehensive picture of consumer’s behavior change and companies’ strategy in uncertainty conditions. Thus, the readers can find during this chapter answers to the “*HOW*” question but also to “*WHY*” question placed behind consumers behavior alterations during turmoil and some prospects for developing company strategy in order to survive. The chapter is grounded on the results of author empirical research conducted during 2009-2014, in Romanian context. Also, the chapter was developed based on author’ assumption that understanding individuals’ behavior under uncertainty represents the strategy key driver in economic turbulent times.

HOW DOES CONSUMERS BEHAVIOR CHANGE IN CRISIS CONDITIONS? WHAT DO EMPIRICAL FINDINGS SHOW?

In one study Dutt and Padmanabhan's (2009) identified 435 currency crises episodes across 195 countries over the period 1960 to 2006. Thereby, at international level, there are different studies achieved in the context of various economic crisis periods, some of them having as a purpose, the identification of core changes occurred in consumers' behavior and in spending allocation as a result of the exposure to economic shocks generated by the recession. Anyway, should be noted that until present crisis episode only a few researchers were focusing on the topic adopting various manners of approaching.

The first relevant study belongs to Kelly and Schewe (1974), who analyzed the reaction of American consumers to the stagflation during 1973 to 1974 in the context of 1973 oil crisis. The main directions that they followed in the analysis were: consumption vs. savings, postponing important purchases, extensive credit usage, and change of lifestyle. Also, Shama (1980) analyzed this change in case of New York consumers and found that the recession conducted to changes in consumers' motivations, values, attitudes and expectations. Thus, the core changes identified by these researchers were: the desire to buy less (the decrease of consumption desire), the postponing of long-lasting product purchase, the focus on comparing the products and an extension of purchase duration, the change of purchase habits and the elimination of waste and the usage of promotion coupons. For durable goods, consumers were focusing on product utility and price. Also, they started to use cheaper products such as private labels, saved less and used more loans.

Many researchers examined the consumers' reaction to economic impacts generated by the Latin American crises. Latin America's crises hit households hard. For instance, in the 1980s, real wages in Argentina and Mexico fell by nearly 40 percent, while poverty increased by more than 30 percent. In Chile, real wages shrank by about 15 percent and unemployment rose by 9 percentage points within a year. In the 1995–1996 crisis, real wages in Mexico fell by more than 30 percent. In Argentina, unemployment rose by 6 percentage points and remained at around 18 percent of the work force for more than two years (The world Bank, 1998). In an interesting approach Friszbain et al. (2003) identified more types of strategies adopted by households in Argentina during 2001 to 2002, the most difficult period in the history of this country. The strategies identified by them were separated in groups according to the type of household response to the economic crisis. The first group of strategies called adaptive strategies covers in fact, a reactive response of the household with a view to quantitative and qualitative consumption. The second group of strategies called active strategies, engender a proactive response of the household, focusing on home goods production for selling, entrance on the labor market of a new member of the household, at least one member of the family begins to work longer hours, at least one member of the family emigrated or relocated permanently in another city, another province, etc. The third group of strategies called social network, consists essentially in searching for living support provided by people outside the household. The above mentioned authors explored the relation between the strategies identified and the type of economic shock experienced by the household, and found that there was a direct connection in between and the change of household behavior is correlated with the wealth and number of members of the respective household. Robles et al. (2002) identified, in the context of the same crisis episode, the following changes in Argentinean consumers' behavior: the avoidance of long term financial commitments by leaving out major purchases: cars, houses, holidays, etc., the re-evaluation of consumption mix by increasing expenses for basic products, the change of purchase habits by guiding the consumers toward self-service, discount outlets and hypermarkets, the search for a favorable quality-

Understanding Individuals' Behavior Under Uncertainty

price balance. McKenzie (2004) found in an interesting study that although consumers bought less after the devaluation, they shopped more days. This increase in shopping frequency occurred over a wider variety of channels, and was almost entirely through increased shopping for priced products. The share of expenditure allocated to premium brand products fell for all parts of the expenditure distribution, suggesting that consumers were also reducing the quality of their goods purchased during the crisis. In broad lines, the same main directions in consumers' behavior change were identified by Zurawicki and Braidon (2005) in a research made with the purpose to identify middle-class Argentinean consumers' reaction between 2001 and 2002.

The Asian crisis that affected the entire region that followed after a very long boom period, taking by surprise all consumers, represented main topic for many empirical studies. In a paper that provided the background for discussions during the Asia Development Forum held in March 1998 in Manila, adopting a social perspective Tamar Manuelyan Atinc and Michael Walton (1998), described different strategies adopted by people in order to survive and underline the cutting down on household expenditure using some impressive examples as in slum areas, people reported cutting down from three meals per day to two, or even one. In Indonesia and the Philippines (Mindanao), teachers reported that children were eating less before coming to school in the mornings and buying less from vendors and that this was affecting students' ability to concentrate. Ang et al. (2000) identified the following behavioral changes within the Asian crisis: a lower consumption for all product categories and waste riddance, the search for extra information, the substitution of products, the buying of home products rather than foreign products, the choice of discount and neighborhood shops. Also, Kang and Sawada (2008) analyzed how the credit crunch in Korea in the late 1990s affected household behavior and welfare. They found that, Korean households reduced consumption of luxury items while maintaining food, education and health related expenditures in order to deal with the negative shocks of the 1997 credit crunch. Also, there are empirical evidences that households have cut back spending on "deferable" items (such as clothing, household furniture and similar semidurables) while maintaining real expenditures on foods in Indonesia during 1997-1998 (Frankenberg et. al., 2002).

The 2008 crisis without precedent in the entire world, called consumers attention upon revising their behavior and budget allocation. A great number of empirical studies were conducted from different perspective in many countries during this economic turbulent episode, in order to identify the national patterns of consumers behavior change.

Quelch and Jocz (2009), presented in one of the first studies during the present crisis episode, the shifts in consumers psychology and habits adopting psychological market segmentation approach. They described three different consumers groups presenting different patterns alterations: The slam-on-the-brakes segment, which feels the hardest hit, reduces all types of spending, Pained-but-patient consumers, who constitute the largest segment, also economize in each area, though less aggressively, Comfortably well-off individuals consume at near-prerecession levels but become a little more selective (and less conspicuous) about their purchases, Live-for-today consumers pretty much carry on as usual, responding to the recession mainly by extending their timetables for making major purchases. Also, these authors, argued that all consumers, no matter the segment prioritize consumption by sorting products and services into some certain categories: essentials (central to survival or well-being), treats (justifiable), postponables (can be put off), and expendables (unnecessary or unjustifiable). A close approach was used by Urbonavicius and Pikturnien (2009) in Lithuanian context, who identified six types of consumers' response associated to behavior change: 1) to continue with the same behavior without any change – this type of behavior does not imply changes at the level of high income consumers who do not

undergo but very scarcely the effects of the crisis; 2) to reduce spending in order to survive – this type of response implies significant alterations of consumers' behavior by a blunt reduction of the quantity and quality of the products; 3) to reduce spending in order to make some savings – is a feature of the consumers whose budgets were not significantly affected but choose to become cautious for purchases that are not essentially necessary and they prefer to save money; 4) to concentrate on short-term increase of life quality, as long as it can be afforded – this type of response characterizes the category of young people free of financial and social obligations; 5) to improve life quality by consuming more products and services – this response implies the increase of consumption of certain categories of products and services, increase stimulated by the decrease of prices for different products; and 6) improve life quality by consuming better quality products and services – this response means that consumers are driven towards better quality products

In different studies conducted in European countries there was reported some similar shifts in consumers' behavior. Thus, in Slovakian context, Chebeň and Hudáčková (2010), identified six main features that describe changes in consumer behavior during economic crisis: reduction of spending on less necessary goods, price became the main factor in decision-making, increased use of discounts and price reductions, delaying larger purchases ad infinitum, reducing consumers' loyalty to brands, more rational decisions. The change of consumer behavior pattern was not very different in Romanian consumers' case compared with others European consumers (Pandelica and Pandelica, 2011). The most important change was the elimination or postponing of the major purchases. Concurrently, Romanian' consumers focused on spending optimization, first of all, because they engaged in an extra information searching process and on the other hand, because they focused on the best quality-price ratio. Even if the price seemed to be more important in the process of choosing the products, the quality of products remained an important issue. The core tendency regarding spending allocation was the rationalization of expenses, by keeping the expenses at almost the same level for strictly necessary products (basic food products) and decreasing the expenses for almost all the other categories of products and services. Thus, the Romanian' consumers, spent almost the same amounts on basic food products, water, gas, electricity, pharmaceutical and medical care products. They spent significantly less on journeys, holidays, leisure, appliances and tools (household appliances, electronics, furniture, etc.), alcoholic drinks and tobacco, magazines, newspapers, books. Polish consumers (Jasiulewicz, 2011) were forced to use their savings, drastically reduce their expenditures, ask relatives for help or take extra work. At the same time, a significant reallocation of consumption expenditures was visible. Poles spent more especially on foodstuffs and smaller consumption of some goods (alcoholic beverages, cigarettes, books, recreation, services, clothes and shoes) was connected with the attempt of expenditures limitation. Expenditures limitation in households caused by economic crisis determinate a change in Polish consumers' lifestyle. They spend less on their pleasures such as holiday trips, entertainment, meals outside home, services associated with caring for body and beauty. Every fifth respondent chooses public transport instead of car reduces consumption of electricity, gas and water and limits paid services associated with the house and its surroundings in order to save some money. The crises negatively affects the Polish consumers' mood and their perception on future taking into account that high concern dominated and pessimistic attitudes like panic and depression were identified among respondents.

Flatters and Willmott (2009) in an article published in Harvard Business Review presented different patterns of behaviour change of American consumers: (1) a demand for simplicity meaning that during recession consumers are used to limited offers and they tend to simplify their demand, (2) discretionary thrift taking into account that even the rich people are economizing, although they don't have to. They

Understanding Individuals' Behavior Under Uncertainty

revealed their dissatisfaction with excess consumption. They started to recycle, buy used goods and teach their children simple and traditional values, (3) mercurial consumption dealing with the fact that consumers are “agile” and they act fast in response to price change having the ability to switch brands looking for the least price sacrificing the quality and loyalty.

Nie et. al. (2010) identified, in their turn, the impact of the financial crisis on consumer behavior in China context, as follows: (1) consumer confidence declined, spending budget significantly reduced, as the uncertainty of economic development and job security increase, consumer confidence index in China fall 94.5 in march 2008 to 86 in march 2009, which was the lowest point in last few years. Chinese consumers spent less in the household products, personal care products, food and drink. Meanwhile they buy less in the area of leisure and entertainment, and postpone buy large goods; (2) Chinese consumers became more rational and sensitive to price, they chose domestic brands instead foreign brands and put emphasis on product efficacy, durability. Consumers pay more attention on price and quality than on style, brand and service. In addition, more consumers are beginning to get access to shops and make internet research when they are shopping; (3) the change of consumers' shopping places dealing with the fact that online shopping is more and more attractive to consumers.

In India Kondawar and Jadhav (2012) underlined the fact that the consumers psychology and behavior has changed greatly in the financial crisis, the main shifts reported were: (1) decline in consumers' expectations regarding income, resulting in lack of consuming confidence, (2) rational consumer behavior replaced the impulse buying behavior as Indians consumers become more and more rational, and purchasing decisions are prudent every time, (3) the price sensitivity of consumers increased, as India's consumers in the process of decision-making are engaging in addition search of information and make an additional effort in price decision-making. Also Mansoor and Jalal (2011) found in case of Bahraini consumers a shift from expensive to inexpensive substitute, a shift from luxury to essential, a shift from huge quantities to small quantities and a shift from consumption to saving.

Gerzema and D'Antonio (2011) underlined the change in consumer attitudes and behavior as a reaction to economic hard times. They sustained that the wave of hyper-consumerism that propelled the U.S. economy through the last decades of the 20th century and into the first years of the 21st century has passed. According to the same authors, we can expect that all signs of easy wealth we knew from the recent past to disappear and also the recreational shopping. Consumer spending patterns are changing as part of a trend that has been quietly gathering strength over the past 10 years. We can expect a new lifestyle more focused on community, connection, quality, and creativity. People return to old-fashioned values to build new lives of purpose and connection. They also realize that how they spend their money is a form of power, and are moving from mindless consumption to mindful consumption, increasingly taking care to purchase goods and services from sellers that meet their standards and reflect their values.

The United States Department of Labor (2014) sustained that during the Great Recession, consumer spending experienced the most severe decline since World War II. As Federal Reserve Bank of New York (2011) underlined, during this period the households cut spending, shed outstanding debt, and increased their rate of personal savings in response to reductions in income, wealth, confidence, and credit access.

As one can notice, at international level, there are many studies that provide empirical insights regarding consumers' behavior alteration in various recessions. In every recession marketers find themselves in *poorly charted waters* because no two downturns are exactly alike (Quelech and Jocz, 2009). Thus, the international research performed in this field is very rich and it allows for a synthesis of consumers' behavior shifts during economic crisis. The following section presents a synthesis which can be a guide for marketers and managers that allow them to develop business strategies in economic turbulent times.

The Consumers' Behavior Alteration During the Recession Period

The Consumption Reduction: A Less Wastefully Consumer

In the context of recession there is a significant decrease of consumption desire. Because of the economic shock's exposure generated by the economic turmoil and because of the uncertainty associated with these, consumers tend to consume less. Consumption reduction is associated to savings increase or to survival. Consumers revealed their dissatisfaction with excess consumption and tend to turn to the simplicity in their consumption. Also, they reevaluate what actually is necessary and essential, even if the essential meaning vary from one country to another and is modeled by economic, cultural and social factors. During recession consumers rediscovered their capacity to control and reduce the consumption dealing with the shift from huge quantities to small quantities and the appearance of WHY behind the buying (It is really necessary?). Consumers are turning to the economic good sense and "wisdom". This alteration was reported in all country case studies. Nonetheless, the consumption decrease varies as intensity across countries but also across different groups of consumers in the frame of one national market. Concurrently, the consumption reduction varies across different categories of products and services.

Increasing Savings: A More Prudent Consumer

In recession, people tend to consider savings as a proper reaction to the uncertainty of their existence. Thus, this tendency is correlated with uncertainty and economic shocks exposure (unemployment, decreasing of income, loosing job stability etc.). Still, the empirical findings are mixed in this sense. As a result, in some countries even if some categories of consumers spent less they didn't increase savings during recession because of the higher inflation and prices during the period as well as because of freezing or decrease of incomes, being forced to use their savings in order to survive. On the other hand, in some countries even rich people saved up, although they didn't have to. This tendency was reported by some country case studies.

Migration on the Demand Curve: The Reduction Of Quality

In the recession period consumers tend to migrate on the demand curve switching brands: from premium or middle products to cheaper products. They buy generic brand products and replace expensive goods by substitutes or cheaper ones. This alteration in consumers' behavior was reported in all national markets but the migration rate varies from one country to another, on one hand, and from a category of consumer to another, on the other hand.

Elimination/ Postponing of Major Purchases: A Caution Consumer

In economic stressful times consumers have eliminated or postponed the major purchases (durable goods). Even if the level of income permit such purchases, consumers stay cautious and eliminate what is not strictly necessary, because of the uncertainty of economic evolutions that generates financial and job insecurity. This shift in consumers' behavior was presented in many country case studies even if this trend varies among national markets and across different groups of consumers within one national market.

Brand Loyalty Shift: A Less Loyal Consumer

The consumers become more agile and they are less loyal because of financial pressure but also because of changes in values, attitudes and things that matters. Taking into account that in economic downturn the consumers are less confident in brands they easily change their favorite brand and location for shopping focusing on price, price reductions, price-quality ratio. This shift in consumers' behavior has been found in many countries, especially during present crisis episode.

Price Comes First/ Price Sensitivity: More Sensitive

Price became the main factor in decision-making. Thus, consumers become price sensitive and act fast in response to price change which is correlated with the shift from expensive to inexpensive substitute, and shift from luxury to essential. This alteration in consumers' behavior was reported in all national market.

The Rationalization of the Consumption and Expenses: A More Pragmatic Consumer

On the one hand the rationalization refers to keeping the expenses at almost the same level for strictly necessary products (essentials) and decreasing the expenses for almost all the other categories of products and services. On the other hand this tendency refers to best value for money. Even if in the context of the economic turmoil price seems to be more important in the process of choosing the products, the quality of products remained an important issue. Thus, the consumer wants to pay less but he/she also wants the maximum of the quality for the price. The rationalization process is correlated with the extra search for information in the buying process (a better informed consumer). Thus, crisis has brought a more rational and selective shopping behaviors on all national markets.

Aggressive Search for Options: A Better Informed Consumer

In recession periods consumers engaged in an extra information searching process, allocate more time in finding information and options because they are focusing on the best quality-price ratio. Thus, they attach great importance to the collection of information on buying and value product performance information, Consumers are wiser and better informed and they have "discovered" a lot of options and the power to use it.

Shifts in Emphasize on Different Attributes: The Change in the "Why" Behind the Buying

As consumers become more rational they put a greater emphasis on other product attributes. It is about the shift from image, style, brand and "nice to have" to the best value for money and a more focus on efficiency, durability, necessity etc.

Changes in Shopping Place

During recessions consumers increased use of discounts and price reductions and they turn towards discount and neighborhood shops. At the same time, online shopping became more attractive to consumers. Many country case studies reported similar shifts.

Changing in Spending Allocation: Quantities Reduction

In economic hard times consumers reevaluate their purchasing basket and reallocate the consumption expenditures among products and service categories. The general tendency is keeping the expenses at almost the same level comparing with pre-crisis period for strictly necessary products but also other products and services considered essentials and decreasing the expenses for almost all the other categories of products and services, considered non-essentials. Of course, the essential meaning varies to a certain extent from one country to another and it was basically reevaluated. Regarding the spending allocation for basic food products, the results of countries' case studies are mixed. On one hand, there are countries where these expenses remained almost on the same level or increased. On the other hand, in some countries were reported the decrease of the expenses for such products. Still, in many case studies conducted in United States, Europe and Asia, there was a common point, respectively an important decrease of the expenditures for some certain categories such as: journeys, holidays, leisure, house maintenance and improvement, household appliances, electronics, furniture, etc.

WHY DID CONSUMERS BEHAVE LIKE THAT?

Inside Consumers' Minds in Uncertain Conditions

As it was emphasized at the beginning of this chapter, understanding individuals' behavior under uncertainty represents the strategy key driver in economic turbulent times. Thus, marketers should understand not only how consumers react in crisis context (behavior alteration) but they also should understand why people are reacting like that. So, what happened inside consumers minds?

In order to explain the individual reaction within economic crisis we need to analyze the panic mechanism that is placed behind behavior shifts. For this purpose a comprehensive analysis of behavioral sciences, consumer behavior psychology and risk theory is needed.

Anyway, in order to frame the panic mechanism behind the change of consumers' behavior, in this analysis I started from a broader context with the purpose to determine the core factors that generate this change in uncertain contexts as recession is. Several studies that were conducted in the context of various types of uncertainties were analyzed: economic crisis, food security crisis - contamination with salmonella, avian flu, terrorism crisis (USA, 2001), public health security crisis - AH1N1/swine flu, 2009. Thus, different types of uncertainties that generate risks and stress exposure / risks exposure were taken into consideration. Also, most of these uncertainties were unique events, so there was no past previous context to allow people to place such events.

The analysis purpose was to identify to what extent these situations with negative impact on people (risk generating situations) display some common aspects. The results pointed out that obviously each crisis is a unique event and no crisis is similar to another as no two similar type of crises are alike con-

Understanding Individuals' Behavior Under Uncertainty

sidering generating factors, severity, evolution, outcomes etc. But, it was established the fact that in all these uncertain situations the psychological factors play an important role in determining the human behavior. Thus, in order to frame the conceptual model regarding the change of consumers' behavior it was started from the premise that risk perception and risk aversion are important internal drivers of change in economic turbulent times.

Risk concept is a commune denomination, very often used nowadays in various circumstances: finance, insurance, economic behavior, strategy, investments, economic trends, public health, terrorism, food security and so on. As Hillson and Webster (2004) point out, there is a great range of definitions for risk-concept in the academic literature. Even among risk practitioners in the various professional bodies there is an ongoing debate about the subject matter at the heart of their discipline. Also there is a huge variation in the general literature, reflecting the lack of official agreement on the basic definition of risk (Hillson and Webster, 2006).

According to Slovic et al. (2004) there are three fundamental ways of seeing risk: risk as feeling that capture the instinctive and intuitive reaction to danger, risk as analysis that brings logic, reason and scientific deliberation to bear on hazard management and risk as politics. In psychology, risk is defined as a subjective construct influenced by how the event is interpreted (Weber, 2004). Risks lead many people to think only about threats, that is, those uncertainties that if they occur would result in an undesirable outcome. In this line each risk can be seen as uncertainty, which can be expressed as 'probability' or 'likelihood'; and how much it matters, expressed as 'impact' or 'consequence'. Holton (2004) argues that there are two ingredients that are needed for risk to exist. The first is uncertainty about the potential outcomes from an experiment and the other is that the outcomes have to matter in terms of providing utility. Thus, risk can be seen as the product of the probability of an event occurring, that is viewed as undesirable, and an assessment of the expected harm from the event occurring.

Nevertheless, there is consensus within various approaches as to the fact that risks is associated with uncertainty and generates consequences. A recession, in general is considered as uncertainty and a risk generating situation with significant effects on individuals, labeled as economic shocks, representing the external factors of the behavior change or stimuli. Zurawicki and Braidot (2004) defined the economic crisis from consumers' perspective as the most traumatizing event that affects family's life and brings a sudden and substantial deterioration of economic situation. Akerlof and Shiller (2009) emphasized that a growing number of economists recognized that a psychological perspective is necessary in economic analysis in recession. Thus, in the recession context environmental factors like unemployment, inflation raise, the freezing or decrease of income, the decrease of purchasing power, the decrease of deposits, the loss of job stability represent economic shocks that individuals have to cope, risks respectively, as long as such evolutions represent "uncertainties that matter" (Hillson and Murray-Webster, 2006) having important effects on individuals' lives. These economic shocks labeled as risks in the panic framework were considered external stimuli that generate the individual behavior change (catalysts of change). For instance, some consumers postponed the major purchases during the last few years even if the level of income provided the solvability for such purchases, but the fear of unknown made them cautious. In the framing process there was a great emphasis on exploring and understanding the mental structures and processes which mediate between these stimuli and individual response (as economic behavior). Also these risks become the main stressors that are correlated with the directions of behavior alterations, but also with health status and social relationships Pandelică and Pandelică, 2011, 2012). An interesting aspect was the fact that media and the way in which it was reflected the evolution of economic crisis was pointed out as an important stressor by Romanians. This interesting aspect sustains what it is already

known that in some situations, media has the tendency to exaggerate when they present the effects of the economic crisis, delivering scenarios that make people agitated. Between all these stressors and measured directions of behavior change were identified direct relations of causality (Pandelică and Pandelică, 2011, 2012).

According to specialized literature different things matter to different people to a different extent in different circumstances. So, risk perception and risk aversion vary on a spectrum. Thus, each risk is perceived and interpreted (represented) differently by each and every individual, which is the assessment of the situational context, controllability of estimated effects, and confidence in these estimations (Sitkin and Weingart, 1995). According to Slovic et al. (2004) people support their judgments not only on what they are thinking but also on how they feel about it. If their feelings are favorable they tend to estimate risk as low, if their feelings towards it are unfavorable, then they tend to estimate the opposite – high risk. Thus, risk perception is the interpretation that an individual makes with a view to the chances to be exposed to risk content (Pennings et al., 2002), the assessment of risk content and the capacity to control the exposure. For instance, perception over unemployment is an interpretation of the extent to which the individual considers himself / herself liable to unemployment, the estimated outcomes of this situation and the control degree of this situation. This interpretation is generating fear of unemployment and the emotion of job stability loss. The highest values of this perception the highest behavior alterations but also individual health deterioration. Mental health is an indivisible part of individual well-being. In the context of turbulent economic times, the determinants of the mental health are often, according to World Health Organization (2011), outside the remit of the health system. These determinants are the effects of the economic crisis and the exposure of the population to the stress generated by economic shocks: poverty, deprivation, high debt, lower income, unemployment, insecure job, job stress etc.

The relationship between unemployment and health has been analyzed in several studies. It has been demonstrated empirically that there is a positive correlation between unemployment and mortality rate (Brenner, 1983). Moser (1984) demonstrated that men that are looking for a job had a mortality rate higher than standard level. His study showed also that there is a strong correlation between unemployment and health, but has not revealed which factors actually lead to this effect of unemployment. Another interesting aspect pointed out in the studies, is the connection that exists between the loss of job' security and health. Even if the loss of job security is not so visible like unemployment experience in terms of mental and physical health, is a very stressful experience. The individual concerned by job stability is exposed to a high stress because of the anticipation of the difficulties generated by the possible unemployment and ambiguity of the future. The effects of this exposure are visible on a short term at the emotional level (anxiety, depression, exhaustion, loss of concentration).

The Main Generating Stress Factors and the Consequences of the Stress / Economic Shocks Exposure in Romanian Context, 2010

According to the results of the research, conducted by the author in Romanian context during 2010 (Pandelică and Pandelică (2011; 2012), the economic shocks that the respondents faced were (multiple answer question): 12,7% experienced a period of unemployment, 53,1% experienced wages decrease, 12,1% experienced the wages freezing, 44,0% declared that they faced with the decrease of the purchasing power, 24,7% with the decrease of the investment/savings value and 15,0% appreciated that they were not affected by the economic crisis.

Understanding Individuals' Behavior Under Uncertainty

At the entire sample level (527 persons' sample), the most stressful factors in the analyzed period were essentially from economic nature. The evolution of national economy, and the uncertainty associated this evolution, seems to be the most stressful factor. The financial status and the fear of unemployment, as well as the incapacity to ensure a decent life to the family, are important stress generating factors. On the other hand, family atmosphere and friends' relationships are less stress generating factors. This aspect can be explained by the fact that in the analyzed period, the respondents had a greater support from family and friends. Looking at the group affected by unemployment during the economic crisis, the fear of unemployment is the most stressful factor. This can be explained by the fact that some of the respondents were in the unemployment period when the data were collected. On the other hand, even in case of those who experienced such a period before of data collecting, the fear of unemployment remained at a high level. Because unemployment generates multiple consequences affecting the financial situation of the household/individual, the financial status is the second stress generating factors as value, in case of this group. The capacity to ensure a decent life of the family and the evolution of national economy, represent another important stress generating factors for this category. In order to measure the main generating stress factors and the consequences of the stress exposure, a seven step scale was used, where: 1 – much less, 4, in-between, 7 – much more. At the entire sample level 42,1% of the respondents sustained that they confronted with different mental health problems generated by stress. In case of those who experienced a period of unemployment, 56,7% had different health problems because of the same cause. This emphasizes that unemployment has adverse impact on psychological function, and the unemployed become more anxious and depressed (Table 1 and Table 2).

Thus, the personal interpretation of the economic socks (risks) generates emotions such as anxiety, depression, stress, fury, fear etc. In a summary of potential emotions in relation to perception of risk and risk attitude Hillson (2008) reviewed such affective factors like: Fear (dread, worry, concern...) of the consequences of something happening, Hate (dislike, disgust...) - I don't want it/want less of it, Sadness (depressed, morbid...) - life is bad, more bad things are probable.

Table 1. Descriptive statistics – Main stress generating factors, Romania, 2010

Stress generating factors	Those who experienced an unemployment period	Entire sample
Family atmosphere	3.7761	3.5484
The health status	4.1343	3.8615
Friends relationships	3.5821	3.4307
The capacity to ensure a decent living for the family	5.1940	4.4706
The financial status	5.5970	4.9260
The unemployment fear	5.9630	4.7870
The general well-being	4.7612	4.4611
The evolution of national economy	5.1343	5.0190
The way in which the mass-media reflected the economic crisis	4.3582	4.5332

Source: Author's research findings, Pandelică and Pandelică (2011; 2012)

Table 2. Descriptive statistics – Consequences of stress exposure, Romania, 2010

Directions of evaluating the consequences of stress exposure	Those who experienced an unemployment period	Entire sample
The extent to which the respondent felt angry	4.9851	4.5844
The extent to which the respondent felt anxious	4.7910	4.3757
The extent to which the respondent felt depressed	3.9552	3.6433
The extent to which the respondent had insomnia	4.0597	3.6717
The extent to which the respondent lost the appetite	3.8060	3.5427
The extent to which the respondent felt exhausted	4.8955	4.4782
The extent to which the respondent lost the concentrating capacity	4.1343	4.0076

Source: Author's research findings, Pandelică and Pandelică (2011; 2012)

Two Conceptual Models: Consumers' Behavior Change in Uncertainty and Psychological Market Segmentation

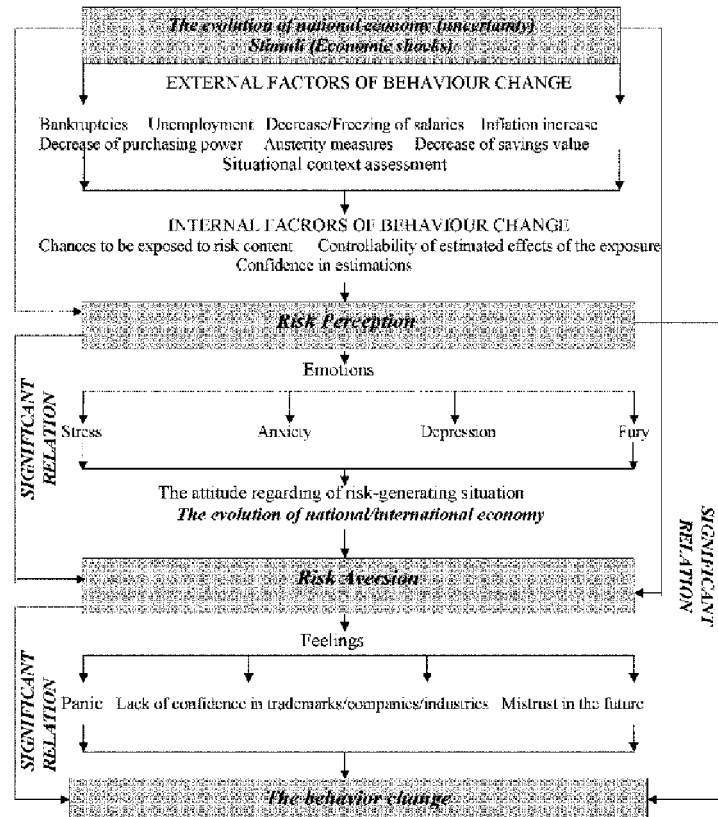
Consequently, each individual likes / dislikes, tolerate/ do not tolerate in a certain measure the risk-generating situation, reflecting each person's risk-attitude and that leads to certain feelings such as panic, confidence/ lack of confidence in brands, companies, government, media, future. Risk attitude is a chosen response to uncertainty that matters, influenced by perception (Hillson and Webter, 2006). Perception drives risk attitude, which in turn affects the quality of decisions made under conditions of uncertainty. For instance, being risk adverse means uncomfortable with uncertainty, the desire to avoid or reduce threats and to exploit opportunities to remove or to limit the uncertainty. We can think of a person with a high perception of unemployment (low job stability) and a low toleration regarding this situation which decides to consume less and to save more based on the assumption to manage the possible unemployment period. Indeed, in my study I have found that there is a significant relationship between the two psychological factors considered in my model – risk perception and risk aversion, but also, between these factors and all measured directions of consumers' behavior change (the migration on the demand curve, the postponing/elimination of the major purchases, the aggressive search of options in choosing products, in the process of product choice the price comes first, in the process of product choice the quality comes first, the trial of new innovative products) taking into account that I have found a direct relation of causality in between (Pandelică and Pandelică, 2011, 2012). Thus, risk aversion is a hypothetical construction reflecting whether the individual likes or dislikes, tolerate or not tolerate risk-generating situation. So, risk aversion is a mental projection of a certain situation (Hillson and Webter, 2006).

Thereby, in recession context the change of individual' behavior is determined by risk perception regarding the risk exposure (the effects of economic crisis) and risk aversion regarding the evolution of national economic situation (risk generating situation). Also, in the uncertainty context the extent to which an individual considers that he/she will manage the risk exposure play an important role in alternating the behavior (Figure1).

Certainly, not all individuals are alike and they do not react identically in a risk-generating situation, such as recession because their perceptions over risk generating situation are varying on a great extent

Understanding Individuals' Behavior Under Uncertainty

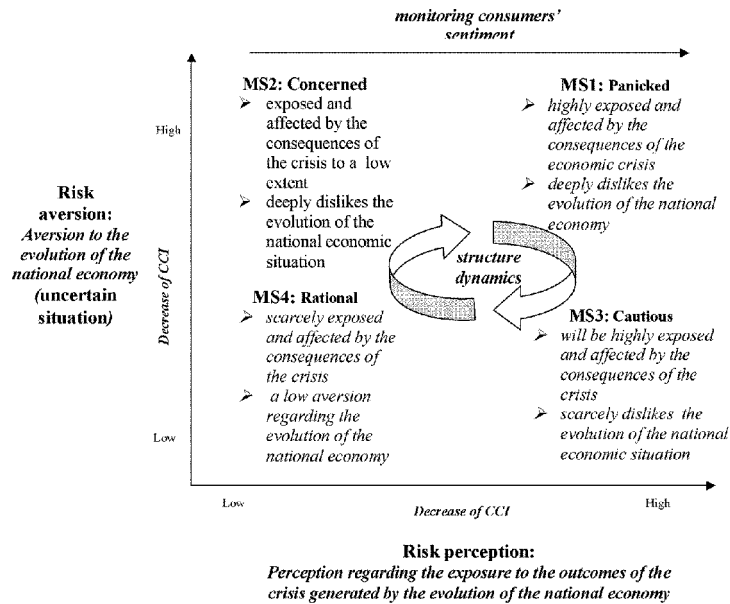
Figure 1. Conceptual model regarding the change of consumers' behavior in risk-generating situations (uncertainty).



function of: the estimation of the chances to be exposed to risk content, the assessment of risk content (effects) and the capacity to control the exposure but also by the presence or lack of previous experience in a similar situation. Attitude towards risk is correlated with the risk perception and the two internal psychological factors of the consumer behavior change vary on a certain scale. Thus, we can expect that consumers' behavior change in uncertain context to have different intensity and follow different patterns. In my approach I started from the models presented by Pennings et al. (2002) and Lusk and Coble (2005) regarding consumers' reaction in risk conditions, and I decomposed the consumers' behavior in two psychological dimensions - risk perception and risk aversion - considering the manner in which they interact in order to obtain a clearer image of the behavior change. According to Quelch (2009) the segmentation models used by companies before crisis based on psychographic criteria are no longer relevant in downturn. Thus, the psychological market segmentation based on consumers' emotional reaction to the downturn will be a start for developing the marketing strategy.

During recession the structure of the market has a certain dynamic and the dimension of the four segments is varying from one national market to another, according to: (1) the severity of the economic crisis effects (S), (2) experience/ lack of experience of some previous economic turbulent times in the relatively recent history of the national economy (E), (3) the moment on the crisis curve ((phase) (T) the moment when the government adopted the austerity measures and the severity of these measures (MA),

Figure 2. Conceptual model regarding the psychological segmentation of the market based on internal factors of behavior – risk perception and risk aversion



(4) cultural factors (CF). For instance, when people interpret the content of a risk in order to evaluate how bad the situational context is, they use their previous experiences gained during turbulent economic periods. When such a previous period was experienced in the recent history of a national economy, the consumers' response to the uncertainty will be based on a learning lesson; thereby they tend to assess the gravity of the situation more "correctly". When there isn't such a background experience, the consumers will have the tendency "to project the worst of their fears" (Ron Anderson, 2009) in order to make this evaluation. Thus, their response to crisis will be an emotional one taking into account that there is no past background to allow them to place such events. This was emphasized by Zurawicki and Braidon (2004) in their research paper that analyzed the middle-class consumers' reaction in the context of the Crisis in Argentina (2001-2002). They underlined that in the case of Asian Crisis (1997-1998) the consumer was taken by surprise considering that nobody anticipated the crisis that followed after a long period of economic development; thus, the consumers had no previous context to rely on. On the other hand, Argentinean consumers accumulated experience regarding the "correct" reaction in recession conditions taking into account the economic reforms of the 1990s envisaging the liberalization of the markets that led to a decrease of life standard and change of consumers' behavior. Therefore, they were in a much better position for a "correct evaluation" of the gravity of the situation in the context of 2001-2002 crisis. In 2008 crisis episode, labeled as unprecedented situation in many countries, people reaction was based on emotions.

Also, the dimension of the four segments is altering according to the evolution of the economic crisis (phases) – entering into recession, the bad situation of the national economy, the climax of the recession, the signs of recovery and full overcoming of the crisis (classical curve). During these phases, risk perception and risk-generating situation alter in time according to this evolution. Bombol M.

Understanding Individuals' Behavior Under Uncertainty

(2011) has made attempts to systematize the consumers behaviors in the various stages of crisis: The first stage (2008) was characterized by limitation of unnecessary pleasure goods purchasing, emotional purchases controlling, denying the necessity of conscious reduction in consumption; The second stage (2009) brought another shifts in consumers behavior like: substitution of more expensive products with cheaper, postponing expensive purchases for later, reducing the unnecessary expenses; and The third stage (2010) characterized by getting used to the crisis, ostentatious savings and bigger consumer awareness. The stages correspond to different shifts in behavior alteration and to different phases on the crisis curve. Also, should be noted that in the recession period there is a process of learning. Thus, consumers learnt to one phase to another how to manage the situation and how to live from “adjustment to adjustment”.

Likewise, the dimensions of the segments vary from one national market to another according to the severity of the effects of the economic crisis (how badly the national economy was affected). Not least, considering that in economic crisis periods, the pessimism grows in accordance with the reaction of the government through anti-crisis measures, the dimensions of the four segments vary according to the moment when the austerity measures were adopted and to the severity of these measures. For instance, in Greece case, the austerity measures conducted to general strikes and violent riots. At the same time, Romanian government adopted the most severe austerity measures in the European Union by the end of May, 2010 which contributed to the lowest consumer confidence index values in July 2010 that represented the highest diminishing during the last ten years according to a study made by GfK (2010). In spite of the fact that the austerity measures were more sever in the Romania case compared with Greece, the people reaction was moderated. This can be explained by the uncertainty avoidance index that characterizes the two cultures. Thus, according to the Hofstede (2004) study, Greece is the most risk avoidance culture recording a UAI (Uncertainty Avoidance Index) of 112, while Romania recorded a UAI of 90. As Gärling et al. (2009) emphasized, the way people behave, their attitudes and values, and the way they perceive themselves, are functions of cultural, historical, and political influence. Considering the austerity measures as external stimuli which generate people reaction, their response will be determinate by the individual capacity to cope with unpredictability, and as Hofstede (2004) demonstrated this capacity varies to one culture to another.

HOW SHOULD COMPANIES RESPOND IN THE CONTEXT OF CONSUMER' BEHAVIOR SHIFTS?

During the downturn, the companies have to learn the survival lesson and find their own way out of the crisis. This means they need a high capacity of responding quickly and effectively to a new context. Companies that will operate successfully in a volatile business environment are those who have the greatest capacity to adapt to change, meaning that they have the ability to respond quickly and effectively in a new environment. Still, understanding market mood and the capacity of being into consumers' mind represents the key drivers of the marketing strategy in economic turbulent times.

Proposition 1: Adopt an outside to inside perspective for designing strategy

Whether a company is under pressure or not from immediate survival, the alteration of external environment represents a major threat for survival. To determine the intensity and direction of changes company will monitor three important aspects of the external environment: (1) collecting and analyzing the information on the economic situation at national and international level and analyzing the dynamics of key economic indicators whose evolution highlights the trend of economic crisis. This monitoring

enable the company to closely monitoring the “pulse” of the economic crisis and identify in real time the signals of the deepening economic crisis or those of recovery; (2) collecting and analyzing the information about how the industry in which the company operates is evolving, the strategies adopted by major competitors for the crisis management, changes in legal regulation etc. (3) consumers confidence index monitoring, a well market mood understanding, a correct decoding of consumer behavior shifts, understanding the needs and expectations in the new context etc.

Proposition 2: More than one strategy

As Kitching Underscores (2009), the literature highlights that in the conditions of recession, business performance is variable, no specific strategy can guarantee survival or success. Thus, strategic, organizational and operational flexibility is an issue that can make the difference between companies that adapt and those that disappear (Kotler, 2003). This type of flexibility is related to the planning of several strategic scenarios applicable to different predicted evolutions in the external environment. These scenarios will be based on different contexts of external environmental evolution, considering at least two options - pessimistic and optimistic. Strategic scenarios set future directions for action, enabling the company to operate independently of environmental evolution. The two scenarios are related to the economic crisis, the evolution of market mood and consumer behavioral shifts.

Thus, the pessimistic scenario occurs when the national economy is becoming more severely affected, the signals being: the decrease in GDP, rising unemployment, reduced income, increased panic feeling, contracting markets, the demand curve, significant changes in shopping behavior and household spending allocation, intensifying competition. Worse scenario reflects the context in which, according to market signs, management thinks that “the bottom of the sack has not been reached”. They may say: “Okay, the situation is bad but it could be much worse.”

The optimistic scenario corresponds to the occurrence of recovery signs from the economic crisis, for example, the reduction of panic feeling among consumers and consumers’ confidence index growth, the improvement of macroeconomic indicators, increasing consumer’s willingness to spend and signs of consumer behavior reverse. As Quelch & Jock (2009) stressed, after the crisis, there will be enough consumers willing to try new products.

Planning the two strategic scenarios involves, primarily a multiplication of the planning effort, given that the planners will consider not only a strategy but developing two strategies. Besides the courses of action taken for each possible evolution of the external environment, the planners will consider the establishment of the necessary resources, taking into account every possibility.

Proposition 3: High speed of changing the strategic direction

By monitoring the external environment, the company will get signals of recovery from the crisis or on the contrary, of a worse situation. Still, even if the company is able to identify correctly the external sign and to plan the two scenarios, the reaction speed is extremely important and the change of strategic course should be done in due time. In order to ensure this reaction speed the company must become flexible from organizational and operational point of view. In this respect an essential condition for strategic flexibility is organizational flexibility. The switch from the traditional hierarchical structures to plain structures will increase the decision-making speed. At the same time, the switch from functional department management to management based on inter-department task-oriented teams and decentralization of decision-making process through assigning high decisional competence to project manager will determine the increasing of response speed and the switch of action in due time. In this respect Kotter stresses (2012), what should make companies today is to identify the main risks and opportunities early enough, to develop strategic alternatives of creative actions to implement them quickly enough.

Understanding Individuals' Behavior Under Uncertainty

Beyond the general aspects of the strategy development applicable to all business categories, in the context of the economic crisis, the retailers must adopt specific strategies to deal with changes in the purchasing behavior. As the first two parts of the chapter emphasized the change of consumers' behavior during recession is directly reflected in the "wallet share", the "shopping basket" and on the shelves of the retailers. As a result, retailers need to revise their strategies to meet the new type of customer and his particular behavior shift. It can be presumed that the most important for any retailer or consumer driven business in such turbulent times is to think and act for their customers. Customer values and behavior changed dramatically during the downturn. It is therefore possible that retailers' products and service offerings may become unaligned with demand. What strategies and tactics can help retailers to survive, and even thrive, during an economic storm? A synthesis of the most important shifts regarding strategies and operations adopted by retailers in order to handle the difficult economic period can be traced as in the following section.

The Retailers' Response Regarding Consumer Behavior Alteration

New retail formats in response to consumers' movement towards discount and neighborhood formats.

As I noted in the first part of the chapter, the consumer behavior shift during the last few years call the retailers to the reevaluation of the retail format (new developments and design). Taking into account the changes regarding shopping place (formats) and the price sensitivity, retailers should focus on smaller discount formats and on the online formats that are two important trends that flourished during the recession:

- *Shop formats need to be thoroughly reviewed* considering that consumers tend to migrate towards smaller formats, neighborhood formats and discount formats.
- *Innovative retail formats should be developed - online and virtual retail formats*

In the context of the economic crisis, proximity development is a certain trend driven by consumers' behavior shifts. The proximity becomes an important factor for intermediary buying (refill). This trend emerged from the new reality of the last few years: smaller basket per visit and increased shopping frequency. Also, the smaller proximity formats offer some certain advantages: time economization (shopping after work hours), simplicity and a diversified range of products, shopping in smaller formats provide a better control over shopping budgets compared with shopping in hypermarket format. Thus the frequency of the "refill" purchases has increased. As a response to these shifts in the consumers behavior the big retailers reacted in Romania, by developing smaller formats and proximity formats: PROFİ – 160 smaller formats, MEGA IMAGE – 150 smaller formats, BILLA – 73 smaller formats, CAREFFOUR MARKETS – 69 smaller formats/CAREFFOUR EXPERESS – 33 shops, PROFİ CITY – 8 shops, PROFİ LOCO – the new concept implemented in rural area (according to Alina Bondoc, Romania CBD Team Leader, P&G)

On the other hand, there are many reasons why, especially in crisis context consumers are shopping online. This is not a new trend but was intensified by the economic crisis. Shopping online can offer consumers greater product choice opportunity, more price transparency and a better basis of comparison in searching options. The first retailer from FMCG industry that introduced the online format was the British company Tesco PLC in 1997. So, this format is not new and its development is not a crisis response. But, in the last few years it is obvious that this trend has accelerated and many retailers adopted

and developed such formats. Let's have a look around online retail formats developed in the last few years: In 2011 Tesco developed the first concept of the virtual shop that was not located in the commercial surface. Thus, in many stations of the South Chorea subway, Tesco put digital billboards which display shelves with different products that exist in the offer of Home Plus. Each product has a QR code which is scanned with mobile phone, and the product goes into the shopping basket. In 2012, the concept was extended on the British market. Also, in 2012 Tesco launched online formats in Czech Republic followed shortly by Slovakia and Poland. In the online shop consumers can find an offer containing up to 20.000 products covering many food and non-food categories. In 2010 Auchan Group developed a business division for e-commerce. In 2012, The Belgian Group Delhaize re-lunched its online platform DelhaizeDirect.be, and open Delhaize Direct-Cube a virtual shop in the central Railway Station from Bruxelles, containing up to 300 articles. The German Group REWE entered in 2011 in online commerce and lunched REWE on-line.

Obviously during the crisis retailers have focused in their business strategies on the development of the innovative retail formats in order to be closer by the consumers. A new wave in this strategy has been adopted and this trend will continue in the future, but we can conclude that this wave was intensified in the last few years. On the other hand, the modernization of the traditional formats and the development of the smaller proximity formats were accelerated in the last few years.

The assortments review in response to the shifts in the consumers' purchasing habits and changes in spending allocation.

Regarding spending allocation patterns, it is obviously that some products categories are more affected than others in the "wallet share" and in the "shopping basket". In this context, those retailers with a high share of non-food products were more affected. The assortments reduction in order to cope with these shifts was one of the strategic directions adopted by retailers. Also, the range optimization is a strategic direction adopted in order to cope with consumers' behavior change.

Value for Money - Own Brand Strategy and Different Tactics

According to David Bradbury, Assistant Treasury, Minister Assistant for Financial Services & Superannuation and Minister for Competition Policy & Consumer Affairs, Australian Government (2013) in the global crisis we have seen the rise of so called "cautious consumers". Consumers are increasingly aware of global economic difficulties and concerned about global economic uncertainty. These cautious consumers have been saving more and spending less than they may have before the global crisis. And when making their spending decisions, these cautious consumers are also more aggressively seeking out value for money. If you combine this lower propensity to spend with the fact that consumers now expect more for their money, this represent a challenge for the retail sector. As it was pointed out in this chapter, during recession consumers tend to migrate on the demand curve looking for affordable products and good deals putting a great emphasis on value for money. These tendencies towards "professionalization of shopping" call the retailers to adjust their offerings and to develop the private label ranges. This strategy of growth and diversification, especially in economic difficult times, was adopted by many retailers taking into account that these brands are no longer perceived as "low-cost option". If in Vest Europe the increase of market share for private labels is off, the levels varying country by country, in Eastern Europe the share of private labels continue to grow. The success of this growth strategy during the crisis was supported by the development of multiple retail formats, making these labels affordable and easy to find. On the other hand, different tactics were adopted in order to manage the "value for money" search

Understanding Individuals' Behavior Under Uncertainty

by consumers. The packaging was one of these. For instance, in the last few years consumers could find products in bigger packages with lower price per unit or smaller packages with better prices or even a small reduction in quantity of the package for the same price. The usage of the promotional package containing complementary products with a lower price per unit represented a used tactic in this sense. It is important to note that, even if price becomes the first criterion for consumers' choice, according to Pandelică and Pandelică (2011; 2012), but also in other international studies, consumers are looking for the best value that can obtain for the paid price. Thereby a decrease in quality in order to maintain price is not a very good option.

Focusing on Rebuilding of the Loyalty

In economic turmoil period consumers are less loyal they change the favorite brand and shopping location focusing on price, price reductions, and price-quality ratio optimization. Thus, the best price becomes the main factor influencing the choice of brands and shopping place. Anyway, should be note that according to Global Survey of Loyalty Sentiment, Nielsen, at the global level, there is a higher degree of loyalty for the retailer (74%) compared to brand loyalty which recorded a mean around 61%. We can conclude that the tendency to switch the brands is higher than the tendency to switch the shopping place.

In this context the adaptation of fidelity programs and schemes are very important. Anyway the simple schemes are suitable in the context of economic turbulence when the trust degree is on the lowest level. If a fidelity program is not free on costs and simple to be accessed, the consumers will not follow the scheme. On the other hand, the retailers should communicate all the benefits of the participation in the program. The usage of the on-line communication to presents the benefits of such programs may be very efficient in such turbulent period.

Focus on the Remained Loyal Customers

Adopting strategies of preservation of the clients migrating to the low part of the curve by covering some "offer gaps" – for example, providing a cheaper alternative of a premium brand.

This will allow the company to be close to its clients in hard times which will strengthen the relations with them after the crisis has ended. At the same time, the coverage of "offer gaps" allows the preservation of the clients that migrate down the demand curve and who, should this coverage be absent, will migrate toward another supplier. The coverage may be only temporary, should a conversion of those clients' behavior be available during the recovery period or may be permanent should their behavior be irreversible. Not least, this may appeal to some of the competitors' clients who were not able or did not succeed to keep those clients.

Being Empathic With the Customers

Being hit by the consequences of the economic crisis, consumer confidence in brands was affected. In difficult economic times is very important to be emphatic with the customers' economic situation. Different tactics were adopted in this sense. For instance the development of offerings and solutions around the idea of economizing and the communication of this idea is a way to tell customer that you are thinking about his/her problems and you find solutions for this. All the solutions adopted in this line should be communicated as "we are thinking solutions for your problems". On the other hand, the mes-

sages should be focused on real benefits and attributes of the products. Also using cross-promotional on the shelves for the products that are no longer on the purchasing list during recession and the additional signalization of the products within the shop may be a good tactic to help consumers to find solutions.

HOW and WHY Consumers' Behavior Changes in Crisis Conditions

Regarding consumers' response in recession, Goldmen (2003) referred to the effects of the destructive emotions, Quelech and Jocz (2009) considered the response of the consumers in present economic context was an emotional one and Perriman et al. (2010) noted aspects such as perceived risk, fear about buying, or hard tangible advantages become more important, while image and "nice to have" attributes moved into the background. In uncertainty times the customers' fear for the future deeply impacts on their behavior thus, the customers that companies thought they had in the pre-recession times, can be almost unrecognizable during downturn. Even if at the international level we can find answers for the question: "HOW does consumers' behavior change in crisis conditions?" and even if many researchers have pointed out that consumers response in such a context was rather emotional, at the international level we can find only some fragmented answers to the "WHY" behind the consumers' behavior change. In uncertainty times it is very important that companies, including retailers, to understand how their clients react and why people behave like that. Such an understanding should represent the starting point in planning the response of the organization. Thus, the companies have to penetrate into their clients' minds and the reshaping process of strategies and tactics during recession should start with a deep understanding of the internal processes that conducted to individual behavior shifts. During my studies I have found that in some international studies conducted in economic turmoil periods, researchers explored the link between economic status of the individual or of the household and behavioral shifts, underling the existence of significant relationships in between.

Taking into account the fact that in many international studies it was pointed out that emotions and panic feeling were "catalysts" of the behavior alteration; in 2009 I started a research project with the purpose to explore this link. Thus, the study was an exploratory one, based on the premise that psychological factors play an important role in the consumers' behavior change in nowadays economic crisis (uncertain conditions). Therefore, its purpose was to examine the causal relationship that develops between psychological factors considered within the developed conceptual model and the consumers' behavior alterations. The final purpose of the study was to offer an additional insight regarding consumers' behavior change in uncertainty context, a complementary approach to those based on economic factors.

FUTURE RESEARCH DIRECTIONS

During recessions important research questions were concerned academic scholars but also marketing managers and practitioners, such as: How deep are the shifts in consumers' behavior during recessions? What are the patterns of behavior alteration and spending allocation during recession? There will be permanent shifts after the recession will be overcome?

The present chapter focused on finding steady empirical answers to the following research question: "HOW does consumers' behavior change in crisis conditions?" and "WHY did consumers behave like that?", adopting a psychological perspective. In the future the main research question that I intend to focus is: WHAT were the lessons learned by consumers and companies after Great Financial Crisis?

CONCLUSION

An economic crisis is an uncertainty situation with negative economic evolutions like unemployment, inflation rate increasing, freezing or decreasing of the wages, purchasing power decrease, investments value reduction, fluctuations in consumer prices, restrictions in loan accessing, fluctuations in currency exchange rate that represent economic shocks hitting consumers. During economic turbulent times consumers are highly exposed to the content of these risks and thus an economic crisis is considered one of the most traumatizing events that affects family's life and brings a sudden and substantial deterioration of economic situation of the household. Nevertheless, such economic evolutions represent "uncertainties that matter" that are correlated with consumers' behavior change. Behavior alteration during recession follows different patterns depending on external factor (exposure to the economic shocks) and internal factors (psychological ones – risk perception and risk attitude regarding the uncertainty situation).

The empirical studies conducted in different contexts (recession episodes, countries, regions) provided empirical insights regarding behavior alteration in various recessions. Even if during this chapter it was clearly mentioned that there are no two similar crisis, taking into account that each crisis is a unique event considering generating factors, severity, evolution, outcomes, duration and so forth, the extensive literature review conducted in the background permitted to synthesize some general trends in the consumers behavior alteration during recession, as follows: the consumption reduction, increasing savings, migration on the demand curve, elimination/ postponing of major purchases, brand loyalty shift, price comes first/ price sensitivity, rationalization of the consumption and expenses, changes in shopping place, aggressive search for options, shifts in emphasize on different attributes, changing in spending allocation. Anyway, these alterations vary as intensity from one country to another, but also from one category of consumers to another in the frame of one national market. During the recession consumers "learn" how to live from "adjustment to adjustment", the lesson of survival and to find their own way in the turmoil. On this path consumers become smarter, agile, more cautious, less wastefully, less loyal, turn to simplicity, more pragmatic, more rational and less emotional to the advertising content, better informed

If we admit that psychology of the crisis is an important component of a recession and that psychological factors play an important part in the alteration of consumer's behavior, then it becomes an essential condition for companies to know and understand these aspects in order to handle the crisis successfully. In uncertain conditions, like economic crisis, there is a direct causality relationship between risk perception, risk aversion and all the dimensions of consumers' behavior change. Therefore, it is important for marketing managers to have a closer look upon the WAY behind people's behavior in such conditions. Further on, in recessions by decomposing consumers' behavior in the two psychological components using a psychological model of market segmentation, the companies can get a more comprehensive image of the way their clients react in crisis conditions than if they used demographic or psychographic criteria such as: income, sex, lifestyle and so on.

In this chapter it is provided a new perspective for approaching consumers' behavior in recession conditions based on empirical support, opening new directions for research. On the other hand marketing practitioners can find a comprehensive image about the manner in which consumers react and behave in uncertainty contexts and some propositions for developing strategy.

REFERENCES

- Akerlof, G., & Shiller, R. (2009). *Animal spirit: how human psychology drives the economy, and why it matters for global capitalism*. New Jersey: Princeton University Press.
- Ang, S. H. (2001). Personality influences on consumption: insight from the Asian economic crisis. *Journal of International Consumer Marketing*, 13(1), 5–21. doi:10.1300/J046v13n01_02
- Ang, S. H., Leong, S. M., & Kotler, P. (2000). The Asian apocalypse: Crisis marketing. *Long Range Planning*, 33(1), 97–119. doi:10.1016/S0024-6301(99)00100-4
- Atinc, M. & Walton, M. (1998), Social consequences of the East Asian financial crisis, 1-59. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.198.2871&rep=rep1&type=pdf>
- Chebeň, J. & Hudáčková, L. C. (2010). Influence of the global economic crisis on consumer behavior in Slovakia. *Working Paper*, 7-17, Retrieved from http://vz.fmv.vse.cz/wp-content/uploads/9_2010.pdf
- Consumer spending and U.S. employment from the 2007–2009 recession through 2022. Retrieved from <https://www.bls.gov/opub/mlr/2014/article/consumer-spending-and-us-employment-from-the-recession-through-2022.htm>
- Dutt, P. & Padmanabhan, V. (2009). When to hit the panic button? impact of currency crisis on consumer behaviors. *Working paper*. Retrieved from http://faculty.edu/dutt/Research/Paddy_Pushan.pdf
- Duygan, B. (2005). Aggregate shocks, idiosyncratic risk, and durable goods purchases: evidence from Turkey's 1994 financial crisis. European University Institute Finance and Consumption Program *Working Paper*. Retrieved from http://www.econbiz.de/en/search/detailed-view/doc/all/aggregate-shocks-idiosyncratic-risk-and-durable-goods-purchases-evidence-from-turkeys-1994-financial-crisis-duygan-burcu/10005069449/?no_cache=1
- Federal Reserve Bank of New York. (2013). The financial crisis at the kitchen table: trends in household debt and credit. *Current Issues in Economics and Finance*, 13(2).
- Fiszbein, A., Giovagnoli, P. I., & Adúriz, I. (2003). The Argentinean crisis and its impact on household welfare. *CEPAL Review*, 79(79), 143–158. doi:10.18356/18751b59-en
- Flatters, P., & Willmott, M. (2009). Understanding the post-recession consumers. *Harvard Business Review*, 7(8), 106–112.
- Frankenberg, E., James, P., & Duncan, T. (2003). Economic shocks, wealth, and welfare. *The Journal of Human Resources*, 38(2), 280–321. doi:10.2307/1558746
- Garling, T., Kirchler, E., Lewis, A., & van Raaij, F. (2009). Psychology, financial decision making, and financial crisis. *Psychological Science in the Public Interest*, 10(1), 1–47. doi:10.1177/1529100610378437 PMID:26168238
- Gerzema, J. & D'Antonio, A. The power of the post-recession consumer, *CONSUMER & RETAIL*, Spring 2011/Issue 62. Retrieved from <https://www.strategy-business.com/article/00054?gko=cc8b8>

Understanding Individuals' Behavior Under Uncertainty

Global Consumer Confidence. Concerns and Spending – a global Nielsen consumer report (2009). Retrieved from http://pt.nielsen.com/documents/tr_0905NielsenGlobalConsumerConfidenceReport1stHalf09.pdf

Global Consumer Confidence. Concerns and Spending – a global Nielsen consumer report (2010). Retrieved from <http://lk.nielsen.com/site/documents/CCI1stQuater10.pdf>

Goleman, D. (2003). *Destructive Emotions*. London, UK: Bloomsbury.

Hillson, D. & Webster, R. (2004, Nov. 26). Understanding and managing risk attitude. *Proceedings of 7th Annual Risk Conference*, London, UK, 1-11. Retrieved from <http://www.kent.ac.uk/scarr/events/finalpapers/Hillson%20%2B%20Murray-Webster.pdf>

Hillson, D. & Webster, R. (2006). Managing risk attitude using emotional literacy. Originally published as a part of *2006 PMI Global Congress EMEA Proceedings*. Retrieved from http://www.ashgate.com/pdf/white_papers/Gower_White_Paper_Managing_Risk_Attitude_Emotional_Literacy.pdf

Hofstede, G. (2004). Hofstede dimension data matrix. Retrieved August 22, 2010, from <http://www.geerthofstede.nl>

Hofstede, G., & McCrae, R. (2004). Personality and culture revisited: Linking traits and dimensions of culture. *Cross-Cultural Research*, 38(1), 52–88. doi:10.1177/1069397103259443

Holton, G. (2004). Defining risk. *Financial Analysts Journal*, 60(6), 19–25. doi:10.2469/faj.v60.n6.2669

Jasiulewicz, A. (2011). Economic crisis influence on the polish consumer behavior. *Overcoming the Crisis: Economic and Financial Developments in Asia and Europe*, 77-88, Retrieved from <http://www.hippocampus.si/ISBN/978-961-6832-32-8/papers/jasiulewicz.pdf>

Kang, S. J., & Sawada, Y. (2008). Credit crunch and household welfare, the case of the Korean financial crisis. *The Japanese Economic Review*, 59(4), 438–458. doi:10.1111/j.1468-5876.2008.00429.x

Kay, M. (2010), Marketing during a recession: social effects and marketing opportunities. *Proceedings of the Northeast Business & Economics Association*, 587-589.

Kelley, E., & Schewe, L. (1975). Buyer behavior in a stagflation-shortages economy. *Journal of Marketing*, 39, 44–60.

Kondawar, D., & Jadhav, P. (2012). Global economic crisis & consumer behavior. *ABHINAV*, 1(12), 82–87.

Lusk, J. L., & Coble, K. H. (2005). Risk perceptions, risk preference and acceptance of risky food. *American Journal of Agricultural Economics*, 87(2), 393–421. doi:10.1111/j.1467-8276.2005.00730.x

Mansoor, D., & Jalal, A. (2011). The global business crisis and consumer behavior: Kingdom of Bahrain as a case study. *International Journal of Business and Management*, 6(1), 104–115.

Miller, D. & Reilly, J. (1994). Food scares in the media, Glasgow: Glasgow University Media Group. Retrieved from <http://www.dmler.info/food-scares-in-the-media>

Musso, F. & Druica, E. (Eds.) (2014). Handbook of research on retailer-consumer relationship development. Hershey, PA: IGI Global. pp. 1-589. doi:10.4018/978-1-4666-6074-8

- Nie B., Zhao F., & Yu, J. (2010). The impact of the financial crisis on consumer behavior and the implications of retail revolution. Retrieved from <http://www.seiofbluemountain.com/upload/product/201008/2010shcyx06a12.pdf>
- Pandelica, A., Didea, I., & Diaconu, M. (2013). Are you panicked? economic and health consequences of the economic crisis: a psychological approach in Romanian context. *Scientific Bulletin-Economic Sciences*, 12(1), 39–49.
- Pandelica, A., & Pandelica, I. (2011). The change of consumers' behavior in crisis conditions: A psychological approach to the empirical evidence from Romania. *African Journal of Business Management*, 5(28), 11399–11412.
- Pandelica, A. & Pandelica, P. (2009). Consumers' reaction and organizational response in crisis context. *The Journal of the Faculty of Economics*, 1(5), 779-782.
- Pandelica, I., Pandelica, A., & Dabu, B. (2010). The response of organizations in crisis conditions. *The Journal of American Academy of Business, Cambridge*, 15(2), 1–11.
- Pennings, J., Wansink, B., & Meulenberg, M. (2002). A note on modeling consumer reaction to a crisis: The case of the mad cow disease. *International Journal of Research in Marketing*, 19(1), 91–100. doi:10.1016/S0167-8116(02)00050-2
- Perner, L. (2008). Consumer behavior: the psychology of marketing; University of Southern California. Retrieved from <http://www.consumerpsychologist>
- Perriman, H., Ramsaran-Fowdar, R., & Bagnant, P. (2010, July 12-14). The impact of the global financial crisis on consumer behavior. In Z. Haqq (Ed.), *Proceedings of Annual London Business Research Conference*. Imperial College, London, UK, World Business Institute, Melbourne, Australia, 1-14, Retrieved from <http://www.wbiconpro.com/06-Priya.pdf>
- Piercy, N. F., Cravens, D. W., & Lane, N. (2010). Marketing out of the recession: recovery is coming, but things will never be the same again. *The Marketing Review*, 10(1), 3–23. doi:10.1362/146934710X488915
- Quelch, J. & Jocz, K. (2009). How to market in a downturn, *Harvard Business Review*. Retrieved from <http://hbr.harvardbusiness.org/2009/04/how-to-market-in-a-downturn/ar/1>
- Robles, F., Simon, F., & Haar, J. (2002). *Winning strategies for the new Latin markets*, Financial Times/Prentice Hall.
- Shama, A. (1978). Management and consumers in era of stagflation. *Journal of Marketing*, 42(3), 43–52.
- Shama, A. (1980). *Marketing in a slow growth economy: the impact of stagflation on consumer psychology*. New York, NY: Praeger Publishers.
- Simon, H. (2009). The crisis and customer behavior: Eight quick solutions. *Journal of Customer Behaviour*, 8(2), 177–186. doi:10.1362/147539209X459796
- Sitkin, S., & Weingart, L. (1995). Determinants of risky decision-making behavior: A test of mediating role of risk perception and propensity. *Academy of Management Journal*, 38, 1573–1592.

Understanding Individuals' Behavior Under Uncertainty

Slovic, P., Finucane, M., Peters, E., & MacGregor, D. (2004). Risk as analysis and risk as feeling: some thoughts about affect, reason, risk and rationality. *Risk Analysis*, 24(2), 311–322. doi:10.1111/j.0272-4332.2004.00433.x PMID:15078302

Stiglitz, J. (2008, Sept. 16). The fruit of hypocrisy. *The Guardian*. Retrieved from <http://www.guardian.co.uk/commentisfree/2008/sep/16/economics.wallstreet>

The Nielsen Company – Consumer reaction to the banking crisis. Comments about Economy, Oct. 30, 2008. Retrieved from <http://www.claritas.com/eDownloads/webinar/Nielsen-Claritas-Webinar-Consumer-Reaction-Banking-Crisis-103008.pdf>

Urbonavicius, S., & Pikturnien, I. (2010). Consumer in the face of economic crisis: Evidence from two generations in Lithuania. *Economics and Management*, 15, 827–834.

Weber, E., & Milliman, R. (1997). Perceived risk attitudes: Relating risk perception to risky choice. *Management Science*, 43(2), 123–144. doi:10.1287/mnsc.43.2.123

World Health Organization. (2011). Impact of economic crises on mental health. Retrieved from http://www.euro.who.int/data/assets/pdf_file/0008/134999/e94837.pdf

Zurawicki, L., & Braidot, N. (2005). Consumer during the crisis: Responses from the middle class in Argentina. *Journal of Business Research*, 58(8), 1100–1109. doi:10.1016/j.jbusres.2004.03.005

ADDITIONAL READING SECTION

Bohlen, C., & Mihas, N. (2010). How the recession has changed US consumer behavior. *The McKinsey Quarterly*, 1, 17–20.

Brand, J. E., Becca, L., & William, T. G. (2008). Effects of Layoffs and Plant Closings on Depression among Older Workers. *Research on Aging*, 30(6), 701–721. doi:10.1177/0164027508322574 PMID:20011238

Brand, J. E., & Burgard, S. A. (2008). Job Displacement and Social Participation over the Life Course: Findings for a Cohort of Joiners. *Social Forces*, 87(1), 211–242. doi:10.1353/sof.0.0083 PMID:20827387

Brenner, M. H., & Mooney, A. (1983). Unemployment and health in the context of economic change. *Social Science & Medicine*, 17(16), 1125–1138. doi:10.1016/0277-9536(83)90005-9 PMID:6623119

Hands, W. (2010). Economics, psychology and the history of consumer choice theory. *Cambridge Journal of Economics*, 34(4), 633–648. doi:10.1093/cje/bep045

Hillson, D. A. (2002). *What is risk? Towards a common definition*. Journal.

Jin, H. J., & Koo, W. W. (2003). The effects of the BSE Outbreak in Japan on Consumer Preferences. *European Review of Agriculture Economics*, 30(2), 173–192. doi:10.1093/erae/30.2.173

Kalogeras, N., Pennings, J., & Koert, V. (2008). Consumer Food Safety Risk Attitudes and Perceptions over time: The Case of BSE Crisis. *12th Congress of the European Association of Agricultural Economists*.

Kittiprapas, S. (2002). Social Impacts of Financial and Economic Crisis in Thailand, *EADN Regional Project on the Social Impact of the Asian Financial Crisis*. Available at <http://www.eadn.org/Social%20Impacts%20of%20Financial%20and%20Economic%20Crisis%20in%20Thailand.pdf>

Kwak, I., Song, Y., & Kim, K. (1999). The financial crisis effects on the family life: A comparison between before and after IME. *Journal of Korean Home Economics Association*, (17), 121-137.

McKenzie, D. J. (2006). The Consumer Response to the Mexican Peso Crisis. *Economic Development and Cultural Change*, 55(1), 139–172. doi:10.1086/505721

New Strategist Publications, Inc. (2010). *American Generations: Who They Are and How They Live*, 7th Edition.

of the UK Institute of Risk, April 2002, 11-12.

Pandelică, A., Diaconu, M., & Pandelică, I. (2012). Individual Behavior Change Through Economic Shocks Exposure. Empirical Evidence from Romania. *The Journal of American Academy of Business, Cambridge*, 18(1).

Pandelică, A., & Pandelică, I. (2011). The effects of the economic crisis over consumers' behavior. Empirical evidences from Romanian. *Marketing From Information to Decision*, 4, 347–356.

Pandelică, I., Pandelică, A., & Dabu, B. (2010). The Response of Organizations in Crisis Conditions. *The Journal of American Academy of Business, Cambridge*, ■■■, 2.

Percy, C. (2009). Forces of change: shopper behavior . Re-shaping the future of grocery. *Retail Digest, Fall 2009*, 48-57.

Pernia, E. M., & Knowles, J. C. (1998). Assessing the social impact of the financial crisis in Asia, ASIAN DEVELOPMENT BANK, *Economics and Development Resource Center, EDRC Briefing Notes*, Number 6. Available at <http://aric.adb.org/pdf/edrbcn/edrbcn06.pdf>

Saad, L. (2009). U.S. Flue Fear Abates, Precautionary Steps Still Sparse. Available at: <http://www.gallup.com/poll/118156/Swine-Flu-Fear-Abates-Precautionary-Steps-Still-Sparse.html>

Shao, C. (2009). The Impact of Financial Crisis on Consumer Buying Behavior. *Marketing Management Garden*, 6, 114–352.

Stegaroiu, C., & Stegaroiu, V. (2010). The algorithm for the development of global financial crisis. *African Journal of Business Management*, 4(19), 4183–4190.

Sutherland, A. (1997). Fiscal crises and aggregate demand: Can high public debt reverse the effects of fiscal policy? *Journal of Public Economics*, 65(2), 147–162. doi:10.1016/S0047-2727(97)00027-3

The Nielsen Company. (2010). *Mining the U.S. Generation Gaps*. Retrieved from <http://blog.nielsen.com/nielsenwire/consumer/mining-the-u-s-generation-gaps/>

The world Bank (1998). *East Asia: The road to recovery*. The International Bank for Reconstruction and Development/, Washington, D.C. Retrieved from <http://irving.vassar.edu/faculty/dk/Roadto%20Recovery.pdf>

Wansink, B. (2004). Consumer Reaction to Food Safety Crisis. *Advances in Food and Nutrition Research*, 48, 103–150. doi:10.1016/S1043-4526(04)48002-4 PMID:15498694

KEY TERMS AND DEFINITIONS

Behavior Alteration: Is reflected by the shifts in consumers behavior during economic turbulent times being associated to some certain directions: consumption decrease, spending decrease and changes in spending allocation, the migration on the demand curve, switching brands, elimination/ postponing of major purchases, brand loyalty decrease, shifts in decision-making process, a higher emphasis on information process, price sensitivity, rationalization of the consumption and expenses, changes in shopping place, shifts in emphasize on different attributes, changing in spending allocation etc.

Economic Shock Exposure: Is the effective confrontation with the effects of risks generated by the evolution of national economy during recession (unemployment, inflation rate increasing, freezing or decreasing of the wages, purchasing power decrease, investments value reduction etc.) but also the fear regarding the probability of being exposed. For instance, the loss of job security is not so visible like unemployment experience, but is a very stressful experience, sometimes more stressful than the unemployment itself. The individual preoccupied by job stability is exposed to a higher stress because of the anticipation of the outcomes generated by the possible unemployment and thus by the ambiguity of the future. The effects of this exposure are visible on a short term at the emotional level (anxiety, depression, exhaustion, lack of concentration).

Economic Turbulent Times: Economic downturn periods characterized by volatility, uncertainty and change, structural brakes and shift phases. Changes are fast and directions of economic change are not very clear.

Panic Mechanism: Is the frame reflecting the external behavior al factors representing stimuli (risk content exposure), the internal behavior factors reflected by risk perception and risk aversion, the relations established between these factors and how these factors have modeled individual behavior in uncertainty contexts. In this mechanism emotions and feelings play an important role in the relations established between factors.

Risk Aversion in Recession Context (Uncertainty): Is an individual reflection of the way of thinking and feeling regarding the evolution of national economy during downturn, being a chosen response towards uncertainty shaped by emotions: stress, anger, fury, depression etc. Thus, risk aversion varies on a certain scale between two bipolar attributes: liked on a great extent - disliked on a great extent.

Risk Perception in Recession Context (Uncertainty): Represents the personal interpretation that individuals make regarding the exposure of the risks generated by the evolution of national economy. This is a personal assessment of the chances to be exposed to certain risk, the assessment of risk content (effects), the capacity to control the exposure and confidence in these estimations. Thus risk perception varies on a certain scale.

Uncertainty Associated to Recession: Is reflected by the unpredictability of economic evolutions at micro and macro level, lack of visibility regarding this evolutions, and the risks generated by these evolutions with both social and economic consequences on people, affecting the quality of life, the health status of the population and the family financial situation, but also the social relationships and “capital loss”.

Section 2

Store Atmosphere and Interaction With Customers

In the second section, the store atmosphere and consumer involvement in co-creation of the retail service are considered. Store atmosphere is analyzed in the way it exerts influence on consumers, considering sensorial factors and the relationship with salespeople.

Chapter 5

The Importance of Retail Atmosphere in Online and Offline Environments

Sanda Renko

University of Zagreb, Croatia

Ivana Štulec

 <https://orcid.org/0000-0002-6646-505X>

University of Zagreb, Croatia

Kristina Petljak

 <https://orcid.org/0000-0002-5785-1928>

University of Zagreb, Croatia

ABSTRACT

Retailers have found it increasingly difficult to create a differential advantage based on the traditional marketing mix. This chapter sheds light on the increasing role of atmosphere as a tool for keeping retailers favourable in the mind of consumers. As retailers no longer just use the place to do business in the form of physical structures but also the intangible virtual store, this chapter presents the main dimensions of the retail atmosphere in both conventional retail stores and their electronic counterparts. Store attributes are equally important for consumers when making a purchase decision both online and offline. Study results suggest Croatian consumers are very task-oriented and question retailers' decisions in creating the appropriate mix of environmental factors that may influence customers' patronage decisions.

DOI: 10.4018/978-1-7998-1412-2.ch005

INTRODUCTION

As customers become more sophisticated and better informed (McDonald, Rogers, & Woodburn, 2000), retailing is much less about the sale of products and services, and much more about the communication with customers and the creation of relationships with them. There is a growing body of literature on instruments that retailers use trying to differentiate themselves on the market and attract customers better than their competitors. Among them, the atmosphere plays an important role because it significantly influences consumer's behaviour in ways they might not be aware of (Donovan & Rositer, 1982; Foxall, 1997; Levy & Weitz, 2012). It is a multi-dimensional concept comprising the store's physical characteristics, such as architecture, layout, signs and displays, colours, lighting, temperature, sounds and smells (Levy & Weitz, 2012). They are highly interrelated and work together synergistically to affect consumers (Olahut, El-Murad, & Plaias, 2012, p. 319).

The communication process between the store and its customers begins with its exterior and it continues within the store relying on colour, music, texture, aroma, lighting, etc. Moreover, they are also elements of a retailer's communication mix and play an important role in creating and reinforcing a retailer's brand image (Levy & Weitz, 2012, p. 467). The retailer aims its communication through the atmosphere to improve customers' perceptions of the store in order to increase store loyalty; to improve customers' attitudes about the store to increase store visits, etc. Kotler and Keller (2016, p. 514) argue that every store must embody a planned atmosphere that suits the target market and draws consumers towards a purchase. Consumers purchase the total product, consisting of not simply the physical item but also the packaging, after-sales services, advertising, image and the atmosphere of the store (Kotler & Keller, 2016).

Changes in consumers' lifestyles and preferences have caused online retailing to become the more suitable option for many. At the same time, retailers realise the benefits of the intangible virtual store. As they have to provide consumers a positive shopping experience, to keep their virtual stores favourable in the minds of consumers and to control them as well, retailers have to create an individualized shopping experience. However, the 'store' environment of online retailing differs from traditional retail atmospherics (it has three of the five sensory appeals) but possesses some other characteristics (such as flexibility across time and space). In the online retailing context, the entire store environment is all but reduced to a computer screen (Eroglu, Machleit, & Davis, 2001, p. 149). The purpose of this chapter is to present the main dimensions that constitute retail stores atmosphere from both the conventional retail store and its electronic counterpart. Additionally, the objective of the chapter is to investigate the difference between the customers' perception of the effects of the retail atmosphere in attracting customers both from the physical and virtual store.

In an attempt to explain the holistic and multidimensional character of the atmosphere, a review of the elements of the retail atmosphere in both retail settings was conducted. To get better insight into the development of the importance of atmosphere as the silent salesperson (Reddy & Reddy, 2012), and the particularities of the store and on-line retailing atmosphere, it has been explored in the selected retail context of Croatia, the Southeast European country with 60% of internet users purchasing online (<https://www.export.gov/article?id=Croatia-eCommerce>). Findings were compared and discussed with those of the research conducted in 2014. Following the structure of the chapter, a conclusion and future research possibilities are given.

THEORETICAL BACKGROUND

In this section, the historical development of the concept of atmosphere and variations in the meaning of the concept in general, both from the store and online retailing perspectives, are given. Moreover, key dimensions of the retail atmosphere with their specific cues are explained. Namely, virtual store atmosphere incorporates comparable characteristics as traditional retail stores (Bojei & Syed Omar Shahabudin, 2005, p. 181), while at the same time, in one set, the Internet offers capabilities similar to those of newspapers (i.e. text and graphics), radio (i.e. audio) and TV (i.e. video) (Breitenbach & Doren, 1998). In such a way, a comprehensive framework necessary for the understanding of this concept is provided.

Development of the Concept

Although Kotler (1973-1974) is often mentioned as the first who used and defined the term, Olahut et al. (2012) note that a novelist Emil Zola was the first author who had described the relevance of the retail atmosphere, and he did it in the context of a department store. Generally, the historical development of the concept followed the transition from the traditional brick-and-mortar to click-and-mortar environments (Manganari, Siomkos, & Vrechopoulos, 2009, p. 1140). Therefore, until 21st-century researchers focused their explanation on the physical store atmosphere. With the growth of online retailing, as a new and efficient channel, some researchers (Eroglu, Machleit, & Davis, 2001, 2003; Mathwick, Mathotra & Rigdon, 2002) have begun to extend their research on importance of online atmospherics and its elements.

From a historical perspective, the concept of atmosphere can be traced back to ancient Greece when magnificent temples were created in honour of their gods (Kotler, 1973-1974). During the period when trade included barter transactions and selling at open markets, medieval cathedrals and Renaissance palaces were designed to produce specific feelings and reactions among people. The development of the first stores (in the second half of the 18th and at beginning of the 19th century) had started to draw retailers' attention to spaces where products are bought and/or consumed. However, in the beginning, retailers focused on making functional service spaces. "The first shopkeepers tried to lure consumers into their stores either by ostentatiously exhibiting their names or by displaying products in their windows or on tables in the street, providing that they were open for business and proud of their produce." (Morgan, 2008, p. 11).

Along with the rapid development of new store formats, there has been growing recognition that products, services and salesmen are not enough to increase sales, extend consumer's time spent in the store, etc. They realized that "consumers respond to more than just the core product or service being offered when making purchase decisions" (Billings, 1990, p. 1) and that "the decision to enter a particular store, how much time to spend inside, and to buy or not to buy is heavily influenced by the shopping environment and its effect on customers' emotions" (Bohl, 2012, p. 1). De Farias (2010) suggests that until the '80s, buyers were thought to be exclusively rational beings, whose purchasing choices were made after logical processing of the available information into a stream that came from the detection of a problem to their satisfaction with the purchase (Solomon, 2008).

Dailey (1999), Lohse and Spiller (1999) were among the first to discuss a web-based shopping environment. In the 2000s, the store environment became a key element in the competition between physical and electronic shopping alternatives (McGoldrick, 2002, p. 453). Researchers have been investigating the effects of in-store atmospheric cues in the new e-store environment, having in mind that the atmosphere both in physical and virtual stores has the same goal. However, there are opposing views about

the applicability and relevance of in-store atmospheric variables to e-tailing (for example, Jayawardhena, Tiu Wright, and Dennis (2007) vs. Eroglu et al. (2001, 2003)). In their work, Lazaris, Vrechopoulos and Doukidis (2016) added a new moment in the historical development of the concept by discussing other online store atmosphere channels, such as: mobile commerce and m-atmospherics (Manganari, Siomkos, & Vrechopoulos, 2007), store atmosphere for location-based retail (LBS) mobile services and L-Atmosphere (Koutsouris, Polychronopoulos, & Vrechopoulos, 2007), Virtual Reality Store Atmosphere (VRSA) (Krasnikolakis & Vrechopoulos, 2009; Krasnikolakis, Vrechopoulos, & Pouloudi, 2014), and social networking atmosphere (Park, Shin, & Ju, 2014).

Different Aspects of the Concept

Shopping environment has been widely discussed in scientific literature, not only under the term atmosphere, but also as an important part of the overall merchandising strategy (Kotler, 1973-1974; Markin, Lillis, & Narayana, 1976), as one component of the store image (Cox & Brittain, 2004; Dunne & Lusch, 2008), as servicescapes (Arnould et al., 1998; Bitner, 1992), and as store ambience (Dakoumi Hamrouni, & Touzi, 2011). Eroglu et al. (2001) have been at the forefront in introducing the concept of web, e-atmospherics, or virtual store atmosphere, which has motivated an emerging body of research (Burke, 2002; Dailey, 2004; de Kervenoael et al., 2008; Manganari et al., 2009). Although considerable variations exist among researchers concerning the term of store atmosphere, actual definitions are similar in a way that they highlight the combination of retail environmental cues.

Kotler (1973-1974) defined the term atmospherics as “the conscious designing of space to create certain effects in buyers. More specifically, atmospherics is the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability.” (p. 50). Banat and Wanderbori (2012) and Grewal et al. (2003) consider store atmosphere as the design of an environment by the stimulation of the five senses. According to Berman and Evans (2010) atmosphere refers to “the store’s physical characteristics that project an image to customers” (p. 508). The same authors used an excellent term to express the meaning of the atmosphere in general, as follows: “it is the personality of a store...” (Berman & Evans, 2010, p. 508). Some studies confirmed the interactive nature of the atmosphere, in the sense of interaction between its cues and consumers’ patronage intentions (Baker et al., 1992; Espinoza et al., 2004; Markin et al., 1976; Sherman et al., 1997).

Dailey (2004, p. 796) considered web atmospherics as “the conscious designing of web environments to create positive effects in users in order to increase favourable consumer responses”. Bojei and Syed Omar Shahabudin (2005) associate the virtual store atmosphere with its personality, experience and image that it tries to project to its consumer.

Psychologists have developed „environmental psychology”, where Mehrabian and Russel (1974) addressed some questions on „(1) the direct impact of physical stimuli on human emotions and (2) the effect of the physical stimuli on a variety of behaviours, such as work performance or social interaction” (p. 4). Turley and Milliman (2000) started their comprehensive review of atmospheric effects on shopping behaviour with the description of the Mehrabian-Russel model, which relies on a Stimulus-Organism-Response (S-O-R) paradigm assuming that the atmosphere is the stimulus (S) that causes a consumer’s evaluation (O) and causes some behavioural responses (R). Donovan and Rossiter (1982) and Baker et al. (1992) were the first to employ the S-O-R model to study the impact of store atmosphere on customers’ perception and patronage decision (Chen & Hsieh, 2011, p. 10055). They found that pleasure resulting from exposure to store atmosphere influenced such in-store behaviours as spending levels, the

The Importance of Retail Atmosphere in Online and Offline Environments

amount of time spent in the store, and willingness to visit the store again. Based on their work, Eroglu et al. (2001, 2003) and Sautter, Hyman and Lukosius (2004) developed a model of online atmospherics that affects shopper reactions.

Key Dimensions of the Concept

The concept of atmosphere is, by definition, holistic (Massara, 2003, p. 47), and simultaneously it affects shoppers with various elements. It is the overall experience that matters more than any single aspect of the environment.

Kotler's conclusion (1973-1974) that atmosphere is apprehended through four senses – sight, smell, sound and touch – has led to quite a few discussions about the number of key dimensions, variables, cues, or elements of an atmosphere, respectively. Kotler (1973-1974) specified four dimensions of an atmosphere as follows (p. 51): the main visual dimensions (colour, brightness, size, and shapes); the main aural dimensions (volume, and pitch); the main olfactory dimensions (scent, and freshness); the main tactile dimensions (softness, smoothness, and temperature).

Bitner (1992) considered that store environment consists of three dimensions: i) ambient conditions (background music, noise, temperature, lighting and odour, etc.); ii) spatial layout and functionality (the layout of equipment, facilities, furniture, etc.); iii) signs, symbols and artefacts (signboards, decorations).

Berman and Evans (2010) divided atmospheric elements or stimuli into four categories: 1) the exterior of the store (marquee, entrances, windows, lighting, and construction materials); 2) general interior (flooring, bright, colour, scents, sounds, store fixtures, wall textures, and dressing facilities); 3) the layout and design variables (allocation of floor space, classification of store offerings, determination of a traffic-flow pattern, determination of space needs, mapping out in-store locations, and arrangement of individual products); 4) the point-of-purchase and decoration variables (various types of the point-of-purchase displays).

While explaining the key elements in the context of the ‘‘store’’ environment of online retailing, the lack of some properties of traditional retail atmospherics (such as three of the five sensory appeals), and possessing of some others (such as flexibility across time and space) (Eroglu et al., 2001) had to be taken into account. Correspondingly, Vrechopoulos, Doukidis, and O'Keefe (2000) created a store environment framework consisting of virtual layout & design (grid, free form and racetrack layouts), virtual atmospherics (site view, sound, scent) and virtual theatrics (animation techniques). Soon, it was extended by adding the virtual social presence component (web counter, comments from other visitors, and crowding) (Manganari et al., 2009). Sautter, Hyman and Lukosius (2004) suggest that elements such as vividness, interactivity, symbolism and social elements should be adapted for studies of online store environments.

As a framework for examining the key atmospheric elements explored by various authors, in this chapter a modified version of the Massara (2003) approach was used and divided atmospherics into three categories: variables of the external environment, variables of the interior of the store, and human variables. In light of the previous, the text that follows has some explanations incorporated in the corresponding in-store variables, but also others apply only to the online environment.

The External Variables.

This category includes the storefront, entrances, display windows, building architecture, the surrounding area, and parking (Newman & Cullen, 2002, p. 246; Turley & Milliman, 2000, p. 195). Dunne and Lusch (2008) add signage, which is critical in attracting passing shoppers, providing them with information, and enticing them to enter the store. A review of the literature shows that „even though the external variables are the first set of cues in consumers` view, studies on the exterior of the store are the worst represented atmospheric elements in marketing literature” (Olahut et al., 2012, p. 325). Sen et al. (2002) examined the effects of window displays on the decision to visit a store, while Cornelius et al. (2010), Oh and Petrie (2012) paid more attention to storefront displays and innovative displays. De Nisco and Warnaby (2013) considered parking facilities as a variable related to urban space layout and functionality. Turley and Milliman (2000) point out that in the situation of poorly managed external stimuli, generally speaking, the rest of the atmosphere may not matter” (p. 195).

Similar to that of the physical store, the virtual store also has a well-designed buying surrounding to produce specific emotions. However, consumers are not confronted with some of the problems they encounter in traditional stores, which gives virtual stores an advantageous position (Vezir Oguz, 2018, p. 1453). Special promotions for consumers, accessibility at every hour of the day, comfort and convenience in shopping, keeping the purchasing process as short as possible by ensuring easy access to the product and making purchases as positive as possible could be considered as the external variables that affect consumers` intention to continue shopping online. In some way, the structure of the main page to a sub-page of the layout of the online store, and the navigation design of a website, which are easy to use, can be considered as the keys to maintaining consumers (Wahyu, Achmad, & Zainul, 2017). Sautter et al. (2004) added interactivity as a design characteristic of virtual store environments, which includes the susceptibility and responsiveness of computer-mediated environments to user control (Klein, 2003). The opportunity for enhanced interactivity, regardless of realization, may yield perceptions of easy navigation and enhance the pleasure derived from online experiences (Childers et al. 2001).

The Interior Variables.

This category includes lighting and colour, scents and sounds, temperature, cleanliness, displays, signs, layout, music, etc. For virtual settings, the range of ambient conditions is constrained by current technology; specifically, only visual and auditory stimuli are now used (Sauter et al., 2004). A wide range of literature on the effects of interior atmospheric cues on in-store customer behaviour exists. The studies mostly explored the effects of specific atmospheric cues separately.

In such a way, a literature review suggests that music can lead to a more positive evaluation of the store environment (Baker et al., 1992; Bailey & Areni, 2006; Dubé & Morin, 2001; Hui et al., 1997; Grewal et al., 2003; Yalch & Spangenberg, 2000). Music can influence both conscious and subconscious customer actions (Oakes, 2003). The type and the tempo of music could create an atmosphere and manipulate shopping behaviour. Soothing, peaceful, classical music, with a constant tempo, was found to create positive moods and pleasurable atmosphere (Baker et al., 1992; Milliman, 1986). Classical background music usually communicates a sophisticated, upper-class atmosphere (Areni & Kim, 1993), and any retailer wishing to convey a high prestige and high price image, should consider classical background music (Yalch & Spangenberg, 1990).

The Importance of Retail Atmosphere in Online and Offline Environments

Studies of the effects of scent and odour have concentrated on three aspects (Olahut et al., 2012, p. 329): (1) the scent's congruency with the products sold in the store (Mattila & Wirtz, 2001); (2) the presence of a scent (Morrin & Ratneshwar, 2000); and (3) the pleasantness of a scent (Morrin & Ratneshwar, 2000). When a scent is not congruent with the targeted product, customers have been shown to spend less time processing information about products (Spangenberg, Crowley, & Henderson, 1996; Peck & Childers, 2008). Scents have a large impact on the customer's mood and emotions, a positive impact on the customer's level of excitement and satisfaction with the shopping experience (Banat & Wandebori, 2012, p. 85), while having an unpleasant scent may result in negative affective or behaviour responses (Morrin & Ratneshwar, 2000). Concerning the online retail environment, there is a lack of dimensions such as odour, temperature, and textures.

Many studies have shown the effect of lighting and colours on shopping behaviour (e.g. Ellis & Ficek, 2001; Babin et al., 2003, Chebat & Morrin, 2007). However, „although some retailers have embraced a colour into their corporate design and carried this through into the store design successfully, many retailers restrict the use of colour in the store to trim and signage, using neutral colours and materials for much of the store interior” (Varley, 2001, p. 158). Babin et al. (2003) suggested that lighting and colour combinations affect consumers' cognitive representation and affective reactions. Lighting could positively influence customer-shopping behaviour (Hulten et al., 2008) and the number of items examined and handled (Olahut et al., 2012).

The role of colour in creating online store atmosphere is well investigated. The research discussed that the appropriate usage of colour can enhance the hedonic shopping experience (Hausman & Siekpe, 2009; Menon & Kahn, 2002), and indirectly stimulate the quickness of the download (Gorn, Chattopadhyay, Sengupta, & Tripathi, 2004). Algharabat and Dennis (2009) demonstrated that colours in a 3-D environment provide realistic experiences and positively affect behavioural intentions. Thombre (2011) examined the effect of merchandise display colours (i.e., signboards) and the colours used to highlight the merchandise and define important merchandise information on purchase intentions in an online store. Although colour, background patterns, timesteps and fonts have the function of making the verbal content easy to read, they can also create a mood or an image for the site. Accordingly, animation, icons, image maps can attract attention, but they may also be annoying (Eroglu et al., 2001).

Despite the importance of traffic flow and store layout, as well as the location of departments, and the allocation of merchandise within departments, Olahut et al. (2012) think that studies about their impact on the emotional states of customers and their behaviour are missing. Newman, Foxall and Gordon (2003) and Štulec, Petljak and Kukor (2016) are among the rare ones who investigated the importance of customers' reactions to the layout of merchandise in the store. Research has dealt mostly with the subject of store layout as a means to provide customers space to shop easily or to control traffic flow on the floor (Bohl, 2012, p. 10). In the case of online retailing, the virtual layout and design, are related to the navigation of consumers within an online store (Wahyu et al., 2017). Vrechopoulos et al. (2004) were investigating the impact of different virtual store layouts on consumer buying behaviour and found that consumers perceive the freeform layout as significantly more useful in finding their shopping list products within the online store (Manganari et al., 2009, p. 1143).

The Human Variables

This category considers human interaction with employees or other customers. A literature stream attempts to further the theoretical and empirical understanding of human variables in the creation of an

atmosphere (e.g. Baker et al., 1992; Heide & Grønhaug, 2006; Massara, 2003; Turley & Milliman, 2000). According to Baker et al. (1992), social factors represent the „people” component of the environment, including both store employees and customers. Turley and Milliman (2000) included human variables comprising customer crowding and density, privacy, customer characteristics, personnel/employee characteristics, and employee uniforms (p. 197).

In general, two major groups of research on human variables can be identified. The first group is related to store employees, their number, appearance, and behaviour, which could affect customers` perception of the service level within a retail store (Baker et al., 1992; Bitner, 1992; Turley & Milliman, 2000; etc.). Hu and Jasper (2006) found out that consumers had a more favourable attitude toward merchandise and service quality and felt more aroused or pleased with a store where more cues that are social were present. The number of employees should follow store-setting requirements because more employees in a store could ensure a store functioning properly. When the number of employees in a store is less than the setting requires, it is likely to assume that customers will have to wait and could be provided with a lower service level.

The other group of studies on human variables examined other customers in the store, which are perceived in the context of crowding and density. According to Stokos (1972), physical density is associated with the number of people per unit area, while crowding refers to the negative psychological reactions to density (Grewal et al., 2003, p. 261). On the other hand, Machleit, Kellaris and Eroglu (1994) are making a difference between human and spatial crowding. A literature review (Machleit et al., 1994; Grewal et al., 2003) suggests that a high level of customer density may result in more negative store atmosphere evaluations. Grewal et al. (2003) point out that „atmospherics can make customers less aware of their wait because they are either distracted and/or entertained” (p. 265). In addition to the lack of store crowds and waiting queues, consumers are encouraged to choose virtual stores (Turban, Strauss, & Lai, 2016).

In virtual stores, there is no visible presence of other shoppers and employees and Sautter, Hyman and Lukosius (2004) included shopping agents and online communities in the form of interactive tools designed to help customers` process product information and make purchase decisions online.

Virtual social presence can be seen as an alternative to the sales clerk in a traditional store. This can be best achieved through introducing a live chat feature to the web store, where a real-life person engages the web customer in a chat immediately after arrival or after some time browsing through the online store.

METHODOLOGY

For the purpose of this chapter, a quantitative study on a sample of Croatian consumers was conducted to understand the importance of the atmosphere in the decision-making process in physical and online stores. Moreover, the study considered the customers` rating of store atmosphere relative to other salient store attributes such as price, product range and quality, service, etc.

Sampling Procedure

A survey method was used for collecting the data. Survey questionnaires were distributed both offline and online to comply with the aim of the research and to reach a greater number of respondents. The survey was conducted from March 2019 to May 2019 in the city of Zagreb. During that time a total of

The Importance of Retail Atmosphere in Online and Offline Environments

204 valid responses were collected. Based on this information, the research sample can be characterized as a convenience sample.

Table 1 summarizes the profile of the sample comprised of 204 respondents who participated in this research. As can be seen from Table 1, the majority of respondents were female students age 18-24.

Research Instrument Design

The research instrument was a highly structured questionnaire which consisted of three parts. Part I required respondents to indicate the importance of store attributes when shopping in physical stores and online. Store attributes were selected based on the relevant literature analysis (McGoldrick, 2002). Respondents were asked to rank those store attributes from 1 to 6 (1 = the least important store attribute, to 6 = the most important store attribute). Five store attributes are common in the offline and online environment, so they can be directly compared, whereas one store attribute is environmentally specific. Part II of the research instrument consisted of 12 items related to the customer evaluation of store atmospheric cues and their responses to particular atmospheric cues in a physical store and online (measured by the relationship between store atmospheric cues and customer's purchasing decisions). Out of 12 items, 10 atmospheric cues are common in the offline and online environment, so they can

Table 1. Sample characteristics

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	60	29.4	29.4	29.4
	Female	144	70.6	70.6	100.0
	Total	204	100.0	100.0	
Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	141	69.1	69.1	69.1
	25-34	27	13.2	13.2	82.4
	35-44	15	7.4	7.4	89.7
	45-54	18	8.8	8.8	98.5
	55-64	3	1.5	1.5	100.0
	Total	204	100.0	100.0	
Occupation					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	144	70.6	70.6	70.6
	Manager	9	4.4	4.4	75.0
	Office employee	21	10.3	10.3	85.3
	Entrepreneur	6	2.9	2.9	88.2
	Other	24	11.8	11.8	100.0
	Total	204	100.0	100.0	

be directly compared, whereas the remaining two are specific to offline, that is the online environment. Twelve items per environment (offline/online) gives a total of 24 items.

The statements (items) are based on a review of the pertinent literature on store atmospherics (e.g. Baker et al., 2002; Berman & Evans, 2010; Chen & Hsieh, 2011; Summers & Hebert, 2001; Turley & Milliman, 2000). A five-point Likert-type scale (from 1=strongly disagree to 5=strongly agree) was used to investigate the attitudes of respondents related to each statement. Part III of the questionnaire consisted of the characteristics of the sample (Table 1): gender, age and employment status (occupation).

Methods Used

The collected data were analysed using SPSS analytical software. Descriptive statistics were used to describe the sample and the results. A series of paired-sample t-tests were conducted to explore whether there is a significant difference in the way customers perceive and evaluate different store attributes when making purchasing decisions in an offline and online environment, that is in conventional physical stores and virtual online stores. A paired-sample t-test was also used to explore whether there was a significant difference in the way customers evaluate and are subjected to atmospheric cues when shopping in an offline and online environment. The p values were calculated to examine the level of the statistical relationship between the pairs of variables. The objectives were obtained using the conventional significance level of 0.05.

Codebook

A list of variables, along with their code names and descriptions are presented in Table 2. The Common / Specific attribute denotes whether the variable is observable in both offline and online environments (common), or is it specific to the environment (specific).

RESULTS

Rating of the Importance of Store Attributes in Offline and Online Environments

The evaluation of physical store attributes (Table 3) suggests that product range and quality are the most important store attributes for Croatian consumers when making purchasing decisions in the offline environment (mean =3.98), followed by price (mean=3.57) and personnel (mean=3.52). However, it should be noted that there is only a slight difference in mean assessments among the different store attributes, so the rank results should be taken with caution. It comes as a surprise that location, which is often cited as a crucial strategic factor in achieving a competitive advantage, ranked as the least important store attribute. Such results can be explained by high market saturation and thick distributional patterns in the city of Zagreb. Store atmosphere ranked relatively weak as the fifth most important store attribute, but still with a rather strong mean assessment given the small mean differences between store attributes.

Compared to Renko (2014) it can be seen that price is no longer the single most important store attribute for Croatian consumers while making purchasing decisions that can be explained by an incremental economic recovery. For years, the lower standard of living in Croatia resulted in price superiority in the

The Importance of Retail Atmosphere in Online and Offline Environments

Table 2. Codebook

Variable code	Variable description	Common/Specific
<i>Store attributes in offline environment</i>		
STATTRIBoffline_1	Price	Common
STATTRIBoffline_2	Product range & quality	Common
STATTRIBoffline_3	Service	Common
STATTRIBoffline_4	Store location	Specific
STATTRIBoffline_5	Personnel	Common
STATTRIBoffline_6	Store atmosphere	Common
<i>Store attributes in online environment</i>		
STATTRIBonline_1	Price	Common
STATTRIBonline_2	Product range & quality	Common
STATTRIBonline_3	Service	Common
STATTRIBonline_4	Website layout / navigation	Specific
STATTRIBonline_5	Customer support	Common
STATTRIBonline_6	Website atmosphere	Common
<i>Atmosphere cues in offline store environment</i>		
ATMOSoffline_1	Product price visibility	Common
ATMOSoffline_2	Product quality	Common
ATMOSoffline_3	Assortment depth and width	Common
ATMOSoffline_4	Store lighting and colours	Common
ATMOSoffline_5	Product visibility	Common
ATMOSoffline_6	Store music	Common
ATMOSoffline_7	Employee service	Common
ATMOSoffline_8	Store layout	Common
ATMOSoffline_9	Store entrance	Common
ATMOSoffline_10	Promotion visibility	Common
ATMOSoffline_11	Store cleanliness	Specific
ATMOSoffline_12	Store scent	Specific
<i>Atmosphere cues in online store environment</i>		
ATMOSonline_1	Product price visibility	Common
ATMOSonline_2	Product quality description	Common
ATMOSonline_3	Assortment depth and width	Common
ATMOSonline_4	Website lighting and colours	Common
ATMOSonline_5	Product visibility	Common
ATMOSonline_6	Website music	Common
ATMOSonline_7	Online customer service	Common
ATMOSonline_8	Website layout / navigation	Common
ATMOSonline_9	Website homepage design	Common
ATMOSonline_10	Promotion visibility	Common
ATMOSonline_11	Website animation	Specific
ATMOSonline_12	Interactive relationship with social media	Specific

Table 3. The rating of store attributes in an offline environment (1=the least important attribute; 6=the most important attribute)

	Mean	Minimum	Maximum	Rank	Std. Deviation
STATTRIBoffline_1	3.57	1	6	2	1.873
STATTRIBoffline_2	3.98	1	6	1	1.820
STATTRIBoffline_3	3.50	1	6	4	1.380
STATTRIBoffline_4	3.34	1	6	6	1.683
STATTRIBoffline_5	3.52	1	6	3	1.525
STATTRIBoffline_6	3.45	1	6	5	1.873

customer decision-making process. Based on the results of this study, it can be argued that such a trend has ended, implying the need to adjust marketing and pricing strategies.

The evaluation of online store attributes (Table 4) suggests as well that product range and quality (mean=4.11) are the most important store attributes for Croatian consumers when making purchasing decisions in an online environment, followed by price (mean=3.54) and website layout /navigation (mean=3.52). Overall website atmosphere ranked as the least important attribute that is contradictory to results of Wahyu et al. (2017) and can be explained by the fact that e-commerce in Croatia is still an emerging market and customers are primarily concerned with payment security and data confidentiality. Again, given the slight differences in mean assessments between online store attributes, we note that results should be taken with caution.

Next, the impact of the store environment on the importance of the store attributes when making purchase decisions was studied (offline vs. online). Only common store attributes both in the physical and virtual environments were included in the analysis. The results were obtained based on a series of paired-sample t-tests (Table 5).

It can be seen that there is no statistically significant difference in mean assessments of store attributes when shopping in physical stores and virtual stores. The results show that the customers studied perceive common store attributes somewhat equally important in both offline and online store environments. The aforementioned implies that when considering online retailing, management should invest and pay attention to all the store attributes they invest in brick-and-mortar stores. Even though running

Table 4. The rating of store attributes in an online environment (1=the least important attribute; 6=the most important attribute)

	Mean	Minimum	Maximum	Rank	Std. Deviation
STATTRIBonline_1	3.54	1	6	2	2.098
STATTRIBonline_2	4.11	1	6	1	1.775
STATTRIBonline_3	3.40	1	6	5	1.490
STATTRIBonline_4	3.52	1	6	3	1.135
STATTRIBonline_5	3.51	1	6	4	1.665
STATTRIBonline_6	3.31	1	6	6	1.859

The Importance of Retail Atmosphere in Online and Offline Environments

Table 5. The impact of the store environment (offline vs. online) on the importance of store attributes when making purchase decisions (paired sample *t* –test)

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	STATTRIBoffline_1 - STATTRIBonline_1	-.017	1.011	.075	-.165	.132	-.221	179	.825
Pair 2	STATTRIBoffline_2 - STATTRIBonline_2	-.180	1.458	.108	-.393	.032	-1.673	182	.096
Pair 3	STATTRIBoffline_3 - STATTRIBonline_3	.066	1.612	.119	-.170	.301	.550	182	.583
Pair 4	STATTRIBoffline_5 - STATTRIBonline_5	.097	1.677	.123	-.146	.339	.787	185	.432
Pair 5	STATTRIBoffline_6 - STATTRIBonline_6	.169	1.456	.104	-.036	.375	1.623	194	.106

an online store requires lesser financial expenditure compared to a physical one, certain store attributes and standards of service must not be overlooked.

The Importance of Store Atmosphere Cues in Offline and Online Environments

Once we determined that store attributes are equally important for consumers when making purchase decisions, whether they are purchasing online or offline, our next aim was to rank the atmospheric cues by importance and to compare their importance for customers depending on the environment they shop in.

Building on the Massara (2003) approach to the key atmosphere elements study, the analysis of the store atmosphere cues shows that general interior variables and human variables rank as the most important for Croatian consumers when shopping offline. Product quality (mean=4.72) stands out as the most important decision-making factor, followed by employee service (mean=4.66), price visibility (mean=4.65) and store cleanliness (m=4,60). Lighting and colours (mean=3.84) and music (mean=3.43) ranked as the least important atmospheric cues. It can be argued that Croatian consumers lack atmosphere stimuli because they are task-oriented when shopping (Anić & Radas, 2006). Furthermore, such results raise the question of retailers` interest in creating and maintaining a unique in-store “experience” as a key differentiator.

When analysing the importance of store atmospheric cues in an online environment, exterior variables rank as the most important. Price-conscious variables such as price visibility (mean=4.66) and promotion visibility (4.54) obtained the highest mean assessment scores, followed by convenience-conscious variables such as website layout (mean=4.59) and website homepage design (mean=4.54). Lighting and colours (mean=3.71), website animation (mean=3.16), interactive relationships with social media (mean=3.13) and music (mean=1.90) ranked as the least important atmospheric cues. Accordingly, it can be argued that Croatian consumers “keep their eyes on the prize” when shopping online, meaning they are both quality and price conscious, task-oriented, shop for bargains and wish to find as easily as possible good quality products at good prices. Figure 1 shows a comparison of mean assessments of

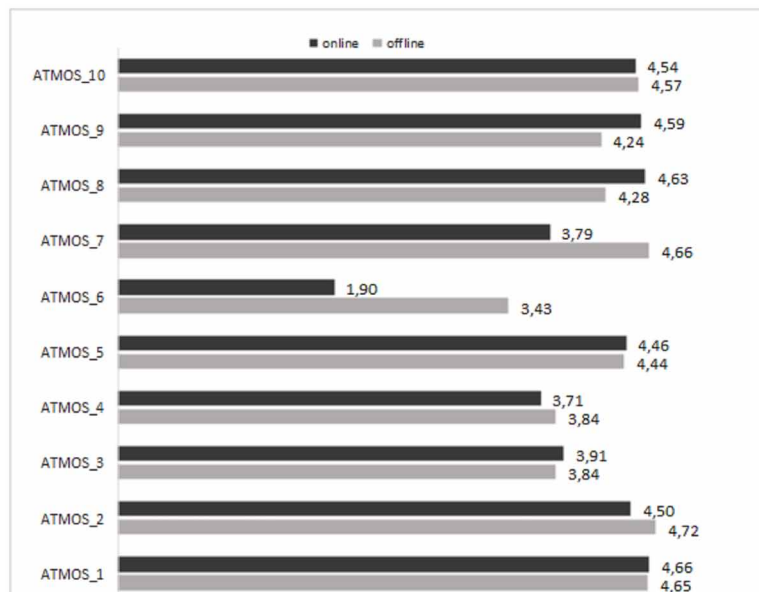
common atmospheric cues importance in purchase decision-making process in offline and online store environment.

Figure 1 shows that the mean assessments are rather similar between offline and online atmospheric cues, except for several items. A paired-sample t-test (Table 6) further revealed that a statistically significant difference exists only when considering product quality (pair 2), music (pair 6), employee service/customer support (pair 7), layout (pair 8) and entrance/homepage (pair 9). A higher statistically significant importance in the offline environment is given to product quality (vs. product quality description in the online setting), music and employee service (vs. customer support in the online setting). A higher statistically significant importance in the online environment is given to website layout (vs. store layout in the offline setting) and website homepage design (vs. store entrance). Such results, once more, confirm and imply that online consumers in Croatia are task-oriented and care little for website ambience. Retail managers should learn how to incorporate these findings into their business strategies and work on facilitating online store navigation.

LIMITATIONS AND FUTURE RESEARCH DIRECTION

Similar to any research, this study provides some useful findings but it has some limitations, which have to be taken into account through future research. First, this study used actual consumers in actual marketplaces as subjects, to study the influence and stimulation that multiple environmental cues have on consumers. However, the research was conducted outside of the store environment, after the actual shopping experience, and it was difficult to recall customers' emotional responses to a particular atmosphere. In order to improve the findings of the research, an experiment (which could take a place in a lab or a "simulated store") with respondents exposed to different levels of environmental cues could be

Figure 1. A comparison of mean assessments of common atmospheric cues in offline and online stores



The Importance of Retail Atmosphere in Online and Offline Environments

Table 6. The impact of store environment (offline vs. online) on the importance of atmospheric cues when making purchase decisions (paired sample *t*-test)

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Std. Error Mean	95% Confidence Interval of the Difference				
					Lower	Upper			
Pair 1	ATMOSoffline_1 - ATMOSonline_1	-.015	.583	.041	-.095	.066	-3.360	203	.719
Pair 2	ATMOSoffline_2 - ATMOSonline_2	.221	.907	.064	.095	.346	3.473	203	.001
Pair 3	ATMOSoffline_3 - ATMOSonline_3	-.074	.794	.056	-.183	.036	-1.323	203	.187
Pair 4	ATMOSoffline_4 - ATMOSonline_4	.132	1.113	.078	-.021	.286	1.699	203	.091
Pair 5	ATMOSoffline_5 - ATMOSonline_5	-.015	.677	.047	-.108	.079	-3.310	203	.757
Pair 6	ATMOSoffline_6 - ATMOSonline_6	1.529	1.221	.086	1.361	1.698	17.885	203	.000
Pair 7	ATMOSoffline_7 - ATMOSonline_7	.868	1.072	.075	.720	1.016	11.557	203	.000
Pair 8	ATMOSoffline_8 - ATMOSonline_8	-.353	.906	.063	-.478	-.228	-5.565	203	.000
Pair 9	ATMOSoffline_9 - ATMOSonline_9	-.353	.969	.068	-.487	-.219	-5.203	203	.000
Pair 10	ATMOSoffline_10 - ATMOSonline_10	.029	.768	.054	-.077	.135	.547	203	.585

conducted. Gilboa and Rafaeli (2003) point out that laboratory methods are preferred to enable control over multiple intervening variables such as noise, odour, interactions with employees or other consumers, etc. Additionally, there are various atmospheric cues included in the questionnaire design, but the examination of their interaction is missing. Therefore, we propose further investigation of the role of past and present experience that customers have had with the retailer because it could affect their perception of the atmospheric cues and their approach behaviour.

CONCLUSION

This chapter extends existing literature on retailing atmosphere and variations in the meaning of the concept in general, from both the store and online retailing perspective. In making their purchase decisions, consumers respond to more than simply the tangible product or service being offered (Kotler, 1973-1974, p. 48) and retailers need a framework which provides them with insights on how to improve customers' perceptions of them in order to increase their loyalty; to improve customer's attitudes to their offline and online environment in order to increase visits, purchases, etc.

The study provides an exploratory examination of the impact of store atmosphere on customers' intentions to purchase in conventional or virtual stores on the Croatian market. Findings revealed that

store attributes are equally important for consumers when making purchase decisions whether they are purchasing online or offline. However, the study points out product quality, employee service and price visibility as the most important for Croatian consumers when shopping offline, while lighting, colours and music are the least important atmospheric cues. On the other hand, price and promotion visibility, website layout and website homepage design obtained the highest rank in the case of shopping in a virtual store. Therefore, such results suggest Croatian consumers are very task-oriented and raise the question of retailers' decisions in creating the appropriate mix of environmental factors that may influence customers' patronage decisions. Online and offline environments were once two very separate worlds (Ellis, 2014) but soon retailers have realized that the internet could be an extended version of their physical stores allowing them to connect with potential customers. Both online and offline stores have become a part of their communication and sales strategy and through well-planned atmosphere, they can affect consumers with no plans to enter their physical store or to enter their website to search for alternatives, and finally to change consumers' attitudes and purchase orientation.

REFERENCES

- Algharabat, R. & Dennis, C. (2009). *Modelling 3d product visualisation for online retail atmospherics*. Retrieved from <http://dspace.brunel.ac.uk/handle/2438/3766>
- Anić, I. D., & Radas, S. (2006). The impact of situational factors on purchasing outcomes in the Croatian hypermarket retailer. *Ekonomski Pregled*, 57(11), 730–752.
- Areni, C. S., & Kim, D. (1993). The influence of background music on shopping behavior: classical versus top-forty music in a wine store. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 20, 336–340.
- Arnould, E. J., Price, L. L., & Tierney, P. (1998). Communicative staging of the wilderness service escape. *Service Industries Journal*, 18(3), 90–115. doi:10.1080/02642069800000034
- Babin, B. J., Hardesty, D. M., & Suter, T. A. (2003). Colour and shopping intentions: The intervening effect of price fairness and perceived affect. *Journal of Business Research*, 56(7), 541–551. doi:10.1016/S0148-2963(01)00246-6
- Bailey, N., & Areni, C. S. (2006). When a few minutes sound like a lifetime: Does atmospheric music expand or contract perceived time? *Journal of Retailing*, 82(3), 189–202. doi:10.1016/j.jretai.2006.05.003
- Baker, J., Levy, M., & Grewal, D. (1992). An experimental approach to making retail store environmental decisions. *Journal of Retailing*, 68(4), 445–460.
- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing*, 66(2), 120–141. doi:10.1509/jmkg.66.2.120.18470
- Banat, A. & Wandebori, H. (2012). Store design and store atmosphere effect on customer sales per visit, *PSRC - Planetary Scientific Research Center Proceeding of the 2nd International Conference on Business, Economics, Management and Behavioural Sciences*, Oct. 13-14, Bali, Indonesia. Retrieved from <http://psrcentre.org/images/extraimages/1012545.pdf>

The Importance of Retail Atmosphere in Online and Offline Environments

Berman, B., & Evans, J. R. (2010). *Retail management: a strategic approach* (11th ed.). Upper Saddle River, NJ: Pearson Education, Prentice Hall.

Billings, W. L. (1990). Effects of store atmosphere on shopping behaviour. *Honors Projects*. Paper 16. Retrieved from http://digitalcommons.iwu.edu/busadmin_honproj/16

Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56(2), 57–71. doi:10.1177/002224299205600205

Bohl, P. (2012). The effects of store atmosphere on shopping behaviour – A literature review, *Corvinus Marketing Studies*, 1, Retrieved from http://unipub.lib.uni-corvinus.hu/669/1/CMT_2012-1.pdf

Bojei, J. & Shahabudin, S. F. S. O. (2005). An analysis of the online store atmosphere: Influence on consumer. In *International Conference on E-Commerce (ICoEC) 2005*, pp. 10-11. The Summit Hotel, Subang USJ, Selangor, Malaysia. Retrieved from <http://icoec.my/index.php/proceedings?view=author&id=83:sharifah-fauziah-syed-omar-shahabudin>

Breitenbach, C., & Doren, D. (1998). Value-added marketing in the digital domain: Enhancing the utility of the Internet. *Journal of Consumer Marketing*, 5(6), 558–575. doi:10.1108/07363769810241436

Burke, R. R. (2002). Technology and the customer interface: what consumers want in the physical and virtual store. *Journal of the Academy of Marketing Science*, 30(4), 411–432. doi:10.1177/009207002236914

Chebat, J.-C., & Morrin, M. (2007). Colors and cultures: Exploring the effects of mall décor on consumer perceptions. *Journal of Business Research*, 60(3), 189–196. doi:10.1016/j.jbusres.2006.11.003

Chen, H.-S., & Hsieh, T. (2011). The effect of atmosphere on customer perceptions and customer behaviour responses in chain store supermarkets. *African Journal of Business Management*, 5(24), 10054–10066. doi:10.5897/AJBM10.608

Childers, T. L., Carr, C. L., Peck, J., & Carson, S. (2001). Hedonic and utilitarian motivations for online retail shopping behavior. *Journal of Retailing*, 77(4), 511–535. doi:10.1016/S0022-4359(01)00056-2

Cornelius, B., Natter, M., & Faure, C. (2010). How store front displays influence retail store image. *Journal of Retailing and Consumer Services*, 17(2), 143–151. doi:10.1016/j.jretconser.2009.11.004

Cox, R. & Brittain, P. (2004). *Retailing: An introduction*, Financial Times, Prentice Hall, Harlow.

Dailey, L. (1999). Designing the world we surf in: a conceptual model of web atmospherics. In S. Brown & D. Sudharshan (Eds.), (1999) *AMA educator's proceedings*, Chicago, IL, Vol. 10, p. 225.

Dailey, L. (2004). Navigational web atmospherics: Explaining the influence of restrictive navigation cues. *Journal of Business Research*, 57(7), 795–803. doi:10.1016/S0148-2963(02)00364-8

Dakoumi Hamrouni, A., & Touzi, M. (2011). Technique of collage for store design atmospherics. *Qualitative Market Research*, 14(3), 304–323. doi:10.1108/13522751111137523

De Farias, S. A. (2010). Store atmospherics and experiential marketing: a conceptual framework and research propositions for an extraordinary customer experience, IV Encontro de Marketing da ANPAD, Florianopolis/SC, May 23-25. Retrieved from http://www.anpad.org.br/diversos/trabalhos/EMA/ema_2010/2010_EMA27.pdf

- De Kervenoael, R., Aykac, D. S. O., & Bisson, C. (2008). The influence of social E-Atmospherics in practice: A website content analysis perspective, *Proceedings of the 7th International Congress, Marketing Trend*, Venice, Italy. Retrieved from <http://research.sabanciuniv.edu/7430/>
- De Nisco, A., & Warnaby, G. (2013). Shopping in downtown: The effect of urban environment on service quality perception and behavioural intentions. *International Journal of Retail & Distribution Management*, 41(9), 654–670. doi:10.1108/IJRDM-05-2013-0106
- Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: An environmental psychology approach. *Journal of Retailing*, 58(Spring), 34–57.
- Dubé, L., & Morin, S. (2001). Background music pleasure and store evaluation intensity effects and psychological mechanism. *Journal of Business Research*, 54(2), 107–113. doi:10.1016/S0148-2963(99)00092-2
- Dunne, P. M. & Lusch, R. F. (2008). *Retailing*, (6th ed.), Thomson Learning, SAD.
- Ellis, L., & Ficek, C. (2001). Colour preferences according to gender and sexual orientation. *Personality and Individual Differences*, 31(8), 1375–1379. doi:10.1016/S0191-8869(00)00231-2
- Ellis, M. (2014). The evolution of the internet and its impact on retail spaces. Retrieved from <https://www.wired.com/insights/2014/07/evolution-internet-impact-retail-spaces/>
- Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2001). Atmospheric qualities of online retailing: A conceptual model and implications. *Journal of Business Research*, 54(2), 177–184. doi:10.1016/S0148-2963(99)00087-9
- Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2003). Empirical testing of a model of online store atmospherics and shopper responses. *Psychology and Marketing*, 20(2), 139–150. doi:10.1002/mar.10064
- Espinoza, F., Liberali, G., & D'Angelo, A. C. (2004). Testing the influence of retail atmosphere on store choice criteria, perceived values, and patronage intentions. In *American Marketing Association (AMA) Winter Educators Conference Proceedings*, 15, 120-125.
- Export.gov. (2019). Croatia – eCommerce. Retrieved from <https://www.export.gov/article?id=Croatia-eCommerce>
- Foxall, G. R. (1997). The emotional texture of consumer environments: A systematic approach to atmospherics. *Journal of Economic Psychology*, 18(5), 505–523. doi:10.1016/S0167-4870(97)00021-4
- Gilboa, S., & Rafaeli, A. (2003). Store environment, emotions and approach behaviour: Applying environmental aesthetics to retailing. *International Review of Retail, Distribution and Consumer Research*, 13(2), 195–211. doi:10.1080/0959396032000069568
- Gorn, G., Chattopashyay, A., Sengupta, J., & Tripathi, S. (2004). Waiting for the web: how screen color affects time perception. *JMR, Journal of Marketing Research*, 41(2), 215–225. doi:10.1509/jmkr.41.2.215.28668
- Grewal, D., Baker, J., Levy, M., & Voss, G. B. (2003). The effects of wait expectations and store atmosphere evaluations on patronage intentions in service-intensive retail stores. *Journal of Retailing*, 79(4), 259–268. doi:10.1016/j.jretai.2003.09.006

The Importance of Retail Atmosphere in Online and Offline Environments

- Hausman, A. V., & Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions. *Journal of Business Research*, 62(1), 5–13. doi:10.1016/j.jbusres.2008.01.018
- Heide, M., & Grønhaug, K. (2006). Atmosphere: Conceptual issues and implications for hospitality management. *Scandinavian Journal of Hospitality and Tourism*, 6(4), 271–286. doi:10.1080/15022250600979515
- Hu, H., & Jasper, C. R. (2006). Social cues in the store environment and their impact on store image. *International Journal of Retail & Distribution Management*, 34(1), 25–48. doi:10.1108/09590550610642800
- Hui, M. K., Laurette, D., & Chebat, J.-C. (1997). The impact of music on consumers' reactions to waiting for services. *Journal of Retailing*, 73(1), 87–104. doi:10.1016/S0022-4359(97)90016-6
- Hulten, B., Broweus, N., & van Dijk, M. (2008). *Sensory Marketing*. Palgrave Macmillan.
- Jayawardhena, C., Tiu Wright, L., & Dennis, C. (2007). Consumers online: Intentions, orientations and segmentation. *International Journal of Retail & Distribution Management*, 35(6), 515–526. doi:10.1108/09590550710750377
- Klein, L. R. (2003). Creating virtual product experiences: The role of telepresence. *Journal of Interactive Marketing*, 17(1), 41–55. doi:10.1002/dir.10046
- Kotler, P. (1973-1974). Atmospheric as a marketing tool. *Journal of Retailing*, 49(4), 48–64.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Upper Saddle River, NJ: Pearson Education
- Koutsouris, V., Polychronopoulos, C., & Vrechopoulos, A. (2007). In 2007 *International Conference on the Management of Mobile Business (ICMB 2007)*, Toronto, Canada, July 9-11, (pp. 1–1). IEEE. doi:10.1109/ICMB.2007.26
- Krasnikolakis, I. & Vrechopoulos, A. (2009). Setting the research agenda for store atmosphere studies. In *Virtual Reality Retailing: An Interdisciplinary Approach, Mediterranean Conference on Information Systems (MCIS) 2009 Proceedings*. 1440-1446. Retrieved from <http://aisel.aisnet.org/mcis2009/115>
- Krasnikolakis, I., Vrechopoulos, A., & Pouloudi, A. (2014). Store selection criteria and sales prediction in virtual worlds. *Information & Management*, 51(6), 641–652. doi:10.1016/j.im.2014.05.017
- <conf>Lazaris, C., Vrechopoulos, A., & Doukidis, G. (2016). Store atmosphere in “Physical Web” retailing: An IoT disruption to omnichannel evolution. In *Proceedings 4th International Conference on Contemporary Marketing Issues (ICMI)*, June 22-24, 2016, Heraklion, Greece. doi:10.13140/RG.2.1.2367.9604</conf>
- Levy, M., & Weitz, B. A. (2012). *Retailing Management* (8th ed.). Irwin, NY: McGraw-Hill.
- Lohse, G. L., & Spliler, P. (1999). Internet retail store design: How the user interface influences traffic and sales. *Journal of Computer-Mediated Communication*, 5(2). doi:10.1111/j.1083-6101.1999.tb00339.x
- Machleit, K. A., Kellaris, J. J., & Eroglu, S. A. (1994). Human versus spatial dimensions of crowding perceptions in retail environments: A note on their measurement and effect on shopper satisfaction. *Marketing Letters*, 5(2), 183–194. doi:10.1007/BF00994108

- Manganari, E., Siomkos, G., & Vrechopoulos, A. (2007). Atmospheric qualities in mobile commerce: an initial approach. In *Proceedings of the 36th European Marketing Academy Conference (EMAC)* (pp. 1–7). Reykjavik, Iceland: McGraw-Hill
- Manganari, E. E., Siomkos, G. J., & Vrechopoulos, A. P. (2009). Store atmosphere in web retailing. *European Journal of Marketing*, 43(9/10), 1140–1153. doi:10.1108/03090560910976401
- Markin, R. J., Lillis, C. M., & Narayana, C. L. (1976). Social-psychological significance of store space. *Journal of Retailing*, 52(1), 43–54.
- Massara, F. (2003). Store atmosphere: still a fledgling art. *ECR Journal*, 3(2), 47–52.
- Mathwick, C., Malhotra, N., & Rigdon, E. (2002). The effect of dynamic retail experiences on experiential perceptions of value: An internet and catalog comparison. *Journal of Retailing*, 78(1), 51–60. doi:10.1016/S0022-4359(01)00066-5
- Mattila, A. S., & Wirtz, J. (2001). Congruency of scent and music as a driver of in-store evaluations and behaviour. *Journal of Retailing*, 77(2), 273–289. doi:10.1016/S0022-4359(01)00042-2
- McDonald, M., Rogers, B., & Woodburn, D. (2000). *Key customers: how to manage them profitably*. Oxford, UK: Butterworth-Heinemann.
- McGoldrick, P. (2002). *Retail Marketing*. London, UK: McGraw-Hill Education.
- Mehrabian, A., & Russel, J. A. (1974). *An approach to environmental psychology*. Cambridge, MA: MIT Press.
- Menon, S., & Kahn, B. (2002). Cross-category effects of induced arousal and pleasure on the internet shopping experience. *Journal of Retailing*, 78(1), 31–40. doi:10.1016/S0022-4359(01)00064-1
- Milliman, R. (1986). The influence of background music on the behaviour of restaurant patrons. *The Journal of Consumer Research*, 13(2), 286–289. doi:10.1086/209068
- Morgan, T. (2008). *Visual merchandising: Window and in-store displays for retail*. London, UK: Laurence King Publishing.
- Morrin, M., & Ratneshwar, S. (2000). The effect of retail store environment on retailer performance. *Journal of Business Research*, 49(2), 167–181. doi:10.1016/S0148-2963(99)00005-3
- Musso, F. & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. pp. 1-589. doi:10.4018/978-1-4666-6074-8
- Newman, A., Foxall, J., & Gordon, R. (2003). In-store customer behaviour in the fashion sector: Some emerging methodological and theoretical directions. *International Journal of Retail & Distribution Management*, 31(11), 591–600. doi:10.1108/09590550310503311
- Newman, A.J., & Cullen, P. (2002). *Retailing: environment & operations*. London, UK: Thomson Learning.
- Oakes, S. (2003). *Psychology and Marketing*. McGraw-Hill.
- Oh, H., & Petrie, J. (2012). How do storefront window displays influence entering decisions of clothing stores? *Journal of Retailing and Consumer Services*, 19(1), 27–35. doi:10.1016/j.jretconser.2011.08.003

The Importance of Retail Atmosphere in Online and Offline Environments

Olahut, M. R., El-Murad, J., & Plaias, I. (2012). Store atmosphere: Conceptual issues and its impact on shopping behavior. *Proceedings International Conference "Marketing – from information to decision"*, 5th Edition, pp. 317-343.

Park, M.-S., Shin, J.-K., & Ju, Y. (2014). Social networking atmosphere and online retailing. *Journal of Global Scholars of Marketing Science*, 24(1), 89–107. doi:10.1080/21639159.2013.867681

Peck, J. & Childers, T. (2008). If it tastes, smells, sounds, and feels like a duck, then it must be a ...: Effects of sensory factors on consumer behaviours. In C. P. Haugtvedt, P. M. Herr, & F. R. Kardes (Eds.), *Handbook of consumer psychology*, 193-219. New York, NY: Psychology Press.

Reddy, B. K., & Reddy, J. S. (2012). Atmospheric: A silent salesperson in organized retailing. *International Journal of Sales, Retailing and Marketing*, 1(1), 23–29.

Renko, S. (2014). Atmosphere as a store communication tool. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*, 239-257. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8

Sautter, P., Hyman, M. R., & Lukosius, V. (2004). E-tail atmospheric: A critique of the literature and model extension. *Journal of Electronic Commerce Research*, 5(1), 14–24.

Sherman, E., Mathur, A., & Belk Smith, R. (1997). Store environment and consumer purchase behaviour: Mediating role of consumer emotions. *Psychology and Marketing*, 14(4), 361–378. doi:10.1002/(SICI)1520-6793(199707)14:4<361::AID-MAR4>3.0.CO;2-7

Solomon, M. R. (2008). *Consumer behavior: buying, having and being* (8th ed.). New York, NY: Prentice Hall.

Spangenberg, E. R., Crowley, A. E., & Henderson, P. W. (1996). Improving the store environment: do olfactory cues affect evaluations and behaviours? *Journal of Marketing*, 60(2), 67–80. doi:10.2307/1251931

Stokos, D. (1972). On the distinction between density and crowding: Some implications for future research. *Psychological Review*, 79(3), 275–277. doi:10.1037/h0032706 PMID:5056743

Štulec, I., Petljak, K., & Kukor, A. (2016). The role of store layout and visual merchandising in food retailing. *European Journal of Economics and Business Studies*, 4(1), 139–152. doi:10.26417/ejes.v4i1.p138-151

Summers, T., & Hebert, P. (2001). Shedding some light on store atmospheric: Influence of illumination on consumer behaviour. *Journal of Business Research*, 54(2), 145–150. doi:10.1016/S0148-2963(99)00082-X

Thombre, A. (2011). The influence of interactivity and online store atmospheric of a 3D retail store in second life on consumer purchase intentions. (Master thesis, University of North Texas). Retrieved from <https://www.academia.edu/2755115>

Turban, E., Strauss, J., & Lai, L. (2016). Marketing communications in social media. In *Social Commerce. Springer Texts in Business and Economics* (pp. 75–98). Cham, Switzerland: Springer.

Turley, L. W., & Milliman, R. E. (2000). Atmospheric effects on shopping behaviour: a review of the experimental evidence. *Journal of Business Research*, 49(2), 193–211. doi:10.1016/S0148-2963(99)00010-7

- Varley, R. (2001). *Retail product management: buying and merchandising*. London, UK: Routledge.
- Veziroglu, G. (2018). The influence of virtual store atmosphere, online shopping satisfaction and perceived risk in online shopping on intention to continue online shopping. *Social Sciences Studies Journal*, 4(17), 1452–1458. doi:10.26449/ssj.536
- Vrechopoulos, A. P., Doukidis, G. I., & O'Keefe, R. M. (2000). Virtual store atmosphere in internet retailing. In S. Klein, B. O'Keefe, J. Gricar, & M. Podlogar (Eds.), *Proceedings of the 13th Bled Electronic Commerce Conference: The End of the Beginning*, Bled, Slovenia, June 19-21, p. 445-458.
- Vrechopoulos, A. P., O'Keefe, R. M., Doukidis, G. I., & Siomkos, G. J. (2004). Virtual store layout: An experimental comparison in the context of grocery retail. *Journal of Retailing*, 80(1), 13–22. doi:10.1016/j.jretai.2004.01.006
- Wahyu, W. D., Achmad, F., & Zainul, A. (2017). The effect of online store atmosphere towards emotion and its impact on purchase decision, *RJOAS*, 4(64), 82-93. Retrieved from <https://cyberleninka.ru/article/n/the-effect-of-online-store-atmosphere-towards-emotion-and-its-impact-on-purchase-decision>
- Yalch, R., & Spangenberg, E. (1990). Effects of store music on shopping behaviour. *Journal of Services Marketing*, 7(2), 55–63.
- Yalch, R., & Spangenberg, E. (2000). The effects of music in a retail setting on real and perceived shopping times. *Journal of Business Research*, 49(2), 139–147. doi:10.1016/S0148-2963(99)00003-X

ADDITIONAL READING

- Backstrom, K., & Johansson, U. (2006). Creating and consuming experiences in retail store environments: Comparing retailer and consumer perspectives. *Journal of Retailing and Consumer Services*, 13(6), 417–430. doi:10.1016/j.jretconser.2006.02.005
- Berry, L.L., Carbone, L.P. & Haeckel, S.H. (2002). *Managing the total customer experience*, Sloan Management Review, Spring.
- Chebat, J.-C., & Dube, L. (2000). Evolution and challenges facing retail atmospherics: The apprentice sorcerer is dying. *Journal of Business Research*, 49(2), 89–90. doi:10.1016/S0148-2963(99)00012-0
- d' Astous, A. (2000). Irritating aspects of the shopping environment. *Journal of Business Research*, 49(2), 149–156. doi:10.1016/S0148-2963(99)00002-8
- Farhan & Muhammed, A. (2013). *Retailers Perception of Retail Atmosphere*, LAP LAMBERT Academic Publishing
- Howard, J. (2019). *Atmosphere: the seven elements of great design*. Abrams, NY: Harry N.
- Koo, W., & Park, H. (2017). Critical Atmospheric Cues in Designing Online Stores: The Case of Amazon.com. *International Journal of Marketing Studies*, 9(1), 37–45. doi:10.5539/ijms.v9n1p37

The Importance of Retail Atmosphere in Online and Offline Environments

Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghurir, P., & Stewart, D. (2009). Customer experience management in retailing: Understanding the buying process. *Journal of Retailing*, 85(1), 15–30. doi:10.1016/j.jretai.2008.11.003

Turley, L. W., & Chebat, J.-C. (2002). Liking retail strategy, atmospheric design and shopping behavior. *Journal of Marketing Management*, 18(1-2), 125–144. doi:10.1362/0267257022775891

Walsh, W. B., Craik, K. H., & Price, R. H. (2000). *Person-Environment Psychology: New Directions and Perspectives*. Mahwah, New Jersey: Lawrence Erlbaum Associates.

Wilson, M. (2005). Atmosphere key to well-being. *Chain Store Age*, 81(10), 94.

Wirtz, J., Mattila, A. S., & Tan, R. L. P. (2000). The moderating role of target-arousal on the impact of affect on satisfaction – an examination in the context of service experiences. *Journal of Retailing*, 76(3), 347–365. doi:10.1016/S0022-4359(00)00031-2

KEY TERMS AND DEFINITIONS

Atmospheric Cues: Key dimensions (variables or elements) of an atmosphere such as colour, scent, layout, music, lighting, etc.

Atmospherics: The conscious designing of space to create certain effects in buyers; the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability.

Emotion: The oral expression of feelings and personal, subjective psychological state. When people experience external stimuli and produce a feeling reaction, an emotional reaction is produced.

Holistic Approach: Approach that addresses to the system theory which suggests that the whole is rarely equal to the sum of the single constituent parts.

Mood: Emotional response produced by external stimulation, which in turn induces psychological change and response.

Store Atmosphere: The design of in-store environment by stimulation of the five senses; the store's physical characteristics that project an image to customers.

Chapter 6

The In–Store Shopping Experience: A Systematic Literature Review

Angelo Bonfanti

University of Verona, Italy

Rossella Canestrino

Parthenope University of Naples, Italy

Paola Castellani

University of Verona, Italy

Vania Vigolo

University of Verona, Italy

ABSTRACT

This chapter provides a systematic literature review on the in-store shopping experience, as presented in retail management studies, to reveal potential gaps in the existing literature and suggest directions for future research. This is a conceptual paper with an analytical approach that draws heavily on theoretical evidence published in the retail management literature. A total of 90 journal articles published between 1992 and 2019 were analysed in a five-step process: obtaining a basic understanding, coding, categorisation, comparison, and further analysis. More precisely, the chapter depicts the period of publication of the articles, the journals in which they were published, the origin of the authors, the research methods, definitions, and the measurement of the in-store shopping experience. Finally, main research gaps and directions for future research are proposed. Scholars can use this paper as a reference point to identify specific research areas that can be theoretically and empirically investigated to further advance knowledge on this topic.

DOI: 10.4018/978-1-7998-1412-2.ch006

INTRODUCTION

Customers can usually shop to find a desired or preferred product or service, namely hunting shopping (Bäckstrom, 2011). However, shopping is not a simple acquisition task (Brunetti and Bonfanti, 2015; Foster and McLelland, 2015). More and more frequently, customers expect a multisensory, interactive, and holistic shopping experience that entertains, stimulate, emotionally affects and creatively challenge them (Schmitt, 1999a,b; Foster and McLelland, 2015). Accordingly, many retailers are incorporating the creation of a unique shopping experience in their offerings to customers (e.g., Sachdeva and Goel, 2015) in order to differentiate themselves from competitors and to improve their competitive advantage (e.g., Arnold et al., 2005; Terblanche and Boshoff, 2006a,b; Bagdare and Jain, 2013; Lemon and Verhoef, 2016). In literature, the three following experiential types of shopping have been identified (Gilboa and Vilnai-Yavetz, 2013): a) seductive shopping, when customers are moved by impulse-buying and pursue pleasant emotions, b) interactive museum, when they explore and acquire new knowledge in the store, and c) social shopping, when they enjoy shared experiences with friends and family (Bäckstrom, 2011).

In order to create unique shopping experiences, retailers design retail environments that will create memorable customer experiences (Petermans et al., 2013) by, for example, adding elements of entertainment and interactivity to their store environments (Foster and McLelland, 2015). In order to move in this direction, retailers try to create experiential shopping by establishing stores with a strong cognitive, emotional, aesthetic, physical, sensory and emotional impact (Verhoef et al., 2009). The customer's in-store shopping experience is created by their interactions with all the elements of the store (Castaldo and Botti, 1999; Bäckström and Johansson, 2006). As a result, retailers act at three levels of their sales environment (Baker, 1986): a) environmental factors, which are based on the consumers' senses (sight, sound, smell and touch); b) design elements, which include functional and aesthetic aspects such as the layout, design and furnishings of the store; and c) social characteristics. Numerous studies underline the importance of creating conditions to ensure that customers experience in-store fun (Jones, 1999), socialising (Borges et al., 2010), feelings of evasion (Arnold and Reynolds, 2003), immersion and absorption (Wang and Hsiao, 2012), the acquisition of new knowledge linked to the shopping process (Arnold and Reynolds, 2003), as well as interaction and involvement (Russo Spena et al., 2012).

The in-store shopping experience is a topic that has been widely debated in the retail management literature. The first studies conducted on this topic date back to the experiential dimension of customer behaviour (Holbrook and Hirschmann, 1982), experiential marketing (O'Sullivan and Spangler, 1998; Schmitt, 1999a,b; 2003) and the experience economy (Pine and Gilmore, 1999; Gilmore and Pine, 2002). However, the development of online shopping and immersive technology highlight how 'a new change in the experiential paradigm' is underway (Sachdeva and Goel, 2015, p. 292). A number of touchpoints can stimulate customers' senses (Jones et al., 2010), changing the way we understand the in-store shopping experience. Accordingly, more detailed knowledge of this topic is needed (Bagdare, 2013; Petermans et al., 2013; Spence et al., 2014; Stein and Ramaseshan, 2016).

This chapter aims to analyse the concept of the in-store shopping experience in the retail management literature by conducting a systematic literature review, given that a review of previous studies is important for any academic research project and serves to create a solid basis for advancing knowledge, facilitating the development of a relevant theory, resizing the areas where there is an overabundance of research and uncovering areas where further studies are needed (Webster and Watson, 2002). To the best of our knowledge, only one recent study has provided a literature review on this topic. More specifically, scholars have focused on the consumption experience in retail environments by examining the anteced-

ents and outcomes of experience in order to develop an integrated model to help retailers capture the consumer shopping experience in virtual and physical shopping environments (Antéblian et al., 2014). By systematically reviewing previous journal articles, this chapter aims to answer the following research questions: how long has the topic of the in-store shopping experience been studied? Which journals do researchers in this field publish in? What is the origin of the authors who investigate this topic? What research methods have been used? What does 'shopping experience' mean and what are the dimensions that best define it? What are the main research gaps and directions that can be hypothesised for future research on the in-store shopping experience?

The findings of this review will contribute both theoretically and practically. On the one hand, they will enable scholars to not only systematise knowledge of the in-store shopping experience, but also further advance knowledge of this topic by identifying specific research areas that can be theoretically and empirically investigated. On the other hand, the results of this study have implications for managers wishing to improve the in-store shopping experience in their stores.

The next section describes the methodology employed in this study and explains how the materials were collected, selected and analysed. Following this, a descriptive analysis is presented (years of publication, journals and research methods). Subsequently, directions for future studies are considered. Finally, the chapter concludes by outlining the limitations of the study.

METHODOLOGY OF REVIEW

A systematic literature review provides a transparent and reliable evaluation of the topic under examination, enables researchers to address new and emerging topics, monitor progress in a research field, promote knowledge-building, understand a phenomenon and clarify unexplored research topics. The systematic literature review is a research method that provides a snapshot of studies carried out over time in relation to a specific research topic. In particular, it allows researchers 'to integrate a large number of different publications on the same topic, summarising the common elements and the differences in order to extend work towards further directions' (Meredith, 1993, p. 8). According to Webster and Watson (2002, p. XVIII), it must help 'make sense of the knowledge accumulated on a certain topic', and should be 'logically structured around the central ideas of the topic itself and make good use of tables and figures to effectively convey the results and key relationships'. It is therefore a suitable methodology to help understand the state of current research and provide insight into potential future developments. However, it does not claim to cover the totality of the literature, but rather to offer a targeted framework built on studies specifically selected to answer a defined set of research questions. Basically, it is a form of content analysis in which the unit of analysis is the body of the text of the publications under examination.

From a methodological point of view, this systematic literature review is based on the theoretical evidence provided by publications in the retail management literature on topic of the in-store shopping experience. This study follows the theoretical assumptions proposed by Webster and Watson (2002), who suggest proceeding according to the following three steps: 1) identification of the relevant literature; the phase during which the search criteria are selected, the research is carried out and the publications are read; 2) structuring of the review; the phase during which the content analysis is carried out to logically categorise the publications around the topic of analysis; and 3) theoretical development, the phase during which the research gaps present in the literature are identified and directions for future research are proposed.

Identification of the Relevant Literature

The following search criteria were used to identify relevant literature: type of document, database, scientific field, subject area and search categories (Table 1). More precisely, the analysis included only articles published in English in peer-reviewed academic journals, as ‘the most relevant contributions are mainly held in this type of publication’ (Webster and Watson, 2002, p. XVI). Books, book chapters and papers in conference proceedings were not considered in the analysis because they are not widely represented in the databases searched for this study. Editorials, paperless abstracts, research notes, editorial comments, viewpoints, commercial publications and magazines were also excluded because they were not considered relevant to this study.

Academic articles were selected from three main international economics-management databases: Business Source Premier (EBSCO), named ‘BSP’; Scopus; and ISI Web of Science (all databases), named ‘WOS’. The following subject areas were selected: ‘management’ in the BSP database, ‘business, management and accounting’ in Scopus, and ‘business’ and ‘management’ in WOS. To limit the sample to articles focused on studies on the in-store shopping experience, the keywords searches were restricted to the article titles only. This allowed us to exclude articles that would add value to the study only indirectly. The following keywords were used: ‘in-store shopping experience’, ‘customer shopping experience’, ‘consumer shopping experience’, ‘store experience’, ‘retail experience’, ‘retail customer experience’, ‘retail store experience’ and ‘retail shopping experience’. Only articles written in English were considered, since it is an executive language for research; articles published in other languages, including German, French, Spanish, Portuguese, Chinese, Turkish, Korean, Ukrainian and Russian were excluded, although these were a minority of the articles identified. The titles of the articles identified in the searches were read and manually checked to avoid duplication.

Table 1. Systematic literature review process phases

Phases for research	Details
Selection of document type	Referred academic journals
Selection of databases	<ul style="list-style-type: none"> ● EBSCO Business Source Premier (BSP) ● Scopus ● ISI Web of Science (WOS)
Selection of research domain	Social Sciences
Selection of subject area	<ul style="list-style-type: none"> ● Management into EBSCO Business Source Premier ● Business, Management and Accounting into Scopus ● Business economics into ISI Web of Science
Selection of article (search for keywords in the title)	<ul style="list-style-type: none"> ● in-store shopping experience ● customer shopping experience ● consumer shopping experience ● store experience ● retail experience ● retail customer experience ● retail store experience ● retail shopping experience
Categories for research	<ul style="list-style-type: none"> ● publication period ● journal ● origin of the authors ● research methods

The searches led to the identification of 327 articles, published from 1992 to (June) 2019. After carrying out a more in-depth analysis by carefully reading the abstract and the entire text if necessary, articles that were not relevant (for example, those focused on e-shopping or online stores) and duplicate research products were removed. In addition to the criteria outlined above, articles focused on online stores or online shopping and on specific industries, such as banks, electricity and food, were excluded from this study. Therefore, the final sample contained 90 articles (Appendix A, Table 7), classified into the following four categories: publication period, journal, origin of the authors, and research methods.

Structure of the Review

In order to categorise the selected articles logically according to the topic, a text analysis of the data from selected articles was carried out. Data related to the categories ‘period of publication’, ‘journal’, ‘origin of the authors’ and ‘research methods’ were manually coded. To identify the main research gaps and future research lines, the articles were analysed using content analysis software, given that computer-aided analysis increases both the efficiency and effectiveness of methods of learning from data (Bazeley and Jackson, 2013). Specifically, the analysis and codification of the articles was undertaken using the qualitative data analysis software NVivo (Version 11) from Qualitative Solutions and Research (QSR). NVivo allows the analysis of unstructured data by improving the search and reducing the subjectivity of the researcher. More specifically, it enables the creation of conceptual nodes and identifies minimum units of meaning.

Theoretical Development

To contribute to the theoretical development regarding the in-store shopping experience, individual articles were scanned to identify any research gaps that they explicitly identified. To do this, a ‘gap spotting’ approach was adopted, more precisely known as ‘neglect spotting’, which allows researchers to ‘identify a topic or area in which no (good) research was performed’ (Sandberg and Alvesson, 2011, p. 30). Specifically, this approach allows researchers to identify neglected aspects, under-researched areas and areas that lack empirical analysis within the existing literature; in this study, the literature on the in-store shopping experience. This provides points of interest in terms of future research for those who intend to continue the study of in-store shopping experience management.

THE IN-STORE SHOPPING EXPERIENCE IN RETAIL MANAGEMENT STUDIES

This section offers a summary of the structured literature review on the in-store shopping experience. Specifically, it presents the general descriptive statistical results regarding the period of publication and the journals in which articles on this topic were published, the origin of the authors interested in the topic and the research methods used.

The Publication Period and the Journals Publishing Relevant Articles

Studies focused on the in-store shopping experience began to appear in the retail management literature in 1992, after the initial contributions by Holbrook and Hirschmann (1982), O’Sullivan and Spangler

The In-Store Shopping Experience

(1998), Schmitt (1999a,b) and Pine and Gilmore (1999) about the experiential dimension of customer behaviour, experiential marketing, and experience economy. The interest of scholars has grown increasingly over the last 30 years: four articles on this topic were published between 1992 and 2000, 23 between 2001 and 2010, and 67 between 2011 and 2019 (Figure 1).

The 90 articles identified from the three databases searched for this analysis are published in 52 academic journals, each of which subjects the papers they publish to a peer review process. This data indicates the high degree of fragmentation of the theme, an argument further strengthened by the dispersion of the numbers of the articles published in these journals.

The two most common journals publishing research in this area both focus on retail management: the *Journal of Retailing and Consumer Services* (14 articles) and the *International Journal of Retail and Distribution Management* (11 articles). Other journals that have published significant, albeit small numbers of articles, on the in-store shopping experience where those words are included in the article title include the *Journal of Retailing* (6 articles), the *South African Journal of Business Management* (5 articles) and the *International Review of Retail, Distribution and Consumer Research* (3 articles). The remainder of the articles we identified were published in a range of journals, with eight journals publishing two articles each, while 39 journals published only one article on this topic. In addition to identifying the journals that publish research on the in-store shopping experience for researchers and, the list presented in Table 2 highlights the broad nature of the research conducted related to this topic.

The titles of the journals publishing research in this area were manually classified according to the main lines of study included in macro-area 13 provided by the National Agency for the Evaluation of the Italian University System and Research (Anvur); that is, Economic and Statistical Sciences. This analysis highlights that research on the in-store shopping experience has essentially appeared in journals from the following eight fields of study: retail management, business management, consumer behaviour, e-commerce, economic, information systems, marketing, and service management.

The Origin of the Authors and the Research Methods Used

To determine which countries directed more attention towards the in-store shopping experience, the origin of the authors actively involved in this topic were examined. The countries of origin of all authors were gathered from the academic affiliations of the 179 authors of the 90 articles examined for this study.

The results of this analysis show that this topic is studied all over the world; in particular, 31 countries are involved. The largest number of articles comes from the United States of America. Many other coun-

Figure 1. Number of articles about the in-store shopping experience (1992-2019*)

*Search limited to articles published before June 2019.

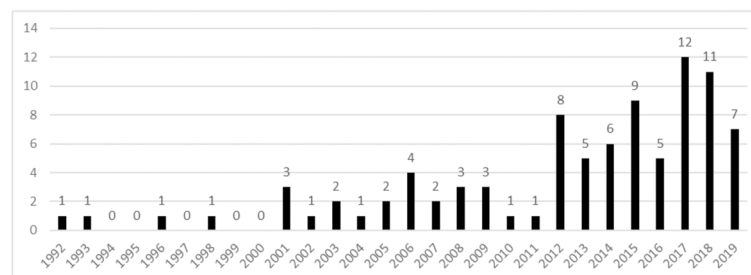


Table 2. The journals in which articles about the in-store shopping experience appeared

Journal	Frequencies	%
Journal of Retailing & Consumer Services	14	33,33
International Journal of Retail & Distribution Management	11	26,19
Journal of Retailing	6	14,29
South African Journal of Business Management	5	11,91
International Review of Retail, Distribution & Consumer Research	3	7,14
International Journal of Marketing & Business Communication; Journal of Business Research; Journal of Marketing & Communication; Journal of Marketing Management; Journal of Research for Consumers; Recherche et Applications en Marketing (English version)	2	4,76
Africa; Annals of Business Administrative Science; Computers in Industry; CyberPsychology & Behavior; Decision Sciences Journal of Innovative Education; Entrepreneurial Business and Economics Review; European Journal of Marketing; Fashion and Textiles; Foresight and STI Governance; Global Business & Management Research; Indian Journal of Marketing; INFOR: Information Systems and Operational Research; International Journal of Applied Business and Economic Research; International Journal of Design; International Journal of Electronic Commerce; International Journal of Market Research; International Journal of Research in Commerce & Management; International Marketing Review; Journal of Business Economics & Management; Journal of Consumer Behaviour; Journal of Consumer Research; Journal of East-West Business; Journal of Fashion Marketing and Management: An International Journal; Journal of Global Fashion Marketing; Journal of Marketing Research; Journal of Marketing Theory and Practice; Journal of Real Estate Portfolio Management; Journal of Relationship Marketing; Journal of Service Management; Journal of Technology Management and Innovation; Marketing Intelligence & Planning; Marketing Theory; Mobile Information Systems; Pertanika Journal of Social Sciences and Humanities; Production and Operations Management; Psychology & Marketing; Quality - Access to Success; Service Business; Service Industries Journal	1	2,38

tries, such as France, India, Italy, the Republic of Korea, Australia, Belgium, Sweden, Malaysia, Spain and the other nations indicated in Table 3 still have large numbers of authors involved in this research topic. In countries such as Brazil, Germany, Japan, Ireland, Norway, New Zealand, Thailand and Venezuela, only one article about the in-store shopping experience has been published so far. This indicates that there are many opportunities in these countries for further research and expansion of studies in this area. Globally, most research on the in-store shopping experience is carried out by authors in North America (60), closely followed by the European countries (58) and then Asian researchers (47) (Figure 2).

Scholars in this area prefer the use of empirical research methods (85.55%) to those of a strictly theoretical nature (14.45%). From a theoretical point of view, qualitative desk reserach is carried out, such as conceptual articles, literature reviews and grounded theory. In terms of empirical research, numerous articles publish studies based on qualitative methods (27.77%), focusing on experiments, in-depth and semi-structured interviews, case studies, critical incident techniques, ethnography and simulation (e.g., games). However, most of the articles using a quantitative approach (47.78%), carry out surveys, many of which are in-store (23.81%), and only some are online (9.52%). They essentially use structural equation modelling (SEM), exploratory factor analysis (EFA), and confirmatory factor analysis (CFA) in their analyses. Software application is used in one only article. In both qualitative and quantitative terms, several research methods (mixed methods) have been used, enabling a triangulation approach. For example, the focus groups interviews and the interviews are usually followed by surveys, while the

The In-Store Shopping Experience

Table 3. The countries of origin of the authors involved in the study of this topic

N.	Country	Number of Authors
1	USA	57
2	France	15
3	India	12
4	Italy	12
5	Republic of Korea	8
6	Australia	7
7	Belgium	6
8	Sweden	6
9	Malaysia	5
10	Spain	5
11	Denmark	4
12	Hong Kong	4
13	UK	4
14	Canada	3
15	Greece	3
16	Indonesia	3
17	Israel	3
18	Taiwan	3
19	Turkey	3
20	Republic of China	2
21	Mexico	2
22	Singapore	2
23	Republic of South Africa	2
24	Brazil	1
25	Germany	1
26	Japan	1
27	Ireland	1
28	Norway	1
29	New Zealand	1
30	Thailand	1
31	Venezuela	1

critical incident technique is usually followed by surveys in order to use a phenomenological approach (Table 4).

Although the titles did not expressly emerge, a detailed analysis of each article allows us to understand that of the 90 articles considered, around 30% propose models and frameworks aimed at understanding what the in-store shopping experience is, how it can be measured, as well as its impact on customer satisfaction or loyalty.

Figure 2. The geographical areas of origin of the authors involved in the in-store shopping experience studies



Understanding and Measuring the In-Store Shopping Experience

Although there is no single definition of the concept, the in-store shopping experience is fundamentally not utilitarian shopping. It has become understood in terms of entertainment (Jones, 1999), a social experience (Borges et al., 2010), total immersion in the process of shopping (Wang and Hsiao, 2012) and the acquisition of new knowledge (Arnold and Reynolds, 2003). More precisely, in their academic publications, scholars refer to the following three definitions:

Table 4. The research methods used in the in-store shopping experience studies

Research approach	Research design	Research method	Number of articles	%
Theoretical approach	Qualitative	Conceptual	8	8.89
		Literature review	4	4.45
		Grounded theory	1	1.11
Empirical approach	Qualitative	Experiment	10	11.11
		Interviews	5	5.56
		Case study	3	3.33
		Critical incident technique	3	3.33
		Ethnography	3	3.33
		Simulation (game)	1	1.11
	Mixed method	Triangulation	9	10.00
	Quantitative	Survey (in-store and e-survey)	42	46.67
Software application		1	1.11	
Total			90	100.00

The In-Store Shopping Experience

1. It 'is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to the retailer' (Verhoef et al., 2009, p. 32);
2. It is 'the sum total of cognitive, emotional, sensorial, and behavioural responses produced during the entire buying process, involving an integrated series of interaction with people, objects, processes and environment in retailing' (Bagdare and Jain, 2013, p. 792);
3. It is a multidimensional construct focusing on a customer's cognitive, emotional, behavioural, sensorial, and social responses to a firm's offerings during the customer's entire purchase journey (Lemon and Verhoef, 2016, p. 71); and
4. It 'is the result of interaction between a subject (the customer) and an object (the experience provider), and the act of co-creation between the two' (Bustamante and Rubio, 2017, p. 886).

Table 5 presents the main definitions identified within the articles under analysis in detail. It is interesting to outline how different terms are used to describe this topic, such as (in order of frequency) 'retail customer experience' or more directly, 'retail experience(s)', 'in-store shopping experience', 'customer experiences in a retail environment', 'customer experience in a retailing context', 'customer shopping experience' and 'experience in the retail environment context'.

The definition proposed by Antéblian, Filser and Roederer (2014) is particularly significant: 'all the experiences in the various channels (physical and virtual) that the consumer uses to optimise the utility and/or hedonic value obtained from the experience' (p. 92). The concept of the in-store shopping experience introduces the omnichannel experience perspective (Badot and Lemoine, 2013; Bézes, 2019). This definition highlights the fact that concept of the in-store shopping experience is no longer limited to the POS (Person × Object × Situation) modelling of Punj and Stewart (1983), according to which the customer interacts with the product, the (online) store, the sales staff and other customers present in the store. The in-store shopping experience has become an omnichannel experience, depending on whether all the communication and distribution channels are managed by the retailers, partners, or competitors, as well as by the customer's personal relationships (e.g., Lemon and Verhoef, 2016; Ailawadi and Farris, 2017).

A number of scholars have presented conceptual frameworks that aim to outline the dimensions that influence the in-store shopping experience. Although most scholars recognise the multidimensional nature of the in-store shopping experience (e.g., Terblanche and Boshoff, 2001a; Lemon and Verhoef, 2016), there is little consensus on the identification of these dimensions (Bagdare and Jain, 2013; Bilgihan et al., 2016). Most studies take into account a limited number of in-store shopping experience dimensions, except for several that consider 14 and 10 dimensions. Table 6 presents the most relevant studies in this research field, specifying the dimensions each study uses to identify and measure the concept of the in-store shopping experience. On average, between three and five dimensions are considered. Essentially, these dimensions refer to retail aspects such as design, atmosphere, social aspects, services and retail convenience.

Only two out of the 90 articles considered in this study have focused on measuring the in-store shopping experience by proposing and validating a scale. More precisely, Bagdare and Jain (2013) propose a scale with four factors (joy, mood, leisure and distinctive) and 12 items, while Bustamante and Rubio's (2017) scale includes five experiential components (cognitive, affective, social experience with customers and employees, and physical) and 32 items.

In order to operationalise the in-store shopping experience, a number of articles have employed different models. The most commonly used are the following three:

Table 5. The main definitions about the in-store shopping experience

Author(s) (year)	Concept	Definition
Terblanche and Boshoff (2001a)	in-store shopping experience	“a multi-dimensional construct” (p. 1)
Terblanche and Boshoff (2001b)	in-store shopping experience	“a variety of different dimensions that can be controlled by the retailer” (p. 11)
Terblanche and Boshoff (2006a,b)	in-store shopping experience	“all the elements that encourage or inhibit consumers during their contact with a retailer” (concept taken up by Berman ed Evans, 1998, p. 19)
Healy et al. (2007)	retail experience	“an emotional labyrinth in addition to being a physical store layout” (p. 756)
Verhoef et al. (2009)	customer experience in retail environment	“is holistic in nature and involves the customer’s cognitive, affective, emotional, social and physical responses to the retailer” (p. 32)
Bonnin and Goudey (2012)	shopping experience	“is not only a result of the sensory stimulation of the shopper but also of the physical activity needed for the accomplishment of the shopping task” (p. 637)
Bagdare (2013)	retail customer experience	“is a manifestation of customers’ perceived cognitive, emotional, sensorial and behavioral value derived through their interactions with store clues during entire process of shopping” (p. 47)
Bagdare and Jain (2013)	retail customer experience	“the sum total of cognitive, emotional, sensorial, and behavioral responses produced during the entire buying process, involving an integrated series of interaction with people, objects, processes and environment in retailing” (p. 792)
Antéblian et al. (2014)	meta-shopping experience	“all the experiences in the various channels (physical and virtual) that the consumer uses to optimize the utility and/or hedonic value obtained from the experience” (p. 92)
Lemon and Verhoef (2016)	customer experience in a retailing context	“a multidimensional construct focusing on a customer’s cognitive, emotional, behavioral, sensorial, and social responses to a firm’s offerings during the customer’s entire purchase journey” (p. 71) “customer’s ‘journey’ with a firm over time during the purchase cycle across multiple touch points” (p. 74)
Vukadin et al. (2016)	customer shopping experience	“the holistic combination of the customer’s cognitive, affective, emotional, social and physical responses to the retail environment” (p. 946)
Bustamante and Rubio (2017)	experience in the retail environment context	“is the result of interaction between a subject (the customer) and an object (the experience provider), and the act of co-creation between the two. CX occurs when a customer interacts with products (experience with the product) or the physical environment of the retailer and its personnel, policies, and practices (shopping experience). CX also occurs when the customer consumes and uses the product (consumption experience)” (p. 886 - CX is “customer experience”)

1. The five strategic experiential modules (sense, feel, think, act and relate) developed by Schmitt (1999) and used by Yoon (2013), Feenstra (2015), Bustamante and Rubio (2017) and Yoon and Park (2018);
2. The Stimulus-Organism-Response (SOR) model of Mehrabian and Russell (1974) employed by Esbjerg et al. (2012), Cachero-Martínez and Vázquez-Casielles (2017) and Hwangbo et al. (2017);
3. The emotional state of the Pleasure-Arousal-Dominance (PAD) model proposed by Mehrabian and Russell (1974) used by Kim and Yang (2018).

The interactive technologies of virtual reality and augmented reality allow the customer to live a multi-sensory experience, moving from a physical to a digital context, immersing himself or herself in a totally new context. Fundamentally, what emerges is how little research has been carried out into the

The In-Store Shopping Experience

in-store shopping experience in the digital age, leaving open the possibility of future research from both the multichannel and omnichannel perspectives.

Table 6. The main dimensions about the in-store shopping experience

Author(s) (year)	Dimensions	Number of dimensions
Lin e Bennet (2014)	Merchandise quality, service personnel, store atmosphere, value for money, location, price, promotional activities, choice of products, retailer reputation, store facilities, choice of big brands, store exterior, store layout, product presentation	14
Jain e Bagdare (2009)	Retail stores ambience, design, customer service, visual appeal, customer delight, merchandise, convenience, audio visual, amenities, and value added service	10
Bäckström e Johansson (2006)	Personnel, service elements, selection, price, design, display, layout, and atmospherics	8
Triantafyllidou et al. (2017)	Hedonic, flow, escapism, challenge, learning, communitas, and socialisation	7
Terblanche and Boshoff (2004; 2006a,b)	Personal interaction, merchandise value, internal store environment, merchandise variety and assortment, and complaint handling	5
Grewal et al. (2009)	Price, promotion, merchandise, supply chain, and location	5
Singh e Sahay (2012)	Ambience, physical infrastructure, marketing focus, convenience, safety and security	5
Singh e Prashar (2014)	Ambience, convenience, marketing focus, safety and security, and physical infrastructure	5
Verhoef et al. (2009)	Cognitive, affective, social, and physical	4
Tsai (2010)	Exhilaration (experiencing excitement and joy), exploration (discovering and acquiring educational information), relaxation (obtaining relief from stress), and socialising (being in the company of friends and interacting with others)	4
Bagdare (2013)	Retail atmosphere, retail convenience, store staff, and relationship orientation	4
Bagdare e Jain (2013)	Joy, mood, leisure, and distinctive	4
Deshwal (2016)	Peace of mind, outcome focus, moments-of-truth, and product experience	4
Bustamante e Rubio (2017)	Cognitive, affective, social (experience with customers and with employees), and physical	4
Cachero-Martínez e Vázquez-Casielles (2017)	Sensory experience (tactile, scent, auditory, visual, taste), intellectual experience, social experience, and pragmatic experience	4
Terblanche and Boshoff (2001a,b)	Personal interaction, physical cues, and variety	3
Ibrahim and Wee (2002)	Retailer factors (shopping center feature, atmosphere, value-added features, ancillary, facilities), customer factors (hedonic oriented, utilitarian oriented), and transport mode / travel (effort, protection, comfort, enjoyment, tension)	3
Andreu et al. (2006)	Internal atmospherics, external atmospherics, and human variables	3
Bäckström (2011)	Hunting (finding a desired object), scouting (stimulation, reconnaissance, escapism), and socialising (enjoying shared experiences with friends/family)	3
Merrilees et al. (2001)	Merchandise selection and interactivity between the store and the consumer	2

POSSIBLE FUTURE RESEARCH LINES

This section will focus on some of the issues considered particularly significant for future research into the in-store shopping experience. Before presenting these research directions, it is first necessary to identify the research gaps identified by the 90 articles we examined. The main research gaps that have emerged from this systematic literature review are as follows:

- 1) The research has not adequately considered the role of retail staff in creating a successful shopping experience.
- 2) Very few articles address the theme of the shopping experience from a cross-cultural and cross-national perspective.
- 3) Little empirical research examines customers' expectations about the in-store shopping experience.
- 4) Few studies measure the effect of the in-store shopping experience.
- 5) Little theoretical and practical research has been carried out into making the in-store shopping experience more immersive and engaging.

These research gaps can be overcome by developing the following future research directions.

1. Despite the fact that previous studies (e.g., Babin et al., 2004) have highlighted the importance of the role of sales staff as a success factor in the shopping experience, the relational dimension of quality is currently a relatively unexplored aspect of the services provided in a store (Ligas and Chaudhuri, 2012; Alhouti et al., 2015). Thus, it may be appropriate to carry out a gender analysis to explore whether males or females are better able to create a delightful shopping experience (Arnold et al., 2005). Furthermore, it would be interesting to compare the shopping experiences perceived by customers with those provided by the employees of a store. The result of such a comparison could identify how different types of stores, as well as people, favour certain shopping experience factors over others.
2. Given that few studies have addressed cross-cultural (e.g., Merrilees et al., 2001; Xu-Priour and Cliquet, 2013) and cross-country (e.g., Singh and Sahay, 2012; Diallo and Siqueira, 2017) perspectives of the in-store shopping experience, future research could undertake these comparisons to better understand the evolution of the in-store shopping experience. It would be interesting to establish whether the in-store shopping experience varies with place, time and shopper demographics, as well as individual values and culture. More precisely, surveys could be designed to identify the cultural differences in consumers' purchasing behaviour between homogeneous groups (for example, due to demographic variables) and between countries, even if only to compare the results obtained with previous research in this area.
3. Several studies highlight the importance of examining customers' needs and expectations by considering their demographic characteristics, such as gender and age (e.g., Bagdare and Jain, 2013). Future studies could also investigate the interests of new and repeat customers in relation to their in-store shopping experience, as Ogruk et al. (2018) have suggested. This would enable us to better understand what factors these two customer segments consider memorable during their shopping experience and to design appropriate marketing strategies for retailers. Future research could also study the differences in consumers' behaviour depending on their technological 'savviness', as proposed by Pantano and Gandini (2018). It would be interesting to explore the relationship between the

The In-Store Shopping Experience

in-store shopping experience and consumer response/retail performance measures such as revenue, profitability, satisfaction, quality, image and (attitudinal and behavioural) loyalty, as suggested by Bagdare (2013) and Bagdare and Jain (2013). This would help to direct retailers' investments in design, marketing and economic activities.

4. Several studies have developed reliable and valid tools to measure the in-store shopping experience (Bagdare and Jain, 2013; Bustamante and Rubio, 2017). Future developments in terms of measurement could cover several directions. It may be interesting to examine the appropriateness of these various scales in other countries, in order to obtain more generalisable data. Another avenue of investigation could be to replicate, if not extend, the analysis of the measurement of the shopping experience to a multi-channel perspective and then evaluate the impact of certain constructs considered important for retailers, such as profit, service quality, customer satisfaction, corporate image and loyalty. Few of the studies proposing a conceptual framework to understand the in-store shopping experience suggest or examine consumer moderators of the formation of the in-store shopping experience; thus a promising line of investigation may be to analyse the effect of such moderators. Bustamante and Rubio (2017) have suggested the following moderators: the reason for the customer's visit to the store (whether or not the customer went expressly to buy), the type of customer (new or returning), the social context in which the visit occurs (whether the customer was shopping alone or accompanied by other people), and the cultural or personal characteristics of customers.
5. As the systematic literature review highlighted, retailers make their stores immersive and by developing not only their environmental aspects, people and products, but also by using technology (e.g., Petermans et al., 2013). Given that customers' motivations for shopping in a store differ (e.g., seeking excitement or relaxation) (Kaltcheva and Weitz, 2006), there is a fundamental role for experiences generated by virtual and augmented reality. Future studies could explore the technologies implemented by retailers in various types of stores, analyse their effects and suggest which of have been found to be the most effective from an experiential point of view. Future research could also explore the role of various devices in influencing the in-store shopping experience. It would be interesting to conduct an exploratory survey among various retailers to identify best practices in the interaction with customers from a multichannel as well as an omnichannel perspective. From the point of view of consumer buying behaviour, it would be relevant to investigate possible generational differences in the use of different devices. In this regard, it has already been empirically shown that seniors find it difficult to search for certain products on the shelves of stores, especially when the store is large; to understand the reasons for their allocation to that place within the store; to access products positioned on high shelves and to orient themselves due to the poor signage and labelling of products (Yin et al., 2013; Yu and Rahman, 2018). Future studies could analyse the role of technology in solving the difficulties encountered by seniors. There has been little research into the role of gamification in creating immersive and engaging in-store shopping experiences (Högberg et al., 2019), i.e. 'the process of enhancing a service with offerings of gameful experiences in order to support users' overall value creation' (Huotari and Hamari, 2017). Retailers can create gameful experiences through different means, such as smartphones, which offer one of the possible 'positive emotional and involving qualities of using a gamified application' (Eppmann et al., 2018, p. 100). It would be appropriate to continue research in this area, extending the examination of gamification mechanisms and their effects from an experiential perspective, as well as the ways in which pleasure and other emotional reactions can be induced. For example, an analysis could be carried

out not only based on single individuals, but on several potential customers at the same time, to evaluate the social dimension of the shopping experience. Future research could investigate how to create immersive digital experiences that allow customers to have fun, memorable experiences and interactions with their brands through gamification. Another interesting path for future research is the examination of the influence of smart retail settings on customer behaviours in the shopping experience. Recent studies have been conducted from the information systems perspective, but no studies have yet been undertaken in managerial terms. Further practical and theoretical research on smart stores and, in particular, various Internet of Things (IoT) technologies such as indoor positioning, augmented reality, facial recognition and interactive displays, should be carried out to successfully implement effective marketing strategies in stores.

These research directions require further studies to enrich existing retailing theory and practice.

CONCLUSION

This chapter has provided a systematic literature review on the in-store shopping experience, highlighting research gaps and suggesting future research directions, and has also provided some descriptive statistics on this topic.

The findings of this review contribute both theoretically and practically. On the one hand, they enable scholars to not only systematise the existing knowledge of the in-store shopping experience, but also further advance knowledge in this area by identifying specific research areas that can be theoretically and empirically investigated. On the other hand, this study also has implications for managers that can assist in the creation of the in-store shopping experience, and suggests the factors that store managers should focus on. This is a considerable challenge in terms of business strategy, because retailers can generate returns and differentiate themselves to achieve competitive advantage by providing a positive, exciting and stimulating in-store shopping experience.

This chapter has several limitations. First, it was limited by the selection strategy used to identify the papers included in the study. It exclusively considered articles on the in-store shopping experience obtained from retail management studies by searching the article titles for specific keywords. Other studies may have been conducted about this topic by not using keywords chosen but may have included them in the search. More comprehensive research should be conducted that extends the search to other sections of the articles examined, such as the abstract and the main text. Further, this study chose only three databases. To make this research more exhaustive, the databases used to select articles should be expanded. Further, rather than selecting the databases in advance, the main retail management publishers could be chosen as the research databases.

REFERENCES

Agarwal, A., & Singh, M. R. P. (2018). The relationship between retail experience, customer satisfaction, and behavioral intention: exploring the consumer shopping behavior in unorganized retail settings. *Indian Journal of Marketing*, 48(1), 9–27. doi:10.17010/ijom/2018/v48/i1/120733

The In-Store Shopping Experience

Ainsworth, J., & Foster, J. (2017). Comfort in brick and mortar shopping experiences: examining antecedents and consequences of comfortable retail experiences. *Journal of Retailing and Consumer Services*, 35, 27–35. doi:10.1016/j.jretconser.2016.11.005

Alan, A. K., Kabadayi, E. T., & Yilmaz, C. (2016). Cognitive and affective constituents of the consumption experience in retail service settings: effects on store loyalty. *Service Business*, 10(4), 715–735. doi:10.1007/11628-015-0288-8

Alhouti, S., Gillespie, E. A., Chang, W., & Davis, L. (2015). The thin line between love and hate of attention: the customer shopping experience. *Journal of Marketing Theory and Practice*, 23(4), 415–433. doi:10.1080/10696679.2015.1049687

Andajani, E. (2015). The influence of social environment on customer experience in retail mall. *International Journal of Applied Business and Economic Research*, 13(5), 2743–2749.

Andreu, L., Bigné, E., Chumpitaz, R., & Swaen, V. (2006). How does the perceived retail environment influence consumers' emotional experience? evidence from two retail settings. *International Review of Retail, Distribution and Consumer Research*, 16(5), 559–578. doi:10.1080/09593960600980097

Antéblan, B., Filser, M., & Roederer, C. (2014). Consumption experience in retail environments: a literature review. *Recherche et Applications en Marketing*, 28(3), 82–109. doi:10.1177/2051570713505471

Arnold, M. J., & Reynolds, K. E. (2003). Hedonic shopping motivations. *Journal of Retailing*, 79(2), 77–95. doi:10.1016/S0022-4359(03)00007-1

Arnold, M. J., Reynolds, K. E., Ponder, N., & Lueg, J. E. (2005). Customer delight in a retail context: investigating delightful and terrible shopping experiences. *Journal of Business Research*, 58(8), 1132–1145. doi:10.1016/j.jbusres.2004.01.006

Babin, B. J., Chebat, J.-C., & Michon, R. (2004). Perceived appropriateness and its effects on quality, affect and behavior. *Journal of Retailing and Consumer Services*, 11(5), 287–298. doi:10.1016/j.jretconser.2003.09.002

Bäckström, K. (2006). Understanding recreational shopping: a new approach. *International Review of Retail, Distribution and Consumer Research*, 16(2), 143–158. doi:10.1080/09593960600572167

Bäckström, K. (2011). Shopping as leisure: an exploration of manifoldness and dynamics in consumers shopping experiences. *Journal of Retailing and Consumer Services*, 18(3), 200–209. doi:10.1016/j.jretconser.2010.09.009

Bäckström, K., & Johansson, U. (2006). Creating and consuming experiences in retail store environments: comparing retailer and consumer perspectives. *Journal of Retailing and Consumer Services*, 13(6), 417–430. doi:10.1016/j.jretconser.2006.02.005

Bäckström, K., & Johansson, U. (2017). An exploration of consumers' experiences in physical stores: comparing consumers' and retailers' perspectives in past and present time. *International Review of Retail, Distribution and Consumer Research*, 27(3), 241–259. doi:10.1080/09593969.2017.1314865

Bagdare, S. (2013). Antecedents of retail customer experience. *Journal of Marketing Communications*, 8(3), 45–51.

- Bagdare, S. (2014). Convenience and atmospherics as predictors of retail customer experience. *International Journal of Marketing & Business Communication*, 3(2), 9–16.
- Bagdare, S. (2015). Emotional determinants of retail customer experience. *International Journal of Marketing & Business Communication*, 4(2), 9–16. doi:10.21863/ijmbc/2015.4.2.010
- Bagdare, S. (2016). Retail customer experience: a research agenda. *International Journal of Research in Commerce & Management*, 7(4), 55–58.
- Bagdare, S., & Jain, R. (2013). Measuring retail customer experience. *International Journal of Retail & Distribution Management*, 41(10), 790–804. doi:10.1108/IJRDM-08-2012-0084
- Baker, J. (1986). The role of the environment in marketing services: the consumer perspective. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), *The Services Challenge* (pp. 79–84). Chicago, IL: American Marketing Association.
- Bazeley, P., & Jackson, K. (2013). *Qualitative data analysis with NVivo*. London, UK: Sage.
- Bèzes, C. (2019). What kind of in-store smart retailing for an omnichannel real-life experience? *Recherche et Applications en Marketing*, 34(1), 91–112. doi:10.1177/2051570718808132
- Bilgihan, A., Kandampully, J., & Zhang, T. (2016). Towards a unified customer experience in online shopping environments: antecedents and outcomes. *International Journal of Quality and Service Sciences*, 8(1), 102–119. doi:10.1108/IJQSS-07-2015-0054
- Blázquez, M. (2014). Fashion shopping in multichannel retail: the role of technology in enhancing the customer experience. *International Journal of Electronic Commerce*, 18(4), 97–116. doi:10.2753/JEC1086-4415180404
- Bonnin, G., & Goudey, A. (2012). The kinetic quality of store design: an exploration of its influence on shopping experience. *Journal of Retailing and Consumer Services*, 19(6), 637–643. doi:10.1016/j.jretconser.2012.08.006
- Borges, A., Chebat, J. C., & Babin, B. J. (2010). Does a companion always enhance the shopping experience? *Journal of Retailing and Consumer Services*, 17(4), 294–299. doi:10.1016/j.jretconser.2010.02.007
- Brunetti, F., & Bonfanti, A. (2015). Crowdcrafting as a new manufacturing model: The experience of Berto Salotti. *Sinergie Italian Journal of Management*, 33, 151–168.
- Bustamante, J. C., & Rubio, N. (2017). Measuring customer experience in physical retail environments. *Journal of Service Management*, 28(5), 884–913. doi:10.1108/JOSM-06-2016-0142
- Cachero-Martínez, S., & Vázquez-Casielles, R. (2017). Living positive experiences in store: how it influences shopping experience value and satisfaction? *Journal of Business Economics & Management*, 18(3), 537–553. doi:10.3846/16111699.2017.1292311
- Castaldo, S. & Botti, S. (1999). La Dimensione Emozionale dello Shopping. Una Ricerca Esplorativa sul Ruolo del Punto di Vendita. *Economia & management*, 1, 17-37.

The In-Store Shopping Experience

- Choi, S. H., Yang, Y. X., Yang, B., & Cheung, H. H. (2015). Item-Level RFID for Enhancement of Customer Shopping Experience in Apparel Retail. *Computers in Industry*, 71, 10–23. doi:10.1016/j.compind.2015.03.003
- Deshwal, P. (2016). Customer experience quality and demographic variables (age, gender, education level, and family income) in retail stores. *International Journal of Retail & Distribution Management*, 44(9), 940–955. doi:10.1108/IJRDM-03-2016-0031
- Diallo, M. F., & Siqueira, J. R. Jr. (2017). How previous positive experiences with store brands affect purchase intention in emerging countries: a comparison between Brazil and Colombia. *International Marketing Review*, 34(4), 536–558. doi:10.1108/IMR-07-2014-0224
- Eppmann, R., Bekk, M., & Klein, K. (2018). Gameful experience in gamification: construction and validation of a gameful experience scale [GAMEX]. *Journal of Interactive Marketing*, 43, 98–115. doi:10.1016/j.intmar.2018.03.002
- Ertekin, N. (2018). Immediate and long-term benefits of in-store return experience. *Production and Operations Management*, 27(1), 121–142. doi:10.1111/poms.12787
- Esbjerg, L., Jensen, B. B., Bech-Larsen, T., de Barcellos, M. D., Boztug, Y., & Grunert, K. G. (2012). An integrative conceptual framework for analyzing customer satisfaction with shopping trip experiences in grocery retailing. *Journal of Retailing and Consumer Services*, 19(4), 445–456. doi:10.1016/j.jretconser.2012.04.006
- Feenstra, F., Muzellec, L., de Faultrier, B., & Boulay, J. (2015). Edutainment experiences for children in retail stores, from a child's perspective. *Journal of Retailing and Consumer Services*, 26, 47–56. doi:10.1016/j.jretconser.2015.05.004
- Foster, J., & McLelland, M. A. (2015). Retail atmospherics: the impact of a brand dictated theme. *Journal of Retailing and Consumer Services*, 22(C), 195–205. doi:10.1016/j.jretconser.2014.07.002
- Fullberg, P. (2003). Using sonic branding in the retail environment - an easy and effective way to create consumer brand loyalty while enhancing the in-store experience. *Journal of Consumer Behaviour*, 3(2), 193–198. doi:10.1002/cb.132
- Gau, R., & Viswanathan, M. (2008). The retail shopping experience for low-literate consumers. *Journal of Research for Consumers*, 15, 1–20.
- Gilboa, S., & Vilnai-Yavetz, I. (2013). Shop until you drop? an exploratory analysis of mall experiences. *European Journal of Marketing*, 47(1-2), 239–259. doi:10.1108/03090561311285538
- Gilmore, J. H., & Pine, B. J. (2002). Differentiating hospitality operations via experiences: why selling services is not enough. *The Cornell Hotel and Restaurant Administration Quarterly*, 43(3), 87–96. doi:10.1016/S0010-8804(02)80022-2
- Grewal, D., Levy, M., & Kumar, V. (2009). Customer experience management in retailing: an organizing framework. *Journal of Retailing*, 85(1), 1–14. doi:10.1016/j.jretai.2009.01.001

- Handayani, R. (2019). The effect of store atmosphere and merchandise on customer experiences: survey of department store customers in Bandung City, Indonesia. *Global Business & Management Research*, 11(1), 284–294.
- Healy, M., Beverland, M., Oppewal, H., & Sands, S. (2007). Understanding retail experiences. the case for ethnography. *International Journal of Market Research*, 49(6), 751–779. doi:10.1177/147078530704900608
- Högberg, J., Ramberg, M. O., Gustafsson, A., & Wästlund, E. (2019). Creating brand engagement through in-store gamified customer experiences. *Journal of Retailing and Consumer Services*, 50, 122–130. doi:10.1016/j.jretconser.2019.05.006
- Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: consumer fantasies, feelings and fun. *The Journal of Consumer Research*, 9(2), 132–140. doi:10.1086/208906
- Huotari, K., & Hamari, J. (2017). A definition for gamification: anchoring gamification in the service marketing literature. *Electronic Markets*, 27(1), 21–31. doi:10.1007/12525-015-0212-z
- Hwangbo, H., Kim, Y. S., & Cha, K. J. (2017). Use of the smart store for persuasive marketing and immersive customer experiences: a case study of Korean apparel enterprise. *Mobile Information Systems*, 1-17.
- Ibrahim, M. F., & Wee, N. C. (2002). The importance of entertainment in the shopping center experience: evidence from Singapore. *Journal of Real Estate Portfolio Management*, 8(3), 239–254.
- Ieva, M., & Ziliani, C. (2018). Mapping touchpoint exposure in retailing: implications for developing an omnichannel customer experience. *International Journal of Retail & Distribution Management*, 46(3), 304–322. doi:10.1108/IJRDM-04-2017-0097
- Jain, R., & Bagdare, S. (2009). Determinants of customer experience in new format retail stores. *Journal of Marketing Communications*, 5(2), 34–44.
- Jones, M. A. (1999). Entertaining shopping experiences: An exploratory investigation. *Journal of Retailing and Consumer Services*, 6(3), 129–139. doi:10.1016/S0969-6989(98)00028-9
- Jones, P., Comfort, D., Clarke-Hill, C., & Hillier, D. (2010). Retail experience stores: experiencing the brand at first hand. *Marketing Intelligence & Planning*, 28(3), 241–248. doi:10.1108/02634501011041408
- Kaltcheva, V. D., & Weitz, B. A. (2006). When should a retailer create an exciting store environment? *Journal of Marketing*, 70(1), 107–118. doi:10.1509/jmkg.70.1.107.qxd
- Keillor, B. D., Parker, R. S., & Erffmeyer, R. C. (1996). The evaluative criteria of the elderly in a retail experience: product-related vs. store-related factors. *Journal of Marketing Management*, 6(2), 61–71.
- Kerin, R. A., Jain, A., & Howard, D. J. (1992). Store shopping experience and consumer price-quality-value perceptions. *Journal of Retailing*, 68(4), 376–397.
- Kim, E. Y., & Yang, K. (2018). Self-service technologies (SSTS) streamlining consumer experience in the fashion retail stores: the role of perceived interactivity. *Journal of Global Fashion Marketing*, 9(4), 287–304. doi:10.1080/20932685.2018.1503558

The In-Store Shopping Experience

- Kosuge, R., & Shiu, J.-M. (2019). Creating retail customer experience through distribution of decision authority between headquarters and stores. *Annals of Business Administrative Science*, 18(3), 113–121. doi:10.7880/abas.0190325a
- Kumar, P. (2005). The competitive impact of service process improvement: examining customers' waiting experiences in retail markets. *Journal of Retailing*, 81(3), 171–180. doi:10.1016/j.jretai.2005.07.002
- Kumar, P., & Polonsky, M. J. (2019). In-store experience quality and perceived credibility: a green retailer context. *Journal of Retailing and Consumer Services*, 49, 23–34. doi:10.1016/j.jretconser.2019.02.022
- Lemon, K., & Verhoef, P. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(11), 69–96. doi:10.1509/jm.15.0420
- Ligas, M., & Chaudhuri, A. (2012). The moderating roles of shopper experience and store type on the relationship between perceived merchandise value and willingness to pay a higher price. *Journal of Retailing and Consumer Services*, 19(2), 249–258. doi:10.1016/j.jretconser.2012.01.006
- Lin, Z., & Bennett, D. (2014). Examining retail customer experience and the moderation effect of loyalty programmes. *International Journal of Retail & Distribution Management*, 42(10), 929–947. doi:10.1108/IJRDM-11-2013-0208
- Lo Priore, C., Castelnuovo, G., Liccione, D., & Liccione, D. (2003). Experience with V-STORE: Considerations on presence in virtual environments for effective neuropsychological rehabilitation of executive functions. *Cyberpsychology & Behavior*, 6(3), 281–287. doi:10.1089/109493103322011579 PMID:12855084
- Mehrabian, A., & Russell, J. A. (1974). *An approach to environmental psychology*. Cambridge, MA: MIT Press.
- Meredith, J. (1993). Theory building through conceptual methods. *International Journal of Operations & Production Management*, 13(5), 3–11. doi:10.1108/01443579310028120
- Merrilees, B., Miller, D., & McKenzie, B. (2001). Cross-cultural retailing research: a comparison of shopping experiences in Estonia and Canada. *Journal of East-West Business*, 7(1), 83–100. doi:10.1300/J097v07n01_05
- Mowrey, C. H., Parikh, P. J., & Gue, K. R. (2019). The impact of rack layout on visual experience in a retail store. *INFOR*, 57(1), 75–98. doi:10.1080/03155986.2017.1402475
- Murillo, B. (2012). The modern shopping experience': Kingsway department store and consumer politics in Ghana. *Africa*, 82(3), 368–392. doi:10.1017/S0001972012000290
- Musso, F. & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Naylor, G., Kleiser, S. B., Baker, J., & Yorkston, E. (2008). Using transformational appeals to enhance the retail experience. *Journal of Retailing*, 84(1), 49–57. doi:10.1016/j.jretai.2008.01.001

- Nsairi, Z. B. (2012). Managing browsing experience in retail stores through perceived value: implications for retailers. *International Journal of Retail & Distribution Management*, 40(9), 676–698. doi:10.1108/09590551211255965
- Nuttavuthisit, K. (2014). How consumers as aesthetic subjects co-create the aesthetic experience of the retail environment. *Journal of Retailing and Consumer Services*, 21(4), 432–437. doi:10.1016/j.jretconser.2014.03.003
- O’Sullivan, E. & Spanger, K. J. (1998). Experience marketing. State College, PA: Venturing.
- Ofir, C., Raghurir, P., Brosh, G., Monroe, K. B., & Heiman, A. (2008). Memory-based store price judgments: the role of knowledge and shopping experience. *Journal of Retailing*, 84(4), 414–423. doi:10.1016/j.jretai.2008.08.001
- Ofir, C., & Simonson, I. (2007). The effect of stating expectations on customer satisfaction and shopping experience. *JMR, Journal of Marketing Research*, 44(1), 164–174. doi:10.1509/jmkr.44.1.164
- Ogruk, G., Anderson, T. D., & Nacass, A. S. (2018). In-store customer experience and customer emotional state in the retail industry. *Journal of Research for Consumers*, 32, 110–141.
- Pantano, E., & Gandini, A. (2018). Shopping as a “networked experience”: An emerging framework in the retail industry. *International Journal of Retail & Distribution Management*, 46(7), 690–704. doi:10.1108/IJRDM-01-2018-0024
- Pantano, E., & Laria, G. (2012). Innovation in retail process: from consumers’ experience to immersive store design. *Journal of Technology Management & Innovation*, 7(3), 194–206. doi:10.4067/S0718-27242012000300016
- Paul, R., & Ponnampalani, A. (2018). Teaching customer experience quality and its significance in retail management: a role playing game using Chinese puzzle ‘Tangram’. *Decision Sciences Journal of Innovative Education*, 16(2), 126–139. doi:10.1111/dsji.12147
- Pavel, C. (2015). Concept store – the best way of creating a ‘more engaging’ shopping experience for consumers and a memorable identity for store. *Quality - Access to Success*, 16, 224–226.
- Petermans, A., Janssens, W., & Van Cleempoel, K. (2013). A holistic framework for conceptualizing customer experiences in retail environments. *International Journal of Design*, 7(2), 1–18.
- Pine, B. J., & Gilmore, J. H. (1999). *The experience economy*. Boston, MA: Harvard Business School Press.
- Poushneh, A., & Vasquez-Parraga, A. Z. (2017). Discernible impact of augmented reality on retail customer’s experience, satisfaction and willingness to buy. *Journal of Retailing and Consumer Services*, 34, 229–234. doi:10.1016/j.jretconser.2016.10.005
- Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghurir, P., & Stewart, D. (2009). Customer experience management in retailing: understanding the buying process. *Journal of Retailing*, 85(1), 15–30. doi:10.1016/j.jretai.2008.11.003

The In-Store Shopping Experience

- Punj, G., & Stewart, D. (1983). An interaction framework of consumer decision making. *The Journal of Consumer Research*, 10(2), 181–196. doi:10.1086/208958
- Putit, L., Md Yusof, J., & Suki, A. A. (2017). Does store environment influence people with disability's (PWD) in-store experience and approach behaviour? an empirical analysis. *Pertanika Journal of Social Sciences and Humanities*, 25(S), 215-226.
- Rippé, C. B., Weisfeld-Spolter, S., Yurova, Y., Dubinsky, A. J., & Hale, D. (2017). Under the sway of a mobile device during an in-store shopping experience. *Psychology and Marketing*, 34(7), 733–752. doi:10.1002/mar.21019
- Rodríguez-Salvador, M., Paredes, F., & Yi, G. (2016). Towards future customer experience: trends and innovation in retail. *Foresight and STI Governance*, 10(3), 18–28. doi:10.17323/1995-459X.2016.3.18.28
- Roozen, I., & Katidis, P. I. (2019). The importance of the service and shopping customer experience in a retail environment. *Journal of Relationship Marketing*, 1–33. doi:10.1080/15332667.2019.1619064
- Russo Spena, T., Carida, A., Colurcio, M., & Melia, M. (2012). Store experience and co-creation: the case of temporary shop. *International Journal of Retail & Distribution Management*, 40(1), 21–40. doi:10.1108/09590551211193586
- Sachdeva, I., & Goel, S. (2015). Retail store environment and customer experience: a paradigm. *Journal of Fashion Marketing and Management: An International Journal*, 19(3), 290–298. doi:10.1108/JFMM-03-2015-0021
- Sandberg, J., & Alvesson, M. (2011). Ways of constructing research questions: gap-spotting or problematization? *Organization*, 18(1), 23–44. doi:10.1177/1350508410372151
- Schmitt, B. (2003). *Customer experience management*. New York, NY: The Free Press.
- Schmitt, B. H. (1999a). Experiential marketing. *Journal of Marketing Management*, 15(1/3), 53–67. doi:10.1362/026725799784870496
- Schmitt, B. H. (1999b). *Experiential marketing*. NY: The Free Press.
- Singh, H., & Prashar, S. (2014). Anatomy of shopping experience for malls in Mumbai: A confirmatory factor analysis approach. *Journal of Retailing and Consumer Services*, 21(2), 220–228. doi:10.1016/j.jretconser.2013.08.002
- Singh, H., & Sahay, V. (2012). Determinants of shopping experience: exploring the mall shoppers of National Capital Region (NCR) of India. *International Journal of Retail & Distribution Management*, 40(3), 235–248. doi:10.1108/09590551211207184
- Smith, B., Rippé, C. B., & Dubinsky, A. J. (2018). India's lonely and isolated consumers shopping for an in-store social experience. *Marketing Intelligence & Planning*, 36(7), 722–736. doi:10.1108/MIP-12-2017-0338
- Spence, C., Puccinelli, N. M., Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology and Marketing*, 31(7), 472–488. doi:10.1002/mar.20709

- Stein, A., & Ramaseshan, B. (2016). Towards the identification of customer experience touch point elements. *Journal of Retailing and Consumer Services*, 30(May), 8–19. doi:10.1016/j.jretconser.2015.12.001
- Suhaily, M.-R., & Nor Asiah, O. (2017). Exploring the influence of store attributes on customer experience and customer engagement. *International Journal of Retail & Distribution Management*, 45(11), 1138–1158. doi:10.1108/IJRDM-04-2016-0049
- Swinyard, W. R. (1993). The effects of mood, involvement, and quality of store experience on shopping intentions. *The Journal of Consumer Research*, 20(2), 271–280. doi:10.1086/209348
- Terblanche, N. S. (2018). Revisiting the supermarket in-store customer shopping experience. *Journal of Retailing and Consumer Services*, 40, 48–59. doi:10.1016/j.jretconser.2017.09.004
- Terblanche, N. S., & Boshoff, C. (2001a). Measuring customer satisfaction with some of the controllable elements of the total retail experience: an exploratory study. *South African Journal of Business Management*, 32(2), 35–41. doi:10.4102ajbm.v32i2.719
- Terblanche, N. S., & Boshoff, C. (2001b). Measuring customer satisfaction with the controllable elements of the in-store shopping: an exploratory study. *South African Journal of Business Management*, 32(4), 11–19. doi:10.4102ajbm.v32i4.726
- Terblanche, N. S., & Boshoff, C. (2004). The in-store shopping experience: a comparative study of supermarket and clothing store customers. *South African Journal of Business Management*, 35(4), 1–10. doi:10.4102ajbm.v35i4.663
- Terblanche, N. S., & Boshoff, C. (2006a). A generic instrument to measure customer satisfaction with the controllable elements of the in-store shopping experience. *South African Journal of Business Management*, 37(3), 1–15. doi:10.4102ajbm.v37i3.603
- Terblanche, N. S., & Boshoff, C. (2006b). The relationship between a satisfactory in-store shopping experience and retailer loyalty. *South African Journal of Business Management*, 37(2), 33–43. doi:10.4102ajbm.v37i2.600
- Triantafillidou, A., Siomkos, G., & Papafilippaki, E. (2017). The effects of retail store characteristics on in-store leisure shopping experience. *International Journal of Retail & Distribution Management*, 45(10), 1034–1060. doi:10.1108/IJRDM-07-2016-0121
- Tsai, S. P. (2010). Shopping mall management and entertainment experience: a cross-regional investigation. *Service Industries Journal*, 30(3), 321–337. doi:10.1080/02642060802123376
- Verhoef, P., Lemon, K., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. (2009). Customer experience creation: determinants, dynamics and management strategies. *Journal of Retailing*, 85(1), 31–41. doi:10.1016/j.jretai.2008.11.001
- Vukadin, A., Lemoine, J.-F., & Badot, O. (2016). Opportunities and risks of combining shopping experience and artistic elements in the same store: a contribution to the magical functions of the point of sale. *Journal of Marketing Management*, 32(9-10), 944–964. doi:10.1080/0267257X.2016.1186106
- Wang, L. C., & Hsiao, D. F. (2012). Antecedents of flow in retail store shopping. *Journal of Retailing and Consumer Services*, 19(4), 381–389. doi:10.1016/j.jretconser.2012.03.002

The In-Store Shopping Experience

Webster, J., & Watson, R. T. (2002). Analyzing the past to prepare for the future: writing a literature review. *Management Information Systems Quarterly*, 26(2), XIII–XXIII.

Wijaya, A. P. (2017). Role of experience in customer self-congruity to maintaining loyalty: a study on fashion store. *Entrepreneurial Business and Economics Review*, 5(3), 189–198. doi:10.15678/EBER.2017.050310

Xu-Priour, D. L., & Cliquet, G. (2013). In-store shopping experience in China and France: the impact of habituation in an emerging country. *International Journal of Retail & Distribution Management*, 41(9), 706–732. doi:10.1108/IJRDM-05-2013-0108

Yakhlef, A. (2015). Customer experience within retail environments: an embodied, spatial approach. *Marketing Theory*, 15(4), 545–564. doi:10.1177/1470593115569016

Yin, Y., Pei, E., & Ranchhod, A. (2013). The shopping experience of older supermarket consumers. *Journal of Enterprise Information Management*, 26(4), 444–471. doi:10.1108/JEIM-05-2013-0025

Yoo, C., Park, J., & MacInnis, D. J. (1998). Effects of store characteristics and in-store emotional experiences on store attitude. *Journal of Business Research*, 42(3), 253–263. doi:10.1016/S0148-2963(97)00122-7

Yoon, S. (2013). Antecedents and consequences of in-store experiences based on an experiential typology. *European Journal of Marketing*, 47(5), 693–714. doi:10.1108/03090561311306660

Yoon, S., & Park, J. E. (2018). Tests of in-store experience and socially embedded measures as predictors of retail store loyalty. *Journal of Retailing and Consumer Services*, 45, 111–119. doi:10.1016/j.jretconser.2018.08.010

Yu, H., & Rahman, O. (2018). Inclusive apparel shopping experiences for older consumers in China: product attributes and retail environment. *International Review of Retail, Distribution and Consumer Research*, 28(5), 531–553. doi:10.1080/09593969.2018.1509800

Yun, S. J., Jung, H. I., & Choo, H. J. (2015). Consumer experiences in fitting rooms in SPA stores. *Fashion and Textiles*, 2(18), 1–14.

KEY TERMS AND DEFINITIONS

Experiential Shopping: Shopping is not a simple acquisition task but a multisensory, interactive, and holistic experience that entertains, stimulate, emotionally affects and creatively challenge customers.

Gameful Experience: Emotional and involving situation of using a gamified application through different touchpoints such as smartphones.

Immersive Experience: Emotional and sensory stimulation in which customers are involved and engaged in a physical environment (e.g., store) in cognitive, affective, emotional, social and physical terms.

In-Store Experiential Technology: Devices, IoT, facial recognition, augmented reality, and interactive display implemented by retailers in their stores to create a positive in-store shopping experience.

In-Store Shopping Experience: Emotional situation in which customers go shopping with a strong cognitive, emotional, aesthetic, physical, sensorial and emotional impact.

Omnichannel Shopping Experience: Experiences lived by customers in the physical and virtual channels.

Store Experiential Management: Ability of managers for setting up their stores with a strong cognitive, emotional, aesthetic, physical, sensorial and emotional impact.

Appendix

Table 7. Summary of the retail management literature about the in-store shopping experience

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
1	Agarwal et al., 2018		X		Survey	Customer shopping motivation, sales associates, retail ambience, and product assortment had a significant impact on retail experience of unorganized shoppers. Only product assortment and customized services/relationship had a significant positive influence on customer satisfaction.
2	Ainsworth and Foster, 2017	X	X	X	In-store survey	Not all atmospheric elements influence consumers' comfort levels. Comfortable environments increase both utilitarian value and hedonic value.
3	Alan et al., 2016		X	X	In-store survey	Consumer evaluations of the service experience and store environment may influence store loyalty, both directly and indirectly, through both negative and positive emotional arousals. The relative effects of each construct through different mechanisms are the primary research questions investigated in this study.
4	Alhouti et al., 2015	X	X		Mixed method (Interviews, Critical Incident Technique, In-store survey)	Consumers do not always want an attentive salesperson but do want their autonomy respected while being seen as desirable by the salesperson. Possible shopping experiences are four: bonding, negligence, stalking, and autonomy. Understanding these experiences and when they apply can help managers reevaluate how salespeople can use insightful discretion to provide assistance to retail customers.
5	Andajani, 2015		X		Survey	The influence of the social environment of the retail on customer experience mall. Social environment is reflected through customer interaction with the customer, the customer interaction with employees and customers observations on the media campaign that used the company.
6	Andreu et al., 2006	X			Survey	Positive perceptions of a retail environment have a positive influence on positive emotions, repatronage intentions, and the desire to remain longer in the shopping area. Some interesting differences emerge between shopping centres and traditional retailing areas: the internal environment has a stronger effect on emotions in shopping centres than in traditional retailing areas; and the internal environment has a negative effect in shopping centres on the disposition to pay more.
7	Antéblan et al., 2014	X			Literature review	An integrating model is proposed to help capture the consumer's shopping experience in virtual as well as physical shopping environments. Retailers' strategies can be analyzed using frameworks based either on consumers' participation in the production of the experience or on the extraordinary or ordinary aspects of an experience.
8	Arnold et al., 2005	X	X	X	Critical Incident Technique	A number of interesting factors associated with delightful and terrible shopping experiences are provided. Based on the results, several implications for retailers are discussed.
9	Bäckström, 2011	X	X		Interviews	Leisure shopping activities embrace a plethora of meanings and an inherent dynamic, evident in shifts and nuances in consumers ways of experiencing and practicing such activities. Some insights into the interrelation between hedonic and utilitarian aspects of shopping are provided.
10	Bäckström and Johansson, 2006	X	X		Critical Incident Technique	Retailers' use ever more advanced techniques in order to create compelling in-store experiences to their consumers. In contrast, the depiction given by consumers reveals that their in-store experiences to a large extent are constituted by traditional values such as the behavior of the personnel, a satisfactory selection of products and a layout that facilitates the store visit.
11	Bäckström and Johansson, 2017	X	X	X	Critical Incident Technique	Consumers' in-store experiences to a large extent are created by the same aspects today as ten years ago (e.g. personnel, layout, atmosphere). While retailers today emphasize the importance of fulfilling new and more advanced consumer demands, they often still accentuate the weight and use of traditional values (e.g. personnel and layout) ahead of advanced technology.
12	Bagdare, 2013	X			In-store survey	Store convenience, atmosphere, staff and relationship orientation are significant predictors of retail customer experience. Retail stores must be properly designed to arouse cognitive, emotional, sensorial and behavioural responses by their customers. Male and female shoppers may be approached differently as they may have different set of expectations from shopping.
13	Bagdare, 2014	X			In-store survey	Retail customer experience is influenced significantly and positively by store convenience and store atmospherics. Convenience has a greater influence as compared to atmospherics.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
14	Bagdare, 2015	X			In-store survey	The emotional determinants of retail customer experience are grouped into nine factors ranging from staff, personalisation, ambience, and aesthetics to its window shopping appeal. They can be suitable managed by using carefully selected retail elements.
15	Bagdare, 2016	X			Literature review	The emergence and relevance of retail customer experience in an era of new age retailing to attract, delight and retain customers is highlighted. Use of appropriate combination of cognitive and emotional clues in the retail is suggested for creating positive customer experience to improve retail performance.
16	Bagdare and Jain, 2013	X	X		In-store survey	The study conceptualizes retail customer experience as a reliable and valid multidimensional construct, explained in four dimensions: leisure, joy, distinctive and mood.
17	Bézes, 2019	X	X	X	Conceptual	Four forms of omnichannel experience are proposed, depending on whether they are triggered by the customer or controlled by the retailer and perceived as integrated in terms either of marketing or of technologies.
18	Blázquez, 2014	X	X	X	In-store and online survey	To redefine the in-store shopping experience is needed, promoting the use of technology as a way to create an engaging and integrated experience among channels. Retailers must think in all channels holistically, boosting interactive and new technologies for the Internet and taking advantage of all touchpoints with the consumer, including mobile devices and social networks.
19	Bonnin and Goudey, 2012	X	X		In-store survey	The kinetic quality of the store has an impact on hedonic and utilitarian shopping values and on purchase. The impact on shopping value is similar in magnitude to that of atmospheric quality. Music and visual aesthetics positively influence kinetic quality.
20	Bustamante and Rubio, 2017	X	X	X	Literature review	A formative third-order scale with a reflective second-order dimension (social experience) and three reflective first-order dimensions (cognitive, affective, and physical experience) has satisfactory psychometric properties. Useful information on the effect of the in-store customer experience scale on key performance variables such as satisfaction and loyalty to the store is provided.
21	Cachero-Martínez and Vázquez-Casielles, 2017	X	X	X	Mixed method (Focus group interviews, Survey and E-survey)	Consumer experience is manifested in several dimensions that can be grouped into two categories: emotional and pragmatic experience. Furthermore, the perception of intellectual experience (through design and with employees) can generate an emotional experience. As a result of these observations, our study has designed a scale to measure multidimensional experience.
22	Choi et al., 2015	X	X	X	Application of device and algorithms	An item-level RFID-enabled system is presented for enhancement of customer shopping experience in apparel retail business and help infer customer preferences for business decision-making and proactive individual marketing. An innovative algorithm is designed for accurate recognition of the real-time consumer shopping behavior from RFID raw data.
23	Deshwal, 2016	X	X	X	Survey	Some categories of demographic variables differ with respect to dimensions of customer experience quality in the Indian retail store context.
24	Diallo and Siqueira, 2017	X	X	X	In-store survey	Consumers in Latin America do care about brand experience when shopping. Previous positive experience with store brands has a positive effect on consumer purchase intention in both countries investigated. In Brazil, store brand price perceptions mediate rather strongly the relationship between previous experience with store brands and purchase intention. This effect is weak in Colombia.
25	Ertekin, 2018	X	X	X	E-survey	An in-store return experience may contribute to customer lifetime value more through future purchases than through immediate exchanges. Retailers should improve the competence of employees who handle returns and abstain from using selling pressure during a return experience in order to increase both exchanges and future purchases.
26	Esbjerg et al., 2012	X	X		Conceptual	The framework proposed allows to understand what causes satisfaction/dissatisfaction with individual shopping trips, cumulative satisfaction with a retailer, which has been the focus of prior research on satisfaction in the retailing literature. It synthesizes and integrates multiple central concepts from different research streams into a common framework for analyzing shopping trip satisfaction.
27	Feenstra et al., 2015	X	X	X	Ethnography	Children enjoy acquiring consumer knowledge and consumer attitudes autonomously by taking on an active role as consumers. Edutainment experiences endorse a positive vision of "fun power", as a new type of child influence on adult purchasing. They determine long-term orientation in child-retailer relationships.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
28	Fullberg, 2003	X			Conceptual	Retail is no longer simply a point of purchase, it has now become part of a brand's communications strategy. As brands begin to explore the benefits of the retail environment they are mostly failing to utilise fully its ability to communicate with all the senses.
29	Gau and Viswanathan, 2008	X			Interviews	Challenges that low-literate consumers face when shopping in retail settings and the coping strategies they employ are proposed. These insights are used to develop a theoretical interpretation of low-literate consumer behavior in the retail setting, covering aspects such as environmental effects, self-esteem maintenance and avoidance behaviors.
30	Grewal, 2009	X		X	Conceptual	Several ways (e.g., promotion, price, merchandise, supply chain and location) to deliver a superior customer experience are identified which should result in higher customer satisfaction, more frequent shopping visits, larger wallet shares, and higher profits.
31	Handayani, 2019	X			Mixed method (Survey and Observation)	The store atmosphere, merchandise and customer experience are good even though there are still some indicators that are not good. The store atmosphere gives a greater influence on customer experience than merchandise.
32	Healy, 2007	X	X	X	Ethnography	The retail experience immerses consumers at a cognitive, emotional and intuitive level. However, in order to enter the authentic context to study of customer behavior, it is important to use ethnography. It has the ability to capture the dynamic interaction between customer flow and the static/dynamic elements of the experience encounter.
33	Högberg et al., 2019	X	X	X	Experiment	Gamification affects the hedonic value of an activity and this effect can be partly explained by positive affect. When this hedonic value was compared to the satisfaction with a reward, the hedonic value was found to be a better predictor of continued engagement intention. Gamification through continued engagement intention is positively associated with brand engagement.
34	Hwangbo et al., 2017		X	X	Case study	This study summarizes discussions related to smart stores, ie. retail stores equipped with new technologies and modern marketing concepts, and their possible applications in a real business environment.
35	Ibrahim and Wee, 2002	X			Mixed method (Interviews and Survey)	Insights into the factors that influence entertaining shopping experiences are provided. In addition to retailer and customer factors, transport mode/travel factors also play an important role in enhancing a shopper's experience. Retailer factors include shopping center features, atmosphere and value-added features. Customer factors are hedonic and utilitarian oriented while transport mode/travel factors incorporate effort, protection, comfort, enjoyment and tension.
36	Ieva and Ziliani, 2018	X	X	X	E-survey	Six customer segments emerge. The main differences across segments relate to the intensity of frequency of exposure and the types of touchpoints customers have been exposed to. Sex, age, shopping role and geographic area of residence are related to segment membership. The identified patterns of exposure explain relationship commitment, self-disclosure and positive word-of-mouth: clusters displaying higher exposure to touchpoints display higher loyalty intentions than clusters displaying lower exposure.
37	Jain and Bagdare, 2009	X			Survey	The factors determining customer experience in new format retail stores are ambience, design, customer service, visual appeal, customer delight, merchandise, convenience, audio visual, amenities, and value-added service.
38	Keillor et al., 1996	X			Survey	The elderly may be considered relatively homogeneous in their evaluation and selection of retail outlets. The criteria which elderly consumers emphasize in this process differ depending on the type of outlet.
39	Kerin et al., 1992	X		X	Mixed method (Focus group and Survey)	Perceived store shopping experience is relatively more important than merchandise price or quality perceptions in explaining consumers' value perceptions of a retail store.
40	Kim and Yang, 2018		X	X	E-survey	The perceived interactivity of self-service technologies has a positive effect on emotional experiences, eventually generating consumer positive responses toward the retail stores. The pleasure and dominance have positive effects on patronage intention toward the fashion retail stores. The level of technology readiness moderates the effect of interactivities on consumer experience in using self-service technologies at the fashion retail stores.
41	Kosuge and Shiu, 2019	X			Interviews	The creation of customer experiences in retail is impacted by the distribution of decision authority between headquarters and stores.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
42	Kumar, 2005	X	X	X	Experiment	While customers' waiting time perceptions are independent across competing firms, their waiting time satisfaction is interdependent. The impact of a retailer's service improvement initiative that reduces waiting times is not merely local to the retailer but propagates to its competitors through its shared customers.
43	Kumar and Polonsky, 2019	X	X	X	In-store survey	The effects of service encounter quality, in-store communication quality and product encounter quality positively influenced consumers' perceptions of the credibility of the green food retailer. The three aspects of in-store experience quality mediated the relationship between consumer perceptions of retailers' environmental activities and perceived credibility of green food retailers.
44	Ligas and Chaudhuri, 2012	X	X		Survey	This research investigated a comprehensive model of the perceived merchandise value (PMV)-willingness to pay a higher price (WTPHP) relationship, to understand better situations in which customers would be willing to pay more for their retail purchases. The existence of more than one path from PMV to WTPHP and the role of perceived uniqueness as a mediator are supported.
45	Lin and Bennett, 2014	X	X		Survey	The model of retail customer experience's impact on customer satisfaction and loyalty. Loyalty programmes perform an insignificant moderating role in enhancing the linkages in the model.
46	Lo Priore et al., 2003	X	X	X	Experiment	This is a pilot study in which data about presence (physiological, neuropsychological and self-report indexes) are compared from two different versions of the same V-Store environment and tasks, one administered in immersive modality and one with non-immersive hardware (flat screen). Considerations on presence in virtual environments for effective neuropsychological rehabilitation of executive functions are proposed.
47	Merrilees, 2001		X		Survey	Merchandise selection and store-customer interaction are valid constructs across Estonia and Canada. The factor patterns have configural invariance or equivalence for each construct across the two cultures. The factor patterns do not have weak factor invariance across the cultures. There are major differences in consumer's discount store shopping experiences across the two cultures.
48	Mowrey et al., 2019	X	X	X	In-store experiment	A set of visual-spatial statistics comprised of visual measures (exposure and intensity) and spatial measures (space and aspect ratio) are proposed as a way to quantify the effect a retail layout has on a shopper's visual experience.
49	Murillo, 2012		X	X	Conceptual	African consumer practices are not simply copies of processes that originated in Europe and North America. Rather, they are products of specific historical processes, including the expansion of colonial capitalism, struggles for political independence, increased urbanization, and negotiations over what has constituted the 'modern'.
50	Naylor, 2008	X	X	X	Experiment	Transformational appeals enhance hedonic and symbolic benefits but do not appear to affect evaluations of functional benefits.
51	Nsairi, 2012	X	X		Survey	The effect of situational factors (store atmosphere, accompanying, motivation, mood and time of visit) is tested on browsing's perceived value.
52	Nuttavuthisit, 2014	X	X		Mixed method (Observation, Interviews and Projective tasking)	The aesthetic experience is by nature strongly related to the senses. Some people may derive sensory pleasure from the aesthetic properties of the objects they encounter. Thus, at the fundamental level of the four themes, consumers co-create aesthetic experiences through their 'sensory perception.'
53	Ofir and Simonson, 2007	X	X		In-store experiment	Though (pre-purchase) expectations are indistinguishable from evaluations of the store's past performance, the former leads to lower post-purchase than pre-purchase evaluations, whereas the latter tends to generate higher post-purchase evaluations.
54	Ofir et al., 2008	X	X	X	Experiment	This study investigates the processes underlying consumers' memory-based store price judgments. People use the number of recalled low-price products to judge the overall store price image. This expectation holds only for knowledgeable consumers. Instead, less knowledgeable consumers use the ease with which low-price products are recalled (i.e., the availability heuristic) as a cue to make store price judgments.
55	Ogruk et al., 2018	X		X	Survey	The proper blend of ambience variables triggers a customer's positive emotional state, leading to an enjoyable, memorable store visit, more time and money spent in the store, and more products purchased.
56	Pantano and Gandini, 2018	X	X	X	Interviews	An intensive use of social media and digital communication technologies emerges as an integral part of the shopping experience inside and outside the store.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
57	Pantano and Laria, 2012	X	X	X	Experiment	The immersive technologies are an efficient tool for pushing innovation in retailing. The most frequent factor is related to the pleasure emerged by the experience in the new store, which seems to be a motivating element for the choice of this store for future purchases.
58	Paul and Ponnam, 2018	X	X	X	Simulation (game)	The game provides the students with a scope to learn customer experience quality and explore concepts of retail management on their own, without direct supervision from the instructor. The game is highly student engaging. The game infuses instructional value into the traditional puzzle, enabling a rich learning experience for marketing students.
59	Pavel, 2015		X		Conceptual	A theoretical framework that gives an overview of concept store notion is proposed.
60	Petermans et al., 2013		X	X	Ethnography	A holistic framework for conceptualizing customer experiences in retail environments is proposed.
61	Poushneh and Vasquez-Parraga, 2017	X	X	X	Experiment	Augmented reality significantly shapes retail user experience, by impinging on various characteristics of product quality, and that retail user experience subsequently influences user satisfaction and user's willingness to buy. Retail user experience is captured as a third-order formative construct derived from four user experience characteristics: pragmatic quality, aesthetic quality, hedonic quality by stimulation and hedonic quality by identification.
62	Puccinelli, 2009	X	X	X	Conceptual	Specific elements of consumer behavior (goals, schema, information processing, memory, involvement, attitudes, affective processing, atmospherics, and consumer attributions and choices) play important roles during various stages of the consumer decision process. Some ways in which retailers can leverage this understanding of consumer behavior are proposed.
63	Putit et al., 2017		X	X	Survey	A theoretical framework that explores how this seminal theory holds across with new constructs, namely hedonic shopping value and emotional attachment, is proposed. The correlation between store environment, in-store experience and the approach behaviour within the shoppers' context of people with disability (PWD) is proposed. Emotional attachment significantly influenced shoppers' approach behaviour followed by in-store experience. Meanwhile, hedonic shopping value indicated insignificant effect on approach behaviour and significant relationship between store environment and in-store experience of PWD consumers.
64	Rippé et al., 2017	X	X	X	Survey	This research examines the salesperson's role in selling to a mobile-dependent consumer who uses mobile technology to search for information during the sales meeting. Adaptive selling can affect purchase intention and customer predisposition to comply with salesperson input. Perceived control, mobile dependence, and customer predisposition to comply with mobile device input affect purchase intention.
65	Rodríguez-Salvador and Paredes, 2016		X	X	Case study	A new shopping experience model based on a synergic combination of design thinking and marketing intelligence methodologies is proposed. Technology-based resources can contribute to improving interactions between the store and customers, supporting the latter to make decisions about purchases.
66	Roozen and Katidis, 2019		X		Survey	The results of Study 1 indicate that both consumers' age and gender play a significant role in satisfying service and shopping experiences, which in turn can lead to increased consumers' satisfaction, retention, and word-of-mouth communication about the service product and/or service provider. Study 2 shows that a negative service experience in a store can significantly be "restored" by a positive shopping experience in the store and vice versa, and that these results are not influenced by gender or age.
67	Russo Spina et al., 2012	X	X		Case study	Temporary shops provide a locus of value co-creation in which the interactive and experiential relationship between the firm and the customer is engaged and value co-creation emerges.
68	Sachdeva and Goel, 2015	X	X	X	Literature review	It is important to focus on engaging the customer both emotionally and behaviorally, which means that the communication on social media and physical retail stores should both excel in emotional appeal, and encourage various forms of interaction with the brand. Increasingly, success at retail is less about what the retailer has to sell and more about how they sell it.
69	Singh and Prashar, 2014	X	X		Survey	This study identifies ambience, convenience, marketing focus, safety and security, and physical infrastructure as factors vital in defining shopping experience.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
70	Singh and Sahay, 2012		X		Survey	Shoppers visualise shopping experience as a combination of five factors: ambience, physical infrastructure, marketing focus, convenience, and safety and security. They assigned different weightage in terms of significance to each of these factors. Internal configuration of these factors also reveals interesting patterns.
71	Smith et al., 2018		X	X	Survey	Indian consumers dealing with loneliness and social isolation tend to enjoy in-store shopping experiences involving personal interactions with salespersons. Salespersons' adaptive selling relates positively to consumers' predisposition to comply with salesperson input and three outcomes (i.e. trust in salesperson, purchase intention and retail patronage).
72	Suhaily and Nor, 2017	X	X	X	Survey	Customer experience is influenced by merchandise, store atmosphere, and loyalty program, while customer engagement is influenced by merchandise, communication, interpersonal communication, and loyalty. In contrast, post-transaction services were found to have non-significant impact on both customer experience and customer engagement. Analysis revealed a strong relationship between customer experience and customer engagement.
73	Swinyard, 1993	X		X	Experiment	Mood interacts with involvement and shopping experience. Involved subjects are found to magnify their evaluations of the shopping experience, subjects in good moods evaluate good experiences still better, and a bad shopping experience appears to cause mood-protection mechanisms to fail. Finally, consumer mood is shown to be affected by a bad shopping experience.
74	Terblanche and Boshoff, 2001a	X			Survey	The personal interaction between retail employee and customer on the hand, and physical cues on the other hand, impact strongly on customer satisfaction.
75	Terblanche and Boshoff, 2001b	X			Survey	Five dimensions are important to consumers when assessing their satisfaction with an in-store shopping experience: merchandise value, personal interaction, merchandise variety, internal store environment and complaint handling.
76	Terblanche and Boshoff, 2004	X			Survey	In a retail environment where a mix of goods and services is offered (as is the case in a supermarket and a clothing store), the approach to managing such a store should preferably be all-inclusive (as opposed to focusing on a single dimension such as service) and focus on the management of all the controllable dimensions of the in-store shopping experience.
77	Terblanche and Boshoff, 2006a	X			Survey	The evidence of the psychometric properties of the proposed in-store shopping experience instrument offered is compelling in terms of its uni-dimensionality, with-in-method convergent validity, cross-validation of dimensions in a cross validation sample, reliability of the instrument, its discriminant validity and its nomological validity.
78	Terblanche and Boshoff, 2006b	X			Survey	A satisfactory in-store shopping experience enhances cumulative or 'overall' consumer satisfaction, which in turn enhances both attitudinal loyalty and behavioural loyalty (actual sales).
79	Terblanche, 2018	X	X	X	Mixed method (Focus group interviews and Survey)	Merchandise assortment, interaction with staff and the internal shop environment and customers' in-shop emotions have a strong positive and significant relationship with cumulative customer satisfaction. Customer satisfaction has a strong positive relationship with repatronage intentions. A comparison with two similar earlier studies highlights considerable differences.
80	Triantafyllidou et al., 2017	X	X	X	In-store survey	Not all store characteristics impact the various dimensions of experience in the same way. Product quality and in-store music were found to be the most important in-store characteristics that affected the majority of experience dimensions. Other important store attributes that emerged were store layout and ambient scent. Conversely, product range actually had a negative impact on in-store experience.
81	Tsai, 2010	X	X	X	Survey	Shoppers perceive an entertainment experience through a holistic process. All sorts of dynamic exchanges and contact points in the sensory, emotional, social and intellectual contextualities of a shopping mall exercise influence in the mall-shopper interaction.
82	Vukadin et al., 2016	X	X	X	Conceptual	Incorporating artistic elements in store atmospherics constitutes an innovative way for retailers to differentiate their shopping experience. Such a hybrid retail strategy seeks to offer maximised hedonic gratification to store visitors, while adding symbolic value to the commercial offering. Store traffic and sales are thus stimulated. Incorporating artistic elements is also a magic way to conceal the store's transactional purpose: through this association with the art world, the store is viewed as less mercantile. However, there is a risk that consumers will view the store as a 'museum' and visit without purchasing.

continued on following page

Table 7. Continued

N.	Author(s), year	Database			Methodological approach	Main concepts
		BSP	Scopus	WOS		
83	Wijaya, 2017	X	X	X	Survey	Customer experience plays a significant role in moderating the effect of self-congruity on customer loyalty. This means that even though customers feel comfortable with a store's image, however if they have bad experience, such experience may cause these customers not to be loyal.
84	Xu-Priour and Cliquet, 2013		X		Mixed method (Survey and E-survey)	Consumer enjoyment shopping experience, derived from seven aspects of recreational shopping (i.e. social aspects of retail environment, service quality, browsing, bargain hunting, social interaction, enduring involvement and brand experience) impact consumer attitude towards stores channels, especially in China.
85	Yakhlef, 2015	X	X	X	Interviews	The reciprocity between body and world implies an inter-corporeality that extends or retracts the spatiality of the body as a result of its motility. This study emphasizes the bodily, spatial character of customer experience.
86	Yoo et al., 1998	X	X	X	Survey	Store characteristics have a pronounced effect on consumers' in-store emotions, and that these emotional experiences serve as critical mediators in the store characteristics–store attitudes relationship.
87	Yoon, 2013	X	X	X	Survey	Product-based shopping motive exerted greater significant influence on shopping experiences than experience-based motive. The result showed that product type (detergent) was a significant moderator between experience-based shopping motive and sensory experience. And, both department store and discount store were found to significantly moderate between experience-based motive and affective experience. Affective shopping experience boosted impulse buying and rational experience decreased it significantly at department store.
88	Yoon and Park, 2018	X	X	X	Survey	All three shopping experiences (sense, feel, & act-relate) influence store revisit intention, whereas they partially influence positive word-of-mouth (WOM). The network centrality has a significant impact, suggesting that positive WOM increases when retail customers hold a central position in their private networks. Individualism does not moderate the relationship between shopping experiences and positive WOM behavior.
89	Yu and Rahman, 2018	X	X	X	Mixed method (Critical Incident Technique and Content analysis)	The older Chinese consumers assess their shopping experiences largely based on product purchased. A significant number of tangible product attributes (including design/styling, comfortability/fit, and material) and intangible attributes (such as price and product assortment) contributed to the older Chinese informants' satisfying or dissatisfying shopping experience.
90	Yun et al., 2015		X	X	Grounded theory	The pleasure of trying on clothes can be experienced more readily when the reason for shopping is simply leisure, or when the spacious store, wide variety of products, the liberal and independent atmosphere in the fitting room are provided. In this context, participants regarded advice from sales assistants as rather burdensome.

Chapter 7

Designing In–Store Atmosphere for a Holistic Customer Experience

Monia Melia

University of Catanzaro Magna Graecia, Italy

Angela Caridà

University of Catanzaro Magna Graecia, Italy

ABSTRACT

The chapter focuses on the design of the in-store atmosphere to create a holistic experience for customers. It investigates the Italian pharmaceutical context from the retailer's perspective to better understand how the new players (Health Corners into large retailers) and the traditional ones (pharmacies) manage the physical, social and sensorial dimension of the store to enable customers to live an immersive experience. The design of a successful in-store atmosphere is particularly critical in the pharmaceutical context as it reflects the increasing buying process complexity. Results reveal the key role of in-store communication activities to the creation of unique customer experiences. Furthermore, they emphasize how the management of the physical spaces, the creation of trustfully relationships and the stimulation of the customers' senses create a useful environment to positively affect the customers' cognitive, affective, emotional, social and physical responses to the retailer.

INTRODUCTION

The design of an in-store atmosphere to create a valuable and holistic customer experience is critical to the success of retailers and service providers (Grewal, Roggeveen, & Nordfält 2017). The holistic customer experience is a multidimensional concept that involves the customer's cognitive, affective, emotional, social and physical responses to the retailer (Verhoef et al., 2009); therefore, creating a favourable in-store environment driving successful and immersive customer experiences requires the design and the management of many elements that are both inside (e.g., service inter-face, retail atmosphere,

DOI: 10.4018/978-1-7998-1412-2.ch007

Designing In-Store Atmosphere for a Holistic Customer Experience

assortment, price) and outside of the retailer's control (e.g., influence of others, purpose of shopping) (Verhoef et al., 2009).

Firms and academics (Grewal, Roggeveen, Sisodia, & Nordfält, 2017; Lemon & Verhoef 2016; Verhoef et al., 2009) acknowledge the importance of managing the determinants of the in-store environment to build a retailers-customers emotional connection (Hultén, 2011), to engage customers at the cognitive, affective, emotional and social level and inspire their superior experience, to positively affect their perceptions and behaviours.

In the last ten years, the technological change, the new consumer behaviors (Choi & Kandampully, 2019) and the new institutional arrangements/market regulations (Edvardsson et al., 2018) reshaped the retail context and forced retailers to design the multiple dimensions of the in-store atmosphere according to a holistic service perspective (Bitner, 1992; Lin & Mattila, 2010).

An abundance of research has addressed the role of the atmosphere in the retail context (Donovan & Rossiter 1982) and has defined the service environment (e.g., servicescape; Bitner, 1992) as a resource that enable the customers value co-creation process (Hultén, 2011) by affecting the actors behavior outcomes (Bitner, 1992).

Because of the products complexity and of the highly buying process complexity the in-store communication is now critical to the design of a successful store environment atmosphere. The in-store communication is more than a single elements of the service escape; it becomes an empowering strategy that enhances the store atmosphere, displays, service and layout (Fam et al., 2011) and affects the customers flow in the store, as well as, their buying decisions by making them more skilled, aware and responsible of their consumption choices (Davies & Elliot, 2006) and by making easier their search process (Fam et al., 2011).

The availability of relevant information (e.g., price positioning, brand name, service and marketing communications) in the store, and the strengthening of the self-service practices (Bitner, 1992) forced retailers to reshape their sellers strategies to ensure the customers' freedom and control over the shopping process and pre-purchase product evaluations. Customers ask to touch and smell products and examine the texture, weight and packaging of products without time limitations before committing to purchases. These new customers habits have also been extended to traditional business that are highly experiential in nature and are strongly anchored on customer-seller trust relationships, as the Italian pharmaceutical retailer context.

The Bersani decree (legislative decree July 4, 2006, no. 233, law no. 248/2006) was a real breakthrough in drugs distribution which has produced the emerging of new market actors (i.e Health-Corners into the large retailers and parapharmacies) for sales of non-prescription drugs (OTC - *over the counter* and WMP - *without medical prescription* drugs), and a revolution in the marketing strategies of pharmacies. Accordingly, such context represents a suitable context of analysis to explore how retailers design and manage the different dimension of the in-store atmosphere to provide a holistic customers experience.

Therefore, according to the retailer's perspective, this study aims to highlight how retailers design the in-store atmosphere to engage the customer and influence his/her store experience. Specifically, the work investigates how retailers manage the physical, social and sensorial dimensions of the store (Melia, Colurcio, & Caridà, 2014) into the pharmaceutical context to inspire a holistic and immersive customer experience.

The chapter is based on a qualitative analysis approach (Yin, 2002); it is consistent with the aim of the research and with the complex and dynamic nature of the phenomenon. Specifically, the study has been developed through a longitudinal qualitative research which allows researchers to gather data over

a period of time, to develop experiential understanding of the phenomena (Gilmore & Carson, 1996) and to generate “thick description” (Geertz, 1973) and explanation of phenomena, actions, processes and experiences within a holistic context.

The longitudinal study of pharmaceutical actors was made up of two in-field research carried out between 2012 and 2017 (see Melia et al., 2014). The first step of the longitudinal study was conducted in 2012 to obtain a preliminary understanding of the main techniques of in store communication managed into the pharmaceutical context to influence the customer store experience. In 2012 there was a lack of research study in this area and, in fact, our initial exploratory research was one of the first of its kind carried out in Italy. In that study, the authors gathered data using both qualitative interviews and observation. Qualitative interviews were used as “reality constructing and interactional events during which the interviewer and the interviewee construct knowledge together (Koro-Ljungberg, 2008, pp. 430). The authors interviewed four marketing managers and twenty pharmacists (employed both in the Health Corners Coop and in the Pharmacies) to obtain data and information about the marketing, the communication and the relationship strategy the above market players adopted. Moreover, data were gathered through direct observation in order to delve beyond what actors engaged say and gather information about their observed behaviors. The framework adopted to analyse and codify information was based on the following three dimensions emerging from the literature review: physical, social and sensorial.

The second step of the longitudinal study has been conducted in 2017. The related data and information have been gathered from the same actors involved in the first study in 2012 according to their availability.

This chapter is organized as follows. First, authors review the literature and identify three main dimensions to design the in-store atmosphere for engaging the customer and influencing its in-store experience. Second, they present the results of longitudinal qualitative study on in-store atmosphere in the pharmaceutical context. Then the study conclusion and suggestions for further research close the work.

BACKGROUND

The creation of a superior customer experience represents the strategic element to differentiate a store (Grewal et al., 2009; Verhoef et al., 2009).

The store is not only a space in which the preferences and purchasing decisions of consumer emerge (Bitner 1992), but represents a place in which strategies, relationships and emotional exchanges between retailers and consumers occur (Castaldo & Mauri, 2008) as individuals respond to the environmental stimuli with cognitive, physical, affective, social, emotional and sensorial responses (Grewal et al., 2017).

Cognitive factors influence the store selection and planned purchases within the store (Sherman, Mathur & Smith, 1997), but the creation of a pleasant purchasing environment and the emotional state of consumers are the key determinants to create certain effects in buyers.

The development of a suitable atmosphere (Fam et al. 2011; Hamrouni & Touzi, 2011; Tulipa, Gunawan & Supit 2014) is believed to establish cognitive, attitudinal and emotional impacts on purchasing (Levy & Weitz, 2001) by “drawing consumers in, keeping them engaged and enhancing their shopping experience” (Elliot & Maier, 2014, pp. 109). It enables the creation of value for the consumers, thereby influencing their emotions and behaviour (Kotler, 1973, 1974; Donovan & Rossiter, 1982; Castaldo & Mauri, 2008; Tuley & Milliman, 2000).

According to the stimulus-organism-response paradigm (S-O-R) (Donovan & Rossiter 1982) the atmosphere is a stimulus that causes a consumer’s evaluation and a behavioural response. Stimulus can

Designing In-Store Atmosphere for a Holistic Customer Experience

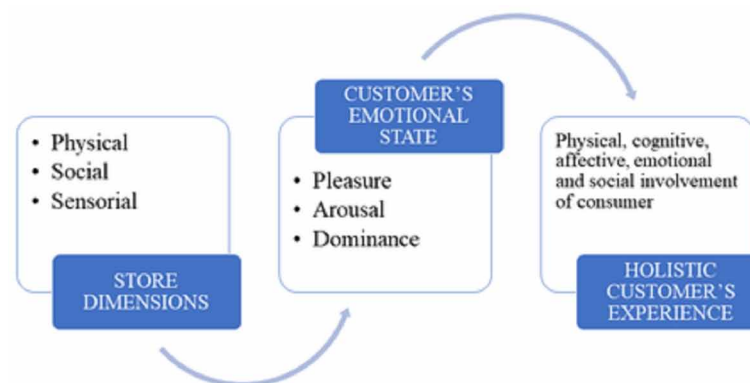
concern three main types of factors (Sherman et al., 1997; Tuley & Milliman, 2000; Hamrouni & Touzi, 2011): *social*, relates to the people present in the store; *ambient*, relates to the non-visual elements of a store's environment (as smell, lighting etc.) and *design*, relates to the visual elements (as color, layout, space etc). These stimuli are mediated by the emotional state of consumer that Mehrabian and Russell (1974) referred to the *pleasure*, arousal and dominance. The pleasure relates to the degree to which a person feels happy or satisfied in a place (it is a strong cause of spending extra time in the store, more money intended and more number of products purchased (Sherman et al., 1997), whereas, the *arousal* relates the degree of stimulation caused by an atmosphere and the *dominance* the degree to which a person feels in control of a situation and feels to have influence over his/her surroundings and others.

According to the analytical review of the literature, Melia, Colurcio and Caridà (2014), highlighted as three dimensions are fundamental for design the in-store atmosphere (Figure 1): physical, social and sensorial. Each of these dimensions, mediated by the consumer's emotional state, help retailers to create a holistic and immersive customer experience, real source of competitive advantage (Sands, Harper & Ferraro, 2011).

The physical dimension refers to all tangible aspects used within a retail space to generate stimuli and influence consumer perceptions of the surrounding environment. It includes the store structure and its basic layout, the presentation of goods and space allocation to the merchandise, and all factors that influence the store atmosphere, including in-store events (Zentes, Morschett & Schramm-Klein, 2007). As affirmed by Kotler (1973, 1974), physical environment is more influential in the purchasing decision than the product itself. Indeed, it acts as a form of non-verbal communication (Bitner, 1992), “a silent language” that allows communication with the customer through several aesthetics elements and generates specific emotional effects to enhance the possibility of a purchase.

Interestingly, the role of visual merchandising is critical (Masson & Wellhoff, 2005); it concerns such strategic elements as the store layout, the space allocation and the display, color and lighting (Table 1). Specifically, color can be considered “the most influential and predominant ambient variable” (van Rompay et al., 2012, p. 803) among different aesthetic factors in a retail atmosphere. It is a fundamental visual stimulus of store layout and design (Turley & Milliman, 2000; Spence, Puccinelli, Grewal, & Roggeveen, 2014) which influences strongly consumer's affective states (Brenngman & Geuens, 2004; Chou & Lee, 2016), shapes its perception (LaBrecque & Milne, 2012) and influences its cognition and

Figure 1. The design of the in-store atmosphere to create a holistic and immersive customer experience
Source: Adapted from Melia et al., 2014.



behavior (Sigh, 2006; Spence et al., 2014). Color and lighting influence feelings, store and merchandise image (Brenngman & Geuens, 2004), favour access to the store, encouraging the clients to spend more time and to easily find and choose products (Hamrouni & Touzi, 2011).

For non-food products, other aesthetic elements, such as the store signage, window dressing, design, and placards become critical (Castaldo & Mauri, 2008).

The social dimension refers to the *human factor* (Hamrouni & Touzi, 2011; Sands et al., 2011) regarding interpersonal interactions between the occupants of the space: consumers and employees (Hamrouni & Touzi, 2011). These relationships can be conceptualised as the customer-to-customer (Verhoef et al. 2009) and customer-to-employees (Mattila & Wirtz, 2008). Past research focuses on the interaction between the company and its employees but few studies have investigated the role of relationships between (not with) customers (Verhoef et al., 2009) in the store. Several studies (Bitner, 1992; Mattila & Wirtz, 2008) have analysed the quality of the interaction between customer and employees (evaluating the kindnesses, availability, courtesy and behaviours of employees), which can affect individual perceptions and behaviours. The contribution of Baker, Levy and Grewal (1992) indicates, for example, that the helpfulness of salespeople in assisting customers influences the consumers' willingness to buy. Retailers who propose personalised relationships with customers can obtain some benefits, such as the recognition of point of sale as lively spaces in which customers prefer to return because it generates positive emotions in them (Hamrouni & Touzi, 2011).

The sensorial dimension is related to the environmental intangible elements that affect the senses of individuals (Hamrouni & Touzi, 2011). Color, layout, music, scent, temperature are the sensory elements that contribute to create the atmosphere of a retail store and overall store image (van Rompay et al., 2012; Beverland, Lim, Morrison, & Tezivoski 2006; Cho & Lee, 2016). From the customer's perspective, indeed, the aesthetic factors of retail atmosphere can be most powerful in forming store image due to their visual prevalence (Spence et al. 2014; van Rompay et al., 2012).

Visual, aural, olfactory and tactile dimensions of an atmosphere offer consumers the possibility of immersing themselves in extraordinary experiences instead of the simple purchasing of goods and services (Pine & Gilmore, 1998). They are used to influence consumers' behavior through at least three types of mediums: attention creation, message creation and affect creation (Kotler, 1973; van Rompay et al., 2012).

As noted by Kotler (1973, 1974), the fifth sense (taste) does not directly apply to atmosphere. In fact, it can be seen, heard, smelled and felt but not tasted. About senses, Hultén (2011) points out that: i) *sight* is the most powerful one for discovering changes and differences in the environment and in perceiving goods and services; ii) *sound* is linked to emotions and feelings and it impacts brands experiences and interpretations; iii) *smell* is related to pleasure and well-being and is closely connected to emotions and memories; iv) *touch* is related to information and feelings about a product through physical and psychological interactions.

The three store dimensions above identified (physical, social and sensorial) must be strongly inter-related and viewed holistically to support engagement and the immersion of consumer in a memorable experience (Russo Spina, Caridà, Colurcio, & Melia, 2012). The experience became a new category of offer to integrate into the strategy of creation of an ideal store different from the competitors (Hamrouni & Touzi 2011). Retailers often propose marketing strategies that are based on key factors, such as entertainment, design and experience, which involve the activation of the five senses at one time and in one place, thereby meeting the needs of increasing numbers of consumers to enhance brand identification and to involve the customer in the use of the values a brand embodies (Castaldo & Mauri 2008).

Designing In-Store Atmosphere for a Holistic Customer Experience

Table 1. Store dimensions: a review of the research

Store dimensions	Elements and enablers	Description	Authors
Physical	Store layout	It plays a key role in satisfying not only the buyer's requirements but also in influencing their wants and preferences. There are three major store layouts: i) grid, which consists of a rectangular arrangement of displays and long aisles that generally run parallel to one another; ii) freedom, which consists of a free-flowing and asymmetric arrangement of displays and aisles, employing a variety of different sizes, shapes and style of display; iii) racetrack/boutique, in which the sales floor is organised into individual, semi-separate areas each built around a particular shopping theme.	Castaldo & Mauri, (2008); Zentes et al. (2007).
	Space allocation	The allocation of store space to merchandise categories is a crucial process for the retailer. The decision of how to allocate a product or category is influenced by several variables: the share sales, product profitability, potential to enhance store traffic, category role, retail brand positioning, display needs, inventory turnover. etc.	Castaldo & Mauri, (2008); Zentes et al. (2007).
	Display	It informs the customer and simplifies the purchasing process. Normally, it is assumed that shelves are read like books, from left to right and that the optimal viewing angle is 15° below the eye level a standing subject. The most inconvenient shelf positions are the top and floor levels because they fall outside the "reliability zone" and they require to customer to do inconvenient bodily movements.	Castaldo & Mauri, (2008).
	Color	They are a strong visual stimulus of a physical setting that influence perception, affective states and behaviour of customers. Colors favour access to the store, stimulate purchases and time spent in the store, and enhance retail display attraction.	Brengman & Geuens, (2004); Chou & Lee, (2016); Sigh, 2006; van Rompay et al., (2012)
	Store lighting	Although it is recognised as having an active role in influencing the preferences and behaviours of consumers, there are few studies on its effects. However, there is some evidence that it enables product grab, enhances the visibility of products positioned on the floor level and favours impulse buying. It affects the consumers' appraisal of everything in a store, including the merchandise.	Summers & Hebert, (2001).
	Signage	Signs displayed on the exterior and interior of a structure are explicit communicators. They play an important role in communicating firm image and in forming first impressions.	Bitner, (1992); Castaldo & Mauri, (2008).
	Shop windows	It is a communication and information tool that is useful in drawing the attention of a customer and stimulating his curiosity.	Castaldo & Mauri, (2008).
Social	Customers-to-employees	The helpfulness of employees in assisting the customers influences the consumers' willingness to buy. The relations between customers and employees depend on employee job satisfaction, self-efficacy and adaptability, which depend on the degree to which the employees are empowered.	Bitner, (1992); Mattila & Wirtz (2008).
	Customer-to-customer	Customers can assist other customers or destroy the experience of other customers in an attempt to sabotage the company. Consumers can assume specific roles: help seeker, helper, competitor and complainer.	Verhoef et al., (2009).
Sensorial	Sight	It is the most powerful factor for discovering changes and differences in the environment. It is linked to the visual sensation and it found expression through colors, lighting, design, etc.	Summers & Hebert, (2001).
	Hearing	It is linked to the auditory sensation and is expressed through jingles, voice and music. Specifically, music engages, entertains, energises, refreshes, involves and creates a pleasurable memorable experience for the shoppers. Background music impacts the shopping experience by influencing the purchase needs, overall store effectiveness and service evaluations.	Jain & Bagdare, (2011); Beverland et al. (2006).
	Touch	It is linked to the tactile sensation and it is related to the information and feelings about a product or an environment through physical and psychological interactions. It is expressed through the material and surface, temperature and weight, form and steadiness.	Peck & Wiggins, (2006).
	Smell	It is linked to the atmospheric sensation and usually it is closely connected to emotions and memories. Ambient scent increases recall and recognition of brands seen and it affects the elaboration of product information and choice.	Mattila & Wirtz, (2001).

Source: (Adapted from Melia et al. 2014)

Consumer and marketing research have shown that the experience occurs when consumers search for products (Brakus, Schmitt & Zarantonello, 2009) and when they interact with a store's physical environment, personnel, policies and practices (Kerin, Jain & Howard, 1992) and when they consume and use products (Holbrook & Hirschman, 1982). Experience arises in a variety of settings, particularly when

consumers buy and consume products but also when they are exposed to advertising and marketing communication (Brakus et al., 2009). These experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level (Pine & Gilmore, 1999). The experiences also fulfil the new requirements of the consumer, who is not only a logical thinker but also an individual who is emotionally involved in the consumption process and in the shopping experience (Brakus et al., 2009).

For this reason, retailers have also offered an experiential context in which the consumer builds his identity and produces his unique value experience (Ramaswamy, 2009). Stores must be reinterpreted in the light of the five experiential marketing dimensions (i.e., sense, feel, think, act and relate, Schmitt, 1999) for the full emotional and psychological engagement of the consumers (Holbrook & Hirschman, 1982).

IN-STORE ATMOSPHERE IN THE PHARMACEUTICAL CONTEXT

The Health Corners and the Design of the Store Environment to Create a Multisensorial Experience

As the previous study emphasized (Melia et al. 2014), the Health Corners are stores within stores, created to satisfy mainly customer needs. In these places, physical, relational and emotional dimensions are managed to communicate brand' values to customers and to improve their in-store experience.

Usually these corners are small spaces measuring between 42 and 70 square meters, completely independent (in terms of promotion and services, pricing and merchandising policy) that are situated near the entry or next to the central aisle of a hypermarket. Regarding the physical dimension, each element is designed to enhance the readability and usability of the space by consumers and to communicate information about products, brand mission and its commitment for the liberalisation of OTC medicines' sale outside pharmacies (Table 2).

According to legal norms, in the Health Corners are sold, through the self-service formula, only the para-drugs and with the assistance of a pharmacist non-prescription drugs, veterinary drugs (with prescription), homeopathic and veterinary products. Compared to 2012, recently attention to products and drugs for animals has grown. This choice is linked to a series of issues concerning animal welfare activated by retailer over the past few years.

Health Corners adopt a grid layout with perimetral equipment of seven shelves and one or two central gondolas generally containing hygiene products, such as toothbrushes, toothpaste and mouthwash.

In these spaces the white and blue colors predominate. This choice reflects, on one side, the wish to recall to the consumer mind feelings of purity and cleanliness, typical of health care products; on the other side, the will to distinguish these areas from the other hypermarket areas and to communicate a feeling of trust, loyalty, calm, security and stability.

The medium/high lighting and the presence of a specific neon sign favour good recognition of the corner, enabling good visibility and distinction of these spaces.

In the Health Corner, the brand enables a verbal communication with customers along with posters, brochure and flyer to provide information about the deregulation, products sold and prices.

The social dimension of the Health Corners is based mainly on pharmacist-to-customer relationships (Table 3). However, these relationships are not trustworthy and long-lasting. Pharmacists make recom-

Designing In-Store Atmosphere for a Holistic Customer Experience

Table 2. The physical dimensions of Health Corners

Elements	Description	Aim
Store Layout	A Grid store layout with perimetral equipment of seven shelves and one or two central gondolas.	To ensure a good visibility and reading of the display, more merchandise is placed on the shelves and a greater flexibility and speed for consumers in identifying products.
	The cash register point is placed next to the central aisle of hypermarket.	To favour more efficient and speedy purchases.
Space allocation	Health corners are placed near the hypermarket entry or next to its centre aisle.	To allow greater corner recognition by the customer.
	Four main product categories: para-drugs; non-prescription drugs; veterinary drugs (with prescription); homeopathic and veterinary products,	To allow, without the time limitations, the consumer to see, touch, and test some product categories, such as cosmetics and toiletries. To guarantee the consumption awareness of non-prescription drugs and/or veterinary drugs with prescription thanks to the presence of a pharmacist.
Display	Para-drugs are exposed for therapeutic areas: childcare, cosmetics, nutritional supplements, homeopathic, veterinary products, optic, hair care, and phytotherapy.	To offer a wide range of products (covering several needs) to the customers. Ten drugs sold take up the best spaces on the shelves.
	Para-drugs, homeopathic and veterinary products are placed plumb-line, and the brands are placed horizontally, while the placement of drugs depends on the pharmacist's needs.	To favour readability of the range of products and to allow a clear distinction between therapeutic areas.
Colors	White and blue.	To distinguish the space of health corner from others hypermarket areas.
Store lighting	Medium - High level of lighting.	To favour greater visibility and readability of these spaces.
Signage	A neon sign.	To allow a greater recognition of the corner.
Placards	Posters suspended, brochure and flyer situated on the pavilion.	To inform consumers about the effects of the governmental deregulation, the brand mission, the products sold and their prices.
Services	Blood tests (to control for example the diabetes level), blood pressure control and booking of drugs.	To satisfy even more the consumer' needs

Source: (Adapted from Melia et al., 2014)

mentations, provide product promotions, speak with consumers and support them during the buying processes.

Because of the types of products sold, relationships between the customers are scarce. The space design and some physical elements (as a bench outside the corner) favour the dialogue and the sharing of information between consumers. Consumers interact with one another essentially when they are queuing or waiting for a friend or a family member who is shopping in the hypermarket. In these cases, consumers share opinions, experience and information about the products. Health corners offer some additional services to their clients, which can favour the enhancement of feelings of trust and empathy with the pharmacists.

The sensorial dimension of the health corner takes place through the stimulation of sight, hearing and touch. Smell and taste are not stimulated by the retailer because of the types of products and services offered (Table 4).

Table 3. The social dimension of Health Corners

Main Relationships	Description
Pharmacist to consumer	During the pre-purchase and purchase phases, relationships are often random. Sometimes, pharmacists are viewed as sellers and not as health professionals.
Customer to customer	Consumers interact with others when they are in a queue or waiting for a friend or a family member. Usually consumers share opinions, experience and information about the products.

Source: (Adapted from Melia et al., 2014)

In the Health Corner, the sense most stimulated is sight. The design of the space and different elements, such as the colors, lighting, neon sign, placard and brochures, enable visual stimuli that affect the consumers' purchasing decisions.

Background music and the jingle “The Coop you are” enhance the stimulation of the sense of hearing, thereby favouring the creation of a pleasant and relaxing atmosphere and enhancing the identification between the consumer and the brand values.

The sense of touch is fostered thanks to the self-service, which favours the free movements of consumer inside these spaces and its purchase's choices without limitation of time.

Table 4. The sensorial dimension of Health Corners

Sense	Elements and or enablers	Description	Aim
Sight	Architecture and space design	The store layout, space allocation and display are all designed to enable a purchasing decision.	To enable visual stimuli through a good visibility and reading of the space.
	Colors	White and blue	To strike the customers' visual perceptions, thereby arousing feelings of pureness and cleanliness.
	Store lighting	Medium - High	To valorise these places and to favour a greater visibility and readability.
	Neon sign	In the Health Corners are suspended and blue	To allow a greater recognition of the corner. To inform customers about the types of products offered.
	Placards, brochure and flyers	Posters suspended and/or situated on the pavilion, brochure and flyers on specific themes, such as pregnancy, childhood and/or old age	To inform the customer, to favour customer engagement and to promote an awareness of drug consumption.
Hearing	Jingle	“The Coop you are”	To stimulate customer identification with the brand values.
	Music volume	Background music	To favour the creation of a pleasant and fascinating buying atmosphere To appraise the products and service offered.
	Music rhythm	Soft and regular	
Touch	Self service	The free movement of customer inside the health corner	To favour contact between the consumer, space and products, stimulating a positive sensation in the consumer.
Smell Taste	Scent and tasting	The types of products and services offered do not allow the retailer to stimulate these senses.	

Source: (Adapted from Melia et al. 2014)

The Pharmacies and the Design of the Store Environment to Create a Relational Experience

Pharmacies are struggling to become an integral part of health-care systems. The data authors collected according to a longitudinal approach reveals that in the last years (from 2012 to 2017) pharmacies are combining different store attributes with the provision of more substantial services (e.g. diabetes and cholesterol levels monitoring, check-ups booking, nutritional and beauty consultancies etc.) to enhance, on one hand, the specific dimensions of the customers emotional experiences during their shopping trip, and, on the other hand, to positively impact on the customers care process and the health system at whole.

Accordingly, both patients and pharmacists see pharmacy as an appropriate location for interaction, where both staff and customers share information and cooperate for the provision of a new holistic customer experience. The rationale behind the new market positioning and the renovate interest of pharmacies towards the customers journey reflect the new market dynamic and the providers' needs to develop strategies to achieve competitive advantage to maximize their profit margin and sustain their business.

Pharmacies boost the physical, social and sensorial dimensions of the store to impact on the physical, functional and cognitive traits of the consumer's mind.

About the design of the physical dimensions (table 5), large pharmacies adopt a boutique layout: the store is divided into semi-separated spaces according to defined therapeutic areas and specific product categories, whereas, the small pharmacies adopt a grid layout with perimetral equipment and one or more central gondolas to optimize the space available and the display of a large product assortment. Such layouts help customers to maximize their visits, save their time, better shop and easily move around the store by themselves.

About the store allocation, pharmacies sell three main product categories: i) the para-drugs, which cover approximately 80% of the space; ii) the non-prescription drugs, which cover approximately 20% of the space and iii) the prescription drugs, which are always placed on the bottom of the pavilion or on the back of store, according to both legal norms and technical standards.

However, traditionally in the pharmacy stores the most products are usually sell with the support, assistance and advice of pharmacists. Providers implemented the self-service formula by extending also the product assortments categories (e.g. personal hygiene products and articles, homeopathic remedies, special dietary foods, veterinary products including pet foods and drugs, etc.)

The location of the cash register, at the end of the store, is suitable to drive customers through all areas of the store and address their attention toward the products offered.

Two main colors, white and green are largely used in the pharmacies. More specifically, green is used to identify both the store (e.g. the green cross outside the pharmacy), as well as, the internal spaces and the products displayed inside the pharmacy. Such colors are harmoniously balanced with the other store attributes (e.g. lighting, design layout, background music, appearance, etc.) to create a congenial atmosphere that impact on the consumers' sense of wellness and tranquility by stimulating their central nervous system.

Following the current trends featuring the fast-moving consumer goods retail industry, pharmacies integrate traditional communication tools as brochures and flyers with new technological communication tools to inform customers about special offers, promotions, product benefits, and instructions on how better use products. As the Melia et al. (2014) research emphasised placards are not used.

It is a well-known concept that the social dimension, that is based mainly on trustworthy and long-lasting pharmacist-to-customer relationships, is a driver for the customers engagement (Table 6). Such

Table 5. The physical dimension of pharmacies

Tools	Description	Aim
Store Layout	A grid and/or a boutique store layout, according to the space available.	To ensure a good visibility of the display; to lead the customer along specific paths to visit as many store areas as possible.
	The cash register is placed at the end of the store.	To lead the customer to visit and to pass through all the areas in the store.
Space allocation	Three main product categories: para-drugs, which cover approximately 80% of the space, and non-prescription drugs, which cover approximately 20% of the space, are sold with the assistance of a pharmacist. Prescription drugs are always placed on the bottom of the pavilion or at the back of store. The self-service formula is sometimes expected for some products, such as toothbrushes, toothpastes, homeopathic remedies, etc.	To offer a wide range of products to customers in a single store; to protect customers and to guarantee customer awareness of all drugs (prescription and non-prescription). To incentivise the dialogue and to create trust relationships between the consumer and the pharmacist.
Display	Para-drugs are exposed for therapeutic areas: child care, cosmetics, homeopathic products, etc.	To offer a wide and rational range of products to customers.
	Para-drugs products are placed plumb-line, and the brands are placed horizontally, while the placement of non-prescription drugs depends on the pharmacist's needs.	To favour readability of the range of products and to allow a clear distinction between the therapeutic areas.
Colors	White and green	To identify the shop and its products
Store lighting	High level of lighting	To enhance visibility and readability in the store.
Signage	A green cross sign	To identify the store and its products.
Placards	Rarely adopted. Brochure and flyers are prevalent.	To communicate offers, promotions, etc.
Services	Diabetes and cholesterol levels monitoring, check-ups booking, nutritional and beauty consultancies	To become an integral part of health-care systems

Source: (Adapted from Melia et al. 2014)

relationship is more similar to a physician-patient relationship instead of a marketing relationship; indeed, it goes beyond the mere counseling about the side effects and interactions between prescription and OTC medicines and pharmacists are viewed as trustworthy persons which are deep engaged and informed about their clients lives, families and health problems. Traditionally the pharmacist-to-customer relationship has been enhanced by the geographic proximity of pharmacies and their traditional roles in compounding, dispensing medications and providing drugs information. Actually, it is not enough and pharmacies need to reshape their marketing strategy to become the community health care point. Therefore, since the emergence of the customer experience, pharmacies have shifted their attention to the provision of additional new services (e.g. diabetes and cholesterol levels monitoring, check-ups booking, nutritional and beauty consultancies, gluten free cooking class, etc.) that require also the support of external experts and are often provided through meeting and social events. In this latter, pharmacies become a locus that encourages and supports the interaction among customers. The organization of some special events in the store, as the gluten free cooking class, clearly explain such assumption, indeed, pharmacists together with academics and qualified chefs guide the class participants through an educational path towards a new knowledge to better approach food intolerances and to help those who live with this condition to easy follow a specific diet. After class participants eat what they have cooked together and create new relationships that go beyond the single event, indeed, they become part of a community. Such community represents the perfect context to get to know more about gluten-free products, to share ideas and

Designing In-Store Atmosphere for a Holistic Customer Experience

Table 6. The social dimension of pharmacies

Main Relationships	Description
Employee (Pharmacist) to consumer	<ul style="list-style-type: none">• Along a consumer's life• Trustworthy and long-lasting relationships• During additional services, such as beauty consultancy, blood tests (e.g., to monitor diabetes and cholesterol levels), blood pressure monitoring and booking check-ups
Customer to customer	A pharmacy is a place that encourages interactions among customers.

Source: (Adapted from Melia et al. 2014)

recipes to broadening the gluten free diet to bring back the joy of food, as well as, to share suggestions and advices on how to better manage their symptoms and their disease condition.

This strategy is consistent with the need to differentiate pharmacies from competitors (e.g. health corner and online pharmacies) and with the need to boost more than in the past the social dimension of the relationship between the customers and the provider. Indeed, the provision of new services is complemented and triggered by a set of store attributes that go beyond the cognitive function of customers to encourage them to stay longer, to interact both with other employees and with other customers and to enhance their buying experience and satisfaction.

The sensorial dimension of pharmacies takes place mainly through the arousal of three senses: sight, touch and hearing. Taste and smell are not stimulated by pharmacists because of the types of products and services offered (Table 7).

Sight is the most stimulated sense inside pharmacies. The shop's design, high lighting, placement of the traditional green cross sign outside the shop and the use of brochures and flyers constitute visual stimuli that can influence the purchasing decisions of the consumer.

The sense of touch is fostered thanks to the use of the self-service formula, expected for some types of products, which favours contact among the consumer, the space and the products and the free movements of consumers inside the shop. Moreover, the possibility of testing cosmetics and make-up products stimulates positive tactile sensations in the consumer, thereby enhancing their purchases. Finally, the use of background and soft music enable to create a pleasant context for purchasing.

FUTURE RESEARCH DIRECTIONS

The aim of this study was to examine how retailers design and manage the physical, social and sensorial dimensions of the store (Melia et al., 2014) into the pharmaceutical context to engage customers and inspire them to live a holistic and immersive customer experience.

The longitudinal study revealed that in the last years the pharmaceutical distribution market is undergoing a transformation and is increasingly competitive. For the optimal Consumer engagement and the creation of holistic experiences, the design of in-store atmosphere is more and more relevant.

The management of physical environment, the creation of trustfully relationships and the stimulation of the senses in the store can contribute to create a holistic customer experience affecting their cognitive, affective, emotional, social and physical responses to retailer. The effort of retailers to be competitive doesn't relate only the management of traditional store attributes (e.g. layout, display, personnel) but must be primarily addressed to the stimulation of senses and thus of the customers' in-store experiences.

Table 7. The sensorial dimension of pharmacies

Sense	Tools - Enablers	Description	Aim
Sight	Architecture and space design	The store layout, space allocation and display are all designed to favour a purchasing decision.	To enable visual stimuli through a good visibility and reading of the space
	Colors	White and green	To strike the visual perceptions of customer, arousing feelings of naturalness, harmony and serenity.
	Lighting	High	To valorise the store and its products.
	Neon sign	The green cross sign is positioned outside the shop.	To identify the space and to communicate the types of products offered, arousing feelings of safety, tradition and health.
	Brochure and flyers	Generally, they are positioned near the cash register or the waiting space.	To arouse feelings of curiosity and interest in products such as cosmetics.
Touch	Self-service	It is expected for some types of products.	To favour contact among the consumer, the space and the products.
	Test	Possibility to test some cosmetics and make-up	To stimulate positive tactile sensations of consumer to enhance purchases.
Hearing	Music	Background and soft music	To spend more time in the store To affect people's perception of time.
Taste	Tasting	Not stimulated	The types of products and services offered do not allow the stimulation of this sense.
Smell	Scent	Generally they are soft, fresh and natural fragrances	To offer a clean environment without specific scents.

Source: (Adapted from Melia et al. 2014)

This study contributes to the topic of modern retailing techniques for the optimal consumer engagement and experiences by improving the understanding of the design of the physical, social and sensorial dimension of the store. The study analyses the in-store atmosphere mainly according to a retailer's perspective, therefore, further research could extend this analysis to the perspective of consumers to understand the real influence of in-store atmosphere on the customer experience and behaviors.

In other words, our recommendation for future research is to continue to explore the multidimensional aspects of in-store experiences from a consumer viewpoint – for example by examining how the combined management of all dimensions contribute to enhance the customers curiosity, act on their perceptions, affect their purchasing behaviors or impact on memory and consequently evoke feelings concerning the brand and the company.

CONCLUSION

The Italian pharmaceuticals market is becoming an increasingly complex and competitive environment.

In the years prior to the drug retail distribution reform, the sale of drugs was only allowed in pharmacies, thereby making the pharmacy channel a true monopoly. Following the reform, non-prescription drug retail distribution has shifted from mono-channel to multi-channel distribution, thereby allowing

Designing In-Store Atmosphere for a Holistic Customer Experience

the purchase of drugs in more than one channel, such as pharmacies, parapharmacies and Health Corners in large retailers.

The longitudinal study the authors conducted focuses on the Health Corners and the Pharmacies. It is aimed to examine how retailers design and manage the physical, social and sensorial dimensions of the store to engage customers and inspire them to live a holistic and immersive customer experience.

Results revealed that the increasing market competition forced new and traditional players to adopt new marketing tools and a more incisive communication strategy to maintain their competitive positions and to engage consumers cognitively and emotionally in the buying process to positively affect their shopping experience.

The Health Corners, since their introduction in the 2006, reshaped the competitive dynamic of such market by forcing traditional actors, as Pharmacies, to adopt new innovative business models more customer-centered. They act as vendor shops, or stores-within-a-store (Jerath & Zhang, 2009), that have autonomy over a small part of the store, sell specific product categories and are done up to reflect the brand values and beliefs. Health Corners implement verbal communication activities (e.g. posters and brochures) to effectively attract the customers' attention and to deliver customer-directed retailer's values, meaning or promises.

Similarly, to large Pharmacies, Health Corners adopt traditional communication techniques (e.g. display, flyers etc.) and leverage simultaneously on the physical, sensorial and social dimension of the store. However, Health Corners recognise the key role of the social dimension as one of the main drivers for the creation of trustworthy relationships, and thus for the customers' experience, such dimension remains less developed than in the pharmacies stores that traditionally focus on the long-lasting pharmacist-to-customer relationships.

The store context – Health Corner or Pharmacy – affects the customers' perception about the pharmacists role: both in the Pharmacy and in the Health Corner pharmacists make recommendations, listen to consumers and support them during the buying process, but in this latter context, very often, customers consider them as sellers instead of health professionals who can support patients during their care process.

The Health Corners leverage on the physical environment to communicate the retailers' image and purposes to their customers (Bitner, 1992), therefore, the store layout, the space allocation and the display are specifically designed according to the large retailers store environment to empower consumers in their buying processes and to reinforce the retailer's brand identity.

In comparison to the Pharmacy, where pharmacists traditionally support the whole customer buying process, Health Corners enhance the customers flow in the store by making them more independent, skilled and responsible of their own consumption choices (Davies & Elliot, 2006) by improving the self-service settings for some product categories and the creative use of physical design including the same tools adopted by the large retailers (e.g. placards, signage, brochures and flyers).

The displays are specifically designed to better position the large retailer's brand and to more effectively attract and satisfy the customers' (Bitner, 1992) during the whole buying process. They address both the cognitive/informative needs and the physical needs of customers to touch and smell products before the purchase by providing them with information about the product usability, as well as, with the opportunity to easy touch and test some products, such as cosmetics and toiletries.

The use of the colors has a key role in the communication and in the positioning strategy of the Health Corner. The colors allow consumers to easily recognise the shop and its products, and to distinguish the spatial area of the corners from the other areas in the hypermarket and the pharmaceutical products from the consumer goods. The Health Corners and the Pharmacies use respectively the blue and green, to

activate the customers' sympathetic nervous system (Sigh 2006; Kido, 2000) and to provide a powerful visual stimulus (van Rompay et al., 2012; Spence et al. 2014).

Moving to the sensorial dimension, the store layout, space allocation, colors, lighting and other relevant elements (e.g. posters, brochures, and flyers) are designed to define and offer ad hoc visual stimuli to clearly communicate the retailers' values and to build a multi-sensorial experiential context (Castaldo & Mauri, 2008) that strongly influence the customers senses (e.g. sight, hearing and touch).

Auditory stimuli (e.g. background music and jingle) strength the cognitive and emotional connection between the consumer and retailer values; they enrich the stimuli setting to more fruitful engage, entertain and involve customers in a pleasurable and memorable shopping experience (Jain & Bagdare, 2011). Finally, the tactile stimuli are specifically designed to allow customers to freely move around the whole store and to keep in touch with the physical space the products without time limitations.

Consistent with the market change illustrated above, the Pharmacy stores evolved from a traditional product supply orientation to a valuable shopping context capable of providing different situations, atmospheres and services.

In such context, pharmacists manage new shopping activities and the altered conditions for the physical store that reflect the development of a new business model customer-centered and the provision of new and more customised services.

The new pharmacy store is addressed to differentiate the pharmacies atmospheres and to strength the provider-customer relationship to completely refine the customers' decision and search processes, their ways of approaching the pharmacy stores, and their expectations. This study reveals that today pharmacies, in comparison to the Health Corner, leverage more on new store concepts and service strategies to better match and satisfy the new and more sophisticated demands from customers.

Interestingly, the study reveals that both in Health Corner and in the Pharmacy the traditional store dimensions (e.g. physical and social) remain crucial and that specifically in the Pharmacy context they are handled and exploited according to a new and more relational approach that refines the store positioning of pharmacy to reconceptualise the physical space as an appropriate location for interaction and for the provision of a new holistic customer experience.

According to the previous study (Melia et al., 2014) the sensorial dimension remains the less developed in the Pharmacy store. It depends mainly from the characteristics of the products/services sold and the role played by these players in the healthcare context. Accordingly, the creation of a direct dialogue between the pharmacists and customers represents the main communication tool driving the customers-provider relationship.

Compared to 2012, the study results emphasise the renovate role of the social dimension that represents now a new and important element of pharmacy store environments. Such dimension is mediated and enabled by the provision of new services (e.g. nutritional and beauty consultancies) that contribute both to strength the existing one-to-one relationship, between the pharmacist and the customers, and to create new many-to-many relationship among the customers and between the customers and external experts. Therefore, the customer's experience is yet strongly linked to the kindness, availability, courtesy and behaviours of the pharmacist (Mattila & Wirtz, 2008) but is more and more influenced by the whole store relational environment.

The practical understanding is that pharmacy environment emerges from the integrated development of tangible and intangible elements (e.g. lighting, color, design layout, background music, services, etc) that are considered as a cue of functionality, space, design, and appearance (Chan & Tan, 2016). Such elements should be harmoniously designed to form a relational service context that is a new and

holistic dimension of the pharmacy stores. It becomes a strategic driver that defines the new pharmacy positioning in the market and amplifies the effect of store environment on customers by inspiring their new shopping expectation and their cognitive, emotional and physical response to it.

REFERENCES

- Baker, J., Levy, M., & Grewal, D. (1992). An experimental approach to making retail store environmental decisions. *Journal of Retailing*, 68(4), 445–460.
- Beverland, M., Lim, E. A. C., Morrison, M., & Tezivoski, M. (2006). In-store music and consumer-brand relationships: Relational transformation following experiences of (mis)fit. *Journal of Business Research*, 59(9), 982–989. doi:10.1016/j.jbusres.2006.07.001
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56(2), 57–71. doi:10.1177/002224299205600205
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand experience: What is it? How is it measured? Does it affect loyalty? *Journal of Marketing*, 73(3), 52–68. doi:10.1509/jmkg.73.3.52
- Bregman, M., & Geuens, M. (2004). The four dimensional impact of color on shopper's emotions. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 31(1), 122–128.
- Castaldo, S., & Mauri, C. (2008). *Store management*. Milano, Italy: Franco Angeli.
- Chan, S. J., & Tan, C. L. (2016). A model linking store attributes, service quality and customer experience: a study among community pharmacies. *International Journal of Economics & Management*, 10(2).
- Cho, J. Y., & Lee, E. J. (2017). Impact of interior colors in retail store atmosphere on consumers' perceived store luxury, emotions, and preference. *Clothing & Textiles Research Journal*, 35(1), 33–48. doi:10.1177/0887302X16675052
- Choi, H., & Kandampully, J. (2019). The effect of atmosphere on customer engagement in upscale hotels: An application of SOR paradigm. *International Journal of Hospitality Management*, 77, 40–50. doi:10.1016/j.ijhm.2018.06.012
- Davies, A., & Elliott, R. (2006). The evolution of the empowered consumer. *European Journal of Marketing*, 40(9/10), 1106–1121. doi:10.1108/03090560610681032
- Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: an environmental psychology approach. *Journal of Retailing*, 58.
- Edvardsson, B., Frow, P., Jaakkola, E., Keiningham, T. L., Koskela-Huotari, K., Mele, C., & Tombs, A. (2018). Examining how context change foster service innovation. *Journal of Service Management*, 29(5), 932–955. doi:10.1108/JOSM-04-2018-0112
- Elliot, A. J., & Maier, M. A. (2014). Color psychology: Effects of perceiving color on psychological functioning in humans. *Annual Review of Psychology*, 65(1), 95–120. doi:10.1146/annurev-psych-010213-115035 PMID:23808916

- Fam, K. S., Merrilees, B., Richard, J. E., Jozsa, L., Li, Y., & Krisjanous, J. (2011). In-store marketing: A strategic perspective. *Asia Pacific Journal of Marketing and Logistics*, 23(2), 165–176. doi:10.1108/13555851111120470
- Geertz, C. (1973). *The interpretations of cultures*. New York, NY: Basic Books.
- Gilmore, A., & Carson, D. (1996). Integrative qualitative methods in a services context. *Marketing Intelligence & Planning*, 14(6), 21–26. doi:10.1108/02634509610131126
- Grewal, D., Michael, L., & Kumar, V. (2009). Customer experience management: an organizing framework. *Journal of Retailing*, 85(1), 1–14. doi:10.1016/j.jretai.2009.01.001
- Grewal, D., Roggeveen, A. L., & Nordfält, J. (2017). The future of retailing. *Journal of Retailing*, 93(1), 1–6. doi:10.1016/j.jretai.2016.12.008
- Grewal, D., Roggeveen, A. L., Sisodia, R., & Nordfält, J. (2017). Enhancing customer engagement through consciousness. *Journal of Retailing*, 93(1), 55–64. doi:10.1016/j.jretai.2016.12.001
- Hamrouni, A. D., & Touzi, M. (2011). Technique of collage for store design atmospherics. *Qualitative Market Research*, 14(3), 304–323. doi:10.1108/13522751111137523
- Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: consumer fantasies, feelings, and fun. *The Journal of Consumer Research*, 9(2), 132–140. doi:10.1086/208906
- Hultén, B. (2011). Sensory marketing: The multi-sensory brand-experience concept. *European Business Review*, 23(3), 256–273. doi:10.1108/09555341111130245
- Jain, R., & Bagdare, S. (2011). Music and consumption experience: A review. *International Journal of Retail & Distribution Management*, 39(4), 289–302. doi:10.1108/09590551111117554
- Jerath, K., & Zhang, Z. J. (2010). Store within a store. *JMR, Journal of Marketing Research*, 47(4), 748–763. doi:10.1509/jmkr.47.4.748
- Kerin, R. A., Jain, A., & Howard, D. J. (1992). Store shopping experience and consumer price-quality-value perceptions. *Journal of Retailing*, 68(4), 376–397.
- Kido, M. (2000). Bio-psychological effects of color. *Journal of International Society of Life Information Science*, 18(1), 254–262.
- Koro-Ljungberg, M. (2008). A social constructionist framing of the research interview. In J. A. Holstein & J. F. Gubrium (Eds.), *Handbook of constructionist research* (pp. 429–444). New York, NY: The Guilford Press.
- Kotler, P. (1973-1974). Atmospherics as a marketing tool. *Journal of Retailing*, 49(4), 48–64.
- Labrecque, L. I., & Milne, G. R. (2012). Exciting red and competent blue: The importance of color in marketing. *Journal of the Academy of Marketing Science*, 40(5), 711–727. doi:10.1007/11747-010-0245-y
- Lemon, K. N., & Vehoev, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96. doi:10.1509/jm.15.0420
- Levy, M., & Weitz, B. A. (2001). *Retail management*. New York, NY: McGraw-Hill.

Designing In-Store Atmosphere for a Holistic Customer Experience

- Lin, I. Y., & Mattila, A. S. (2010). Restaurant servicescape, service encounter, and perceived congruency on customers' emotions and satisfaction. *Journal of Hospitality Marketing & Management*, 19(8), 819–841. doi:10.1080/19368623.2010.514547
- Masson, J. E., & Wellhoff, A. (2005). *Il merchandising: come avere successo nel commercio moderno*. Milano, Italy: Franco Angeli.
- Mattila, A. S., & Wirtz, J. (2008). The role of store environmental stimulation and social factors on impulse purchasing. *Journal of Services Marketing*, 22(7), 562–567. doi:10.1108/08876040810909686
- Mehrabian, A., & Russell, J. A. (1974). *An approach to environmental psychology*. The MIT Press.
- Melia, M., Colurcio, M., & Caridà, A. (2014). In-store communication to improve the customer experience. *International Journal of Applied Behavioral Economics*, 3(4), 55–70. doi:10.4018/ijabe.2014100104
- Musso, F. & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Peck, J., & Wiggins, J. (2006). It just feels good: Customers' affective response to touch and its influence on persuasion. *Journal of Marketing*, 56–69.
- Pine, B. J., & Gilmore, J. H. (1999). *The experience economy. work is theatre & every business is a stage*. Boston, MA: Harvard Business School Press.
- Ramaswamy, V. (2009). Co-creation of value. Towards an expanded paradigm of value creation. *Marketing Review St. Gallen*, 6, 11-17.
- Russo Spena, T., Caridà, A., Colurcio, M., & Melia, M. (2012). Store experience and co-creation: The case of temporary shop. *International Journal of Retail & Distribution Management*, 40(1), 21–40. doi:10.1108/09590551211193586
- Sands, S., Harper, E., & Ferraro, C. (2011). Customer-to-noncustomer interactions: Extending the social dimension of the store environment. *Journal of Retailing and Consumer Services*, 18(5), 438–447. doi:10.1016/j.jretconser.2011.06.007
- Schmitt, B. (1999). Experiential marketing. *Journal of Marketing Management*, 15(1-3), 53–67. doi:10.1362/026725799784870496
- Sherman, E., Mathur, A., & Smith, R. B. (1997). Store environment and consumer purchase behavior: Mediating role of consumer emotions. *Psychology and Marketing*, 14(4), 361–378. doi:10.1002/(SICI)1520-6793(199707)14:4<361::AID-MAR4>3.0.CO;2-7
- Singh, S. (2006). Impact of color on marketing. *Management Decision*, 44(6), 783–789. doi:10.1108/00251740610673332
- Spence, C., Puccinelli, N. M., Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology and Marketing*, 31(7), 472–488. doi:10.1002/mar.20709
- Summers, T. A., & Hebert, P. R. (2001). Shedding some light on store atmospherics. Influence of illumination on consumer behaviour. *Journal of Business Research*, 54(2), 145–150. doi:10.1016/S0148-2963(99)00082-X

- Tuley, L. W., & Milliman, R. E. (2000). Atmospheric effects on shopping behavior: A review of the experimental evidence. *Journal of Business Research*, 49(2), 193–211. doi:10.1016/S0148-2963(99)00010-7
- Tulipa, D., Gunawan, S., & Supit, V. H. (2014). The influence of store atmosphere on emotional responses and re-purchase intentions. *Business Management and Strategy*, 5(2), 151–164. doi:10.5296/bms.v5i2.6144
- van Rompay, T. J., Tanja-Dijkstra, K., Verhoeven, J. W., & van Es, A. F. (2012). On store design and consumer motivation: Spatial control and arousal in the retail context. *Environment and Behavior*, 44(6), 800–820. doi:10.1177/0013916511407309
- Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. A. (2009). Customer experience creation: determinants, dynamics and management strategies. *Journal of Retailing*, 85(1), 31–41. doi:10.1016/j.jretai.2008.11.001
- Yin, R. (2002). *Case study research*. Applied Social Research Methods Series Newbury Park: Sage.
- Zentes, J., Morschett, D., & Schramm-Klein, H. (2007). *Strategic retail management: text and international cases*. Springer.

ADDITIONAL READING

- Babin, B. J., & Attaway, J. S. (2000). Atmospheric affect as a tool for creating value and gaining share of customer. *Journal of Business Research*, 49(2), 91–99. doi:10.1016/S0148-2963(99)00011-9
- Bäckström, K., & Johansson, U. (2006). Creating and consuming experiences in retail store environments: Comparing retailer and consumer perspectives. *Journal of Retailing and Consumer Services*, 13(6), 417–430. doi:10.1016/j.jretconser.2006.02.005
- Bäckström, K., & Johansson, U. (2017). An exploration of consumers' experiences in physical stores: Comparing consumers' and retailers' perspectives in past and present time. *International Review of Retail, Distribution and Consumer Research*, 27(3), 241–259. doi:10.1080/09593969.2017.1314865
- Bonetti, F., Warnaby, G., & Quinn, L. (2018). Augmented reality and virtual reality in physical and online retailing: A review, synthesis and research agenda. In *Augmented reality and virtual reality* (pp. 119–132). Cham: Springer. doi:10.1007/978-3-319-64027-3_9
- Pantano, E. (2016). Engaging consumer through the storefront: Evidences from integrating interactive technologies. *Journal of Retailing and Consumer Services*, 28, 149–154. doi:10.1016/j.jretconser.2015.09.007
- Poncin, I., & Mimoun, M. S. B. (2014). The Impact of 'E-atmospherics' on Physical Stores. *Journal of Retailing and Consumer Services*, 21(5), 851–859. doi:10.1016/j.jretconser.2014.02.013
- Rafaeli, A., Altman, D., Gremler, D. D., Huang, M. H., Grewal, D., Iyer, B., ... de Ruyter, K. (2017). The future of frontline research: Invited commentaries. *Journal of Service Research*, 20(1), 91–99. doi:10.1177/1094670516679275

Designing In-Store Atmosphere for a Holistic Customer Experience

Turley, L., & Chebat, J. (2002). Linking retail strategy, atmospheric design and shopping behaviour. *Journal of Marketing Management*, 18(1/2), 125–144. doi:10.1362/0267257022775891

Vasquez, D., & Bruce, M. (2002). Design management-The unexplored retail marketing competence. *International Journal of Retail & Distribution Management*, 30(4), 202–210. doi:10.1108/09590550210423672

KEY TERMS AND DEFINITIONS

Health Corner: A store located in a large retailer and in which the retailer sells para-drugs and non-prescriptions drugs according to the government's deregulation decree.

Holistic Experience: Individual engagement on an emotional, affective, cognitive, social and physical level.

In Store Communication: All information and communication instruments within the store that allow the store to create an atmosphere that evokes a positive emotional state of mind in the consumer while visiting the store.

Multi-Sensory Experience: More than one of the five senses contributes to the perception of sensory experiences.

Pharmacies: Traditional drug distribution players.


Relationship: A relationship is a mutually oriented interaction between two reciprocally committed partners.

Store Atmosphere: Environmental cues (physical, social and sensorial) in a retail store.

Chapter 8

Sensorial and Experiential Marketing in Shopping Centers: Effects on Retailer Performance

Mónica Gómez-Suárez

 <https://orcid.org/0000-0001-7415-3964>
Universidad Autonoma de Madrid, Spain

María Jesús Yagüe

Universidad Autonoma de Madrid, Spain

Anne Schmitz

Universidad Autonoma de Madrid, Spain

Cristina García-Gumiel

Ocibar, Spain

ABSTRACT

This chapter states the importance of sensory and experiential strategies for the retail companies, their degree of implementation, and their effect on retail companies' performance. An interdisciplinary review of related studies links sensorial or experiential stimuli with consumer behavior. An empirical analysis answers the following: What degree of knowledge do retail managers have about experiential marketing? What actions and tools are used more frequently? Are their effects measured? What impact do they have on business performance? Survey data collected from 171 managers of Spanish shopping centers show the degree of knowledge of the concepts of sensory and experiential marketing is high, but there are differences in the actions implemented by type of company. Decision makers greatly consider investment in experiential marketing is profitable and effective.

DOI: 10.4018/978-1-7998-1412-2.ch008

INTRODUCTION

In the new hyper-competitive context, one priority of companies is to implement marketing strategies that focus on the creation of sensations and memorable experiences for consumers. In this context, experiential marketing has become important for the companies due to the growing need to create these unique moments for their clients. That is why the classic tools used by managers to encourage sales and change customers' attitudes or behaviors within the store, the so-called "4ps" (product, price, promotion and placement) are being updated if they are not linked to strategies and actions that are addressed to influence their clients' emotions, memories and experiences. In this sense, managers are much more concerned now about other type of variables related to the retail environment and atmosphere.

As early as the beginning of the last century, when big schemes based on self-service system such as supermarkets and hypermarkets appeared on the scene, store managers became aware of the importance of variables such as the image. They start to feel the need of having a perfect arrangement of the products in the point-of-sale, giving rise to a new concept in marketing: merchandising. Merchandising is a group of techniques that promote the sales of goods in retail, helping customers in their purchasing process thanks to a good presentation of their products, its environment and the use of the space in a profitable way (Zorrilla, 2000).

Nevertheless, taking into consideration the high level of competition in the retail market due to the arrival of new shops, online shopping and the evolution of the consumer behaviors, managers had to find new formulas apart from the merchandising techniques to differentiate themselves. These new formulas refer to the creation of different ambiances and experiences for the customers within the store. Hence, they have made managers realize that the application of the rather traditional variables was not enough anymore (De Farias et al., 2014).

As Wright, Newman and Dennis (2006) said, 'for decades, marketers and researchers have been aware that shopping is not just a matter of obtaining tangible products, but also about experience and enjoyment'. The result of this was the birth of a new discipline in marketing: sensorial marketing. The sensorial marketing is defined as the utilization of stimuli and elements which customers perceive by means of the senses, this is, sight, hearing, touch, smell and taste, to create specific ambiances (Gómez-Suárez and García-Gumiel, 2010).

What seems clear right now is that customers feel the need of making the most of their time. They prefer to spend their free time with leisure activities in which the hedonic component is high, what perfectly fits with the creation of experiences and atmospheres within the store using the sensorial and experiential marketing.

Therefore, due to the increasing level of competition in the retail market (Moser, 2012; Nell and Wiid, 2014), the emergence of online shopping and the evolution of consumer behaviour, commercial business managers have had to find new merchandising techniques to differentiate themselves (Sachdeva and Goel, 2015). These new techniques refer to the creation of unique experiences for clients (Verhoef et al., 2009; Vieira, 2013) that are based on the stimulation of the senses, which is a fundamental part of marketing actions.

Moreover, the use of sensory and experiential marketing variables to create a commercial atmosphere contributes positively to customer satisfaction, having an impact on commercial results (Gómez-Suárez and García-Gumiel, 2010). In other words, the consumer experience and the physical environment (atmosphere) should be related to the business result due to the value obtained from the client. Therefore, the main aim of this chapter is to provide a general overview of the sensorial and experiential marketing

strategies used within the retail stores and to determine if the retail managers perceive that their application has an impact on their companies' results. Specifically, its objectives are:

- To provide a summary of the academic background related these issues, based on an interdisciplinary approach to different disciplines, such as marketing, psychology and other behavioral sciences.
- To analyze the perception of managers on the strategies, actions and tools of sensory and experiential marketing applied in the retail stores located in shopping centers.
- Determine what effect these issues have on the results of the retailing companies in terms of customer satisfaction and the business performance.

BACKGROUND: SENSORY MARKETING AND EXPERIENTIAL MARKETING

In today's world, companies have many different ways to focus on their clients. One of them is known as experiential marketing, which is, in essence, the creation of experiences. In many occasions, these experiences can be satisfied by creating a special atmosphere in the establishment or by using stimuli that clients perceive with all five senses: sensory marketing.

In this section, a definition of sensory marketing is provided first. The next sub-sections are devoted to the different use of the senses to stimulate the consumers' responses. In the last one, the concept of experiential marketing is analyzed.

Sensory Marketing

Sensory marketing refers to the manipulation of some elements by retailers that are related to human senses, in order to create specific atmospheres and ambiances. This promotes the development of key performance indicators such as the duration of visit or the money spent in the store.

Although, the use of the physical setting to create atmospheric impact as a form of marketing communications can be traced as far back as 1908, where the American Telegraph and Telephone (AT&T) Company used the visual impact of its organization's building' (Wright, Newman, Dennis, 2006) as a tool. Therefore, it was in the beginning of the nineties when the potential of the atmospheric effects in retail became evident.

In relation to the origin of the atmosphere concept, it goes back to the creation of the environmental psychology. According with the psychology science, 'psychologists have determined that the physical environment has an effect on human behavior and this branch of psychology has become known as environmental psychology' (Countryman and Jang, 2006). Also, Mehrabian and Russell (1974) described it as 'the direct impact of physical stimuli on human emotions and the effect on physical stimuli on a variety of behaviors, such as work performance or social interaction'.

Taking into consideration this premise, Kotler (1973) stated that if the physical environment had an effect on human behavior, it would also influence the behavior or individuals in consumer settings such as retail stores (Countryman and Jang, 2006), giving rise to the atmosphere's concept. He defined it as 'the intentional control of ambient variables with the purpose of getting a concrete customer's response' (Turley and Milliman, 2000).

Sensorial and Experiential Marketing in Shopping Centers

Table 1. Theoretical explanatory models of atmospheric variables

Author	Dimension	Elements
Kotler (1973)	Visual Aural Olfactory Tactile	Color, brightness, size, shapes Volume, pitch Scent, freshness Softness, smoothness, temperature
Belk (1975)	Physical Surroundings Social Surroundings Temporal Perspective Task Definition Antecedent States	Location, decor, sounds, aromas, lighting, weather and visible configurations of merchandise Other persons present, their characteristics, their apparent roles and interpersonal interactions Time Intent or requirement to select, shop for, or obtain info about a general or specific purchase Momentary moods (i.e. anxiety, hostility, excitement) or momentary conditions (i.e. fatigue, illness)
Baker (1986)	Ambient	Air quality, temperature, humidity, loudspeakers, arousal, cleanliness, lighting
	Design	Esthetic: architectural, design, materials, colors, accessories. Functional: floor design, space, informative elements
	Social	Number and variety of consumers, workers' behavior
Bitner (1992)	Ambient Condition	Lighting, temperature, noise, arousal, music
	Space and Function	Exhibition, shape, size, spatial relation between machinery, equipment and furniture. Function makes reference to the ability of facilitate the objectives' development and achievement
Turley & Milliman (2000)	Exterior Design Ambient Conditions Functional Interior Design	Signs, shop fronts, entrances, facades, exterior design Music, arousal, lighting, temperature, cleanliness Interior route, furniture and equipment, accessibility
	Esthetic Interior Design	Architecture, design, style, materials, colors, information elements
	Social Dimension	Customers and employees
Lucas (2003)	Accessible layout	Architecture, interior design, special layout
	Cleaning	Clean floors
	Comfortable seats	Padded seats, seat backs, easy chairs, heated seats and few people
	Interior decoration	Light, colour and floor decorations
	Ambience	Acclimatization, music and graphic line
Ryu and Jang (2008)	Aesthetic installations	Architectonical design, color and interior design
	Illumination	Lighting and illumination
	Ambience	Music, temperature, smell
	Layout	Objects (machinery, equipment, furniture)
	Cooking utensils	Dishes, porcelain, glasses and linen
Newman (2007)	Space	Spatial density
	Formas de ubicarse	Ease of interior design such as central hallways and meeting points
Edwards and Gustafsson (2008)	Internal variables	Music, noise, smell
	Layout and design variables	Table and chair design
Kim and Moon (2009)	Ambience conditions	Level of light, temperature, smell and background music
	Aesthetic installations	Architecture, interiors, decoration, color and general attractiveness
	Layout	Tables, service areas, hallways

continued on following page

Table 1. Continued

Author	Dimension	Elements
	Electrical equipment	Audio and video equipment
	Comfortable seats	Comfortable seats and few people
Kumar et al. (2010)	Color	Modern and powerful
	Light	Bright, dimmed
	Music	Classic or familiar
	Multitude	Amount of public
	Design and layout	Attractive windows
	Olfactory factors	Freshness, fragrance
	Tactile factors	

Source: Own elaboration.

Since then, various academic works have been published relating to this area. Several explanatory theoretical models attempt to build a typology for ambient variables (Table 1).

To facilitate the description of the effects of sensorial variables on consumer behavior, the ambient variables are classified into three groups (Gómez-Suárez & García-Gumiel, 2014): visual, auditory and kinetic variables. From all of them, the effects of color, music and scent are the most analyzed in previous studies (Roschk et al., 2016).

Visual Variables

The most important visual variables are colors, design and lighting (Gómez-Suárez and García-Gumiel, 2012).

Color is a sensory variable capable of creating physiological reactions in consumers, both physical (observed by means of the blood pressure, sweating, heart and breathing rates and blinking) and emotional. This tool is one of the preferred within the professional environment because of its easy implementation and small cost (Sierra et al., 2000). It is used to increase or decrease the hunger, to change the emotional state, to calm down customers or to reduce the sensation of wait time, can use this sensory variable. In fact, sixty-two to ninety percentage of the time spent by a person choosing a product is because of its color (Singh, 2006). Depending of cultural behaviors and individual characteristics, people may show different reactions to same colors, but in general, warm colors -red, orange, yellow- are associated to lively moods, vitality, joy and adventure, while cold colors -blue, green- are associated with peace, calm, relax, happiness and love (Gómez-Suárez and García-Gumiel, 2010). Regarding primary colors (red, yellow and blue), Table 2 shows a summary of their main characteristics.

Focusing specifically on the store environment, table 3 shows how warm or cold products are able to produce different behaviors within the retail outlet.

The second visual variable is design. It has two main components: exterior and interior design. The exterior design takes into account the architectural aspects, facades, doors, sizes, forms, shop fronts and any other element from the exterior that attract people to the interior of the shop. Once the customer is inside, decoration, merchandising and organization become relevant, this is, the interior design. Related to interior design, there are two different aspects: practical and esthetic. The first one refers to the aspect focused on improving the purchasing process, such as the layout of the store or the way, the products

Sensorial and Experiential Marketing in Shopping Centers

are displayed and the second one refers to the style and ornaments (Zorrilla, 2002). There are also two important aspects related to the interior design (Gilboa and Rafaeli, 2003): the order and the ambient complexity. Order refers to the congruency, clarity, legibility and coherence. The ambient complexity is related to the diversity, variety, ornaments and amount of information shown. These variables are important because the complexity generates visual wealth while order organizes diversity reducing uncertain scenarios and increasing the consumer's interest towards the store. This creates a feeling of approach and a bigger probability of buying (Gómez-Suárez and García-Gumiel, 2010). A poor interior design generates negative responses in consumers, such as discomfort and irritation, increasing the probability of not visit the store any more. However, taking into account that interior design affects the affective and cognitive status; a positive design can be a differentiated element from competitors (Castro and Navarro, 2003).

The third visual variable is lighting, which is important not only in the way the product is perceived but also to attract customers to the store. For that reason, lights' orientation must be focus towards the interior and not to the exterior, to avoid blinding people where they are walking in front of the shop. In powerful lighting condition, clients tend to analyze a bigger number of products than they do with soft illumination (Areni and Kim, 1994). Furthermore, lighting is important due to its impact on how consumers perceive color (Nell and Wiid, 2014) and the power to create pleasant contrasts (Custers et al., 2010).

Table 2. Primary colors' main characteristics

Color	Characteristics	Author/s
Red	Bigger psycho-physiological activation	Wilson, 1966
	Bigger brain's function affection	Clynes and Kohn, 1968
	Associated with adjectives such as active, rebel, assertive	Aaronson, 1970
Yellow	Associated with good mood, joy, rejoicing	Sharpe, 1974
	More persistent moods	Schaie and Heiss, 1964
	Known as the brain's color	Sierra et al., 2000
Blue	Considered the coldest color	Sierra et al., 2000
	Associated with calm, tranquility, lack of feelings	Schaie, and Heiss, 1964
	Transmits controls about emotions and behaviors	Sierra et al., 2000
Green	Associated with security, calm, freshness, youth	Sierra et al., 2000

Source: Gómez-Suárez and García-Gumiel (2012)

Table 3. Influence of color within the store environment

Behavior	Warm colors	Cold colors
Attraction to the store	More attraction to the exterior	More attraction to the interior
Product perception	Original, new, avant-garde	Classic
Time spent or buying speed	Low: causing pressure, discomfort and negative attitude in customers	High: causing a pleasant atmosphere and comfort to customers
Purchasing levels	Low due to the small time spent within the store	High due to the big time spent within the store

Source: Gómez-Suárez and García-Gumiel (2010)

Auditory Variables

In terms of auditory variables, music has been one of the elements more analyzed in the academic literature. Most research about this variable has been made in the advertisement area. Music is an environmental variable particularly attractive since its manipulation is not expensive and can be easily changed in relation to the targets addressed (Yalch and Spangenberg, 1993). It has to be noted in this context that the results of academic investigations on music are sometimes poor and insufficient (Roschk et al., 2016). However, authors such as (Soars, 2009) affirm that, in occasions, music has more influence on the purchase decision than the product itself. .

In general terms, the scientific research about music started in Germany, in the second half of the XIX century, being at the beginning of XX century when American physiologists became interested. First studies were based on the differences of incorporating music in a commercial advertisement or not. Some years later, the use of music within the store started to be analyzed by marketers (Kellaris and Rice, 1993), thanks to the technology progress and the capacity to analyze some musical elements beyond the mere presence or absence of music.

Music influences the consumer's emotional responses. It generates pleasure, interest and improvements in the customer's mood. As a result, this positive mood creates also positive behaviors towards the ambient. Depending on the specific mood created, the time spent in the store can be higher or lower and also the perception of it. This perception can accelerate or decelerate the time and the money spent (Gómez-Suárez and García-Gumiel, 2010).

However, there are still some auditory elements whose effects have not been studied enough. For example, characteristics such as rhythm, voice's pitch or tempo have an important lack of research. According to Bruner (1990), there is not a definitive taxonomy of musical elements. The definition of each element varies depending on the author and also the importance assigned to each element. Same element can be considered as principal in a taxonomy and secondary in other. This author proposes a musical element's taxonomy. He also determines the emotional expressions associated to each element, being tempo, tone and texture the most important elements. Table 4 shows a definition of each element for a better understanding.

The studies with empirical contrast undertaken for analyzing the effects of these factors are mainly based on time and texture, specifically in tempo, rhythm and intensity.

Tempo has been studied extensively. When tempo is slow, traffic within the store is also low and consequently, the money spent is bigger (Milliman, 1986; Moser, 2012). When tempo is high, the cognitive activity turns more difficult, increasing the excitation levels, so the information is processed worse and a decrease in the memory levels is generated (Chebat et al., 2001). Regarding rhythm, the lower it is, the higher number of people buying (Milliman 1986). Staccato music causes energetic sensations, while legato music is perceived as more relaxing and calmer (Bruner, 1990). Intensity also creates differences in the customers' responses. The general conclusion is that when the volume is high, people spend less time in the store (Lin and Wu, 2006). However, there is not any significant effect related to the level of sales (Sierra et al., 2000).

Apart from the three elements explained above, there is another set of factors not referred to its own characteristics but to the relationship with the consumer's response. In particular, familiarity with the music, the involvement and the consistency of the message may have an effect on this response. When music is familiar, consumers perceive they have spent more time in the store; however, they spend more time when music is unfamiliar (Yalch and Spangenberg, 2000). In the context of the involvement, when

Sensorial and Experiential Marketing in Shopping Centers

Table 4. Musical elements' definitions

Time	Rhythm	Pattern or placement of sounds in time and beats in music.
	Tempo	
	Phrasing	Length of time a note sounds in comparison with the rhythmic period it occupies
Pitch	Melody	Sequence of notes that forms a musical phrase, like a sentence. The horizontal progression of music
	Mode	Series of notes, arranged in a scale of ascending pitch, which provides the tonal substance of a song
	Harmony	Vertical progression of music. Notes played together to form chords and other sonorities. Provides support to the melody and directs the listener towards important structural points.
Texture	Timbre	Quality of sound that distinguishes one voice or instrument from another.
	Volume	Intensity. It contributes to the texture of music
	Instrumentation	Art of weaving together the unique sonic properties of multiple instrument to produce the complex textural fabric of a musical work

Source: Own elaboration based on Bruner (1990)

it is low, music increases the receptivity to the brand; however, it distracts those whose involvement is cognitive (Park and Young, 1986). Regarding congruency, according Kellaris et al. (1993), when music is consistent, it increases attention and brand recall. When music draws attention but is inconsistent, people pay less attention to the message and a negative influence on the memory is created.

On the other hand, we must take into account the possible effect of the musical elements in the emotional states, because people assign emotional meanings to music, experimenting affective reactions (Bruner, 1990). An example of this is that fast music is considered as happier than slow music. There are three possible responses (Kellaris and Kent, 1992): pleasure, arousal and surprise.

Regarding the influence of the music in the emotional states, there is no relationship between the specific mood generated by music and the influence on perceptions and evaluations of the store, or purchase intention (Dubé and Morin, 2001; Alpert et al. 2005). However, when music is used to evoke congruent emotions with the type of purchase (lively / sad) and with the symbolic meaning of the product, the probability of purchasing increased. Lively music generates happier moods. However, sad music increases the purchasing intention (Bruner, 1990).

There is also a direct effect on the purchasing intention, depending on the type of music, happy or sad, and if it likes to the customers. The purchasing intention is higher when people are exposed to music they know and like (Broekemier et al., 2008).

Another important aspect when analyzing the effects of music is the person's characteristics. Depending on the listener's features of the listener, the responses generated to the same stimulus might be different (Kellaris and Rice, 1993; Jain and Bagdare, 2011). Men and women have different hearing sensitivity, and this difference is one of the reasons why women respond worse to a loud or intense music than men. Other reason to explain why women respond worse to loud music is because people respond more positively to objects that are consistent with the concept they have of themselves, so it is possible that the loud music is not well received by women as it can be perceived as less consistent with femininity. Age is another factor which moderates environmental stimuli, having the possibility of influences people's evaluations and their behavior. Yalch and Spangenberg (1990) demonstrated the effects of age

on the perception of time within the store, so young people perceive that they spend more time when background music, as happened with adults to foreground music.

The responses to certain stimuli also vary depending on the culture. There is a strong relationship between musical tastes and cultural background and/or ethnicity (Morier, 2005).

To close this section referred to music, Table 5 shows a description of emotions produced by different musical elements.

Kinetic Variables

Kinetic variables refer to scent, taste, touch and density (Gómez-Suárez and García-Gumiel, 2010). Among them, the scent is not only the most primitive one (Arboleda and Alonso, 2015), but the only variable able to bring memories to customers thanks to its link with the limbic system, responsible for the emotions and memories (Ward et al., 2003). Furthermore, it has a direct connection with the tonsil (responsible of emotions) and the sea-horse (responsible of the memory). For this reason, olfactory memory allows people to remember not only moments but emotions (Annett, 1996).

The most interesting scent is the one that comes from the store as a whole and not from a particular product, because the environmental scent is able to cause general reactions about all products in the consumers, including those, which do not have any particular smell (Gulas and Bloch, 1995). In recent years, studies have focused on environmental odors, and not the ones coming from a particular object. However, previous studies were based on the scents of particular products (Peck and Childers, 2007).

Most studies about scent are related to three dimensions: scent affective qualities -pleasant versus unpleasant-, scent activation qualities -physiological effects- and scent intensity -strong versus soft-being the first one the most studied (Gómez-Suárez and García-Gumiel, 2014). In general, the measurement of the affective qualities has been done by means of an approach-avoidance’s behavior, while physiological effects generated by means of the activation qualities, have been measured by electroencephalograms and breathing’s analysis.

There are some characteristics, that make the scent perceived as pleasant or not. Physiological aspects are essential in generating consumer responses and so are the memories or experiences associated to the specific scent (Gulas and Bloch, 1995). When the aroma is pleasant, an approximation behavior is generated, whereas when it is not, it produces avoidance feelings (Bone and Elle, 1999). A pleasant aroma can affect our perceptions about products and even about people. Thus, aromas of lavender, basil,

Table 5. Musical characteristics for producing various emotional expressions

Musical Element	Emotional Expression								
	Serious	Sad	Sentimental	Serene	Humorous	Happy	Exciting	Majestic	Frightening
Mode	Major	Minor	Minor	Major	Major	Major	Major	Major	Minor
Tempo	Slow	Slow	Slow	Slow	Fast	Fast	Fast	Medium	Slow
Pitch	Low	Low	Medium	Medium	High	High	Medium	Medium	Low
Rhythm	Firm	Firm	Flowing	Flowing	Flowing	Flowing	Uneven	Firm	Uneven
Harmony	Consonant	Dissonant	Consonant	Consonant	Consonant	Consonant	Dissonant	Dissonant	Dissonant
Volume	Medium	Soft	Soft	Soft	Medium	Medium	Loud	Loud	Varied

Source: Bruner (1990)

Sensorial and Experiential Marketing in Shopping Centers

cinnamon and citrus create calm and relaxation, while mint, thyme and rosemary generate energy. Ginger, cardamom, licorice and chocolate, raise romanticism, while roses fight depression states (Hunter, 1995; Amodio, 1998). According to Spangenberg et al. (2013), simple (i.e., more easily processed) scents lead to an increased ease of cognitive processing and increased actual spending, whereas a more complex scent had no such effect. These authors showed in a field study that when people were exposed to a thoroughgoing basil and green tea aroma, their spending basket dropped, but it was not the case when the scent was a single orange aroma.

Aroma can affect the spending time perceived in the store, the evaluation of it and its products (generating behaviors of approach or avoidance) and the money spent. However, there are several studies that show inconsistencies in the relationship between aroma and spending basket (Sierra et al., 2000), since sometimes this relationship is positive and sometimes it does not exist (Spangenberg et al. 1996).

As far as taste is concerned, this variable has been studied for not only launching new products, brands, or packaging, but also to analyze product experiences (Peck and Childers, 2007). One of the most common methods to evaluate flavors is called triangle test, where consumers are asked to identify three flavors, two of which are identical and the third different. The important point in this approach is whether consumers really discriminate tastes, or they are just guessing. Another discrimination test is the one in which consumers make several paired comparisons, choose their favorite couples. After that, the consistency of these choices is analyzed to determine their discrimination capacity. A third method is the preference rank procedure in which customers have to rank samples of three flavors, one different from the other two, from highest to lowest preference. If the subject placed the flavor that is different as the best or the worst, has made a correct choice regardless of the preference (Peck and Childers, 2007). Concerning this variable, it is highly subjective (Spence et al., 2014).

Another kinetic variable is touch, which is both the first and most developed one (Hultén, 2012) The information obtained through this sense it is important for the evaluation of products, because depending on the information about the material properties of the object such as texture, softness, temperature and weight, the perception will be (Klatzky and Lederman, 1992). The consumer's responses may differ depending on the material property evaluated. For instance, the sensations generated when consumers assess the smoothness of a product are not the same than when its weight is evaluated. When one or more of these properties vary, consumers feel more motivated to touch the product before buying, because contact with the products cause consumer confidence and a better evaluation (Peck and Childers, 2003).

The last kinetic variable, density, is related with more than one human sense because it is influenced by noise, temperature and even by store colors. It refers to the number of people located in a concrete space, being an objective or a perceptual measurement. It is important to differentiate density and agglomeration. Density refers to a physical relation, which indicates the distribution of people in a specific space, while agglomeration is produced when people perceive their movement constrained because of the lack of space (Sierra et al., 2000). When density turns to agglomeration, customers may feel stressed or confused, activating these responses: to pay less attention to stimulus, to decrease the decision's time, to look for less products, to evaluate only known products, to reduce the visit time and to avoid interacting with other people, both customers and employees.

Experiential Marketing

Experiential marketing has a broader conceptual scope than sensory marketing. It aims to make the act of purchasing an experience for the consumer (Same and Larimo, 2012) so that they can enjoy all the

aspects, sensorial or not, of the product, the service, and the establishment and are fully involved in the process.

It is described as a means to create experiences that engage the client in a personal way (Gilmore and Pine, 2002). This type of marketing involves the audience by creating a personalized connection using emotions and direct involvement, which generates credible and memorable experiences (Khan et al., 2015).

The origin of this concept is not without controversy. It can be attributed to the pioneering work of Holbrook and Hirschman (1982) on the experience of consumption characterized succinctly by “fantasies, feelings and fun” or the “three Fs” (Holbrook and Hirschman, 1982), which has more recently been extended to the “four E’s” of “experience, entertainment, exhibitionism, and evangelization” (Holbrook, 2000).

However, Schmitt (1999) popularized this concept with his seminal work on the foundations of experiential marketing, which has been the basis of the main academic contributions in the last twenty years. This literature stream considers that the concept “experience of consumer” should be the focus of current marketing strategies (Carù and Cova, 2003; Same and Larimo, 2012). To illustrate this point, Verhoef et al. (2015) state that retailers all over the world have taken ownership of the concept of customer experience, incorporating it as one of the pillars of their business mission.

METHODOLOGY

In order to understand how sensory and experiential marketing strategies are implemented, a survey was distributed to a significant number of Spanish retail companies. It is a sector prone to the development of initiatives aimed at the consumer (Kumar, 1997) and in which the use of experiential marketing tools has special relevance for the quality of its services (Gómez-Suárez and García-Gumiel, 2014).

To obtain the data, the survey was distributed to managers of shopping centers and the retailers located in them. Specifically managers of a) owner companies: owners of one or more shopping centres; b) management companies that run shopping centers owned by third parties; c) owners and managers: companies that both own and manage the assets; d) retailers: retail distribution stores and e) consultants: companies that advise either owners or retailers.

The fieldwork was carried out in Malaga during the celebration of the XIV Congress of Centers and Commercial Parks of Spain, an event held biennially by the Spanish Shopping Centers Association (AECC) that brings together the most important players in the retail industry, especially companies linked to shopping centers.

Shopping centers represent one of the main sectors of retail activity in Spain. According to data obtained from the AECC (2018), there were 555 shopping centers and malls in 2017. They represented 17.9% of the market share, with sales of 43.590 million euros and 1.900 million visits. These centers represent 15,800,000 m² of gross leasable area (GLA) and 33,744 merchants (Aral, 2018).

In total, 171 valid surveys were obtained from 895 attendees to the event. Therefore, the response rate was 19%. Respondents were asked to evaluate different items related to the implementation of experiential and sensory marketing strategies in their company and their results.

RESULTS

57% of the survey respondents were managers of proprietary companies and / or managers of shopping centers, 23% were retailers and the remaining 20% were consultants. Most of the respondents were male (75%) rather than female (25%), which is representative of the universe analyzed. 82% had obtained graduate degrees (graduates, engineers and doctors), 16% had obtained undergraduate degrees (technical engineers, etc.), and only 2% had not attended university. The respondents were mostly between 36 and 45 years old, with an average age of 42 years. Most respondents (73%) held management positions in their respective companies.

Regarding the concepts of sensory and experiential marketing, 81% of the entire sample claimed to know about it. However, there were differences by type of company, since the percentage was 10 points lower among retailers, and consultants and 8 points higher among those responsible for proprietary companies and managers.

An opened question was introduced in the questionnaire to determine if managers could define them and which specific experiential or sensorial marketing actions were applied in their companies. Later, this open question was categorized, being the responses grouped into different categories. Although 29% of the professionals interviewed did not spontaneously identify sensory/experiential marketing actions, the rest do not confused them with those related to marketing in general, and correctly associated them with the use of the senses and atmospheres (33%), experiences (23%), and sensations or feelings (12%) (Table 6).

Focusing on sensorial variables, managers were presented a table with actions related to them (decoration, lightening, design, music and scent) and were asked to identify which of them were used in their companies. Table 7 shows that those related to visual variables (decoration, design and lighting) and music were applied more frequently. Scent was the less used variable.

Regarding the actions and company profile relationship, there are statistically significant differences (Table 8). The group of companies that owns and manages the shopping centers performs actions associated with the aromas largely, specifically a percentage of 68%, clearly higher than the average percentage of the total sample (52%). Music is an aspect for which the proprietary companies are also concerned. Regarding changes in lighting, decoration and design, mainly all types of companies that make up the sample are applying them. Consequently, the type of company affects the differentiated use of sensory marketing actions, especially those associated with the senses of smell and hearing; while it has a lesser influence on the use of actions designed to stimulate the sense of sight, to which all profiles of respondents give great importance, without significant differences by type of company.

Table 6. Actions spontaneously identified with experiential / sensory marketing

Actions	%
Actions related to the senses (scent, music, lighting, etc.) and atmospheres	33%
Actions related with experiences	23%
Actions related to sensations and feelings	12%
Other actions (related to general marketing issues)	3%
No response	29%

Source: Own Elaboration (2019)

Sensorial and Experiential Marketing in Shopping Centers

Among those responsible for shopping centers that apply sensory marketing actions in their businesses, it is especially interesting to know which tools they use to measure the effects of marketing actions implemented regarding sensory/experiential marketing. 84% of the companies interviewed performed some type of measurement. The most commonly used were analyses of the comments made by customers, especially through social networks (90%), face-to-face surveys at the point of sale (81%), focus group (59%) and telephone surveys (44%). Consequently, classical market research remains a more widely used instrument to quantify the impact of sensory marketing actions.

Regarding how retail managers implement experiential/sensorial marketing strategies, a 10-point Likert-type scale (1 = “strongly disagree” and 10 = “strongly agree”) was developed. Table 9 shows

Table 7. Sensorial marketing actions identified

Actions	%
Actions related to decoration	85,7%
Actions related design	82,1%
Actions related to lightening	77,8%
Actions related to music	71,2%
Actions related to scent	51,7%

Source: Own Elaboration

Table 8. Sensorial marketing actions by type of company

	Proprietary/ managers	Retailers	Consultant	Total
Scent	68,2%	43,2%	33,3%	51,6%
Music	77,8%	58,3%	64,5%	71,2%
Lightening	85,1%	71,1%	76,7%	77,8%
Decoration	93,8%	76,9%	84,8%	85,7%
Desing	85,1%	76,9%	80,6%	82,3%

Source: Own Elaboration

Table 9. Implementation of experiential marketing

Item	Mean	Standard Deviation
They incorporate experiential/sensorial marketing actions	6.42	2.72
Management establishes experiential marketing policies	6.46	2.62
Internal meetings are held to study the desired experiences of customers	6.51	2.73
Internal meetings are held in which the sensory preferences of the clients are studied	6.27	2.71
Studies are conducted among clients to launch experiential/sensorial marketing actions	6.43	2.80
The strategies of the company incorporate experiential/sensorial marketing actions	6.59	2.63
The company is concerned with measuring the effects of experiential/sensorial marketing actions	6.79	2.78

Source: Own Elaboration

Sensorial and Experiential Marketing in Shopping Centers

the average values and standard deviations of each of the 7 items used to generate the scale, with an average of 6.5 points on a scale from 1 to 10. The standard deviation was high, exceeding the value of 2.5 for all the items.

The scale also has a measurement for performance. Concretely, the perception of the results of experiential and sensorial marketing actions (Table 10). All the items had average values that were higher than seven points on a scale of ten, which indicates that positive results were perceived in terms of quality of services and customer satisfaction rather than market share and profitability.

FUTURE RESEARCH DIRECTIONS

Retailers commonly use the variables coming from sensorial and experiential marketing as a managerial solution to create good atmospheres for their consumers; although its effectiveness is hardly ever measured. Academic research has analyzed the results of its implementation but usually, by means of laboratory experiments, not in a real environment. Despite the suitability of this method to examine the phenomena under study isolating relevant variables, this type of analysis leaves out important elements that may affect the buying process, such as customer interaction with employees or other customers. For this reason, further research regarding this phenomenon within real environments is recommended.

In the future, research should apply this methodology to other economic environments where companies apply experiential marketing actions, such as tourism, sports or mass consumption. It would be interesting for future studies to integrate the customers' perspective. In addition, how they perceive companies' orientation towards experiential marketing.

Many studies that analyze experiential actions in the field of marketing and consumer behavior were developed as laboratory experiments. These studies were adequate for examining the object of study because they were able to isolate variables that are not relevant; however, they lack important elements that may affect the purchasing process, such as interactions between customers and employees or between clients.

In short, more research is needed on experiential marketing and its relation to the outcomes of both consumers and companies. The development and dissemination of studies related to these factors will facilitate the use of stimuli and the measurement of their efficiency and effectiveness.

Table 10. Impact of applying experiential and sensory marketing actions on performance

Item	Mean	Standard Deviation
Increase the quality of the services provided	7.83	2.12
Increase customer satisfaction	7.78	2.00
Increase long-term market share	7.30	2.17
Increase business profitability	7.22	2.20

Source: Own Elaboration

CONCLUSION

In the last years the phenomena of the sensory and experiential marketing have pervaded in organizations. Even though this discipline has been studied for almost one century, it is now when companies refer to new terms such as experience, atmosphere or environment.. Colors, music and aromas enter the scene to generate differentiation and involvement, with the objective of creating good mood in customers, improving the performance of the store.

Consumers need to feel involved with the brand and to be part of the purchasing process. Studies have shown that when customers feel involved, they state to have an additional value. Researchers have concluded that the more power a company provides for its customers and the more they take care of them, the better is the perception of consumer empowerment. Customers prefer companies that improve their purchasing process and their stay (Wright et al., 2006).

This chapter provides a review of the use of different environmental variables to improve the stay of customers in the store has reviewed. The empirical assessment has confirmed that managers are increasingly adopting experiential marketing actions.

An elevated percentage of managers, consultants and retailers affirm to know the actions that concern sensory marketing, even though the differences are quite sensible depending on the type of company considered. Managers of modern shopping malls know about the existence of sensory marketing techniques concerning commercial activities. Regarding the specific sensory marketing actions, the vast majority has to do with the sense of sight (decoration, design and lighting), closely followed by hearing (music). The techniques that have to do with the sense of smell are the least appreciated.

Furthermore, there exists a concern regarding the measuring of the effects of the implemented actions. In order to do so, different elements, specially the most common ones such as analysis of sales and affluences can be used. At the same time, the use of newer and more modern tools such as the collection and analysis of online client feedback intensify. However, other forms of qualitative investigation or investigation related to neuroscience are applied much lesser.

Besides, there is a wide unanimity regarding the perceived effects on the launching of marketing actions. The shopping center professionals perceive that this kind of action positively affects services provided and the clients' satisfaction. Therefore, the companies that apply them maintain their market share more stable in time and obtain better return ratios. This perception is more accused between proprietary companies and shopping mall managers than among retailer businesses installed in them.

The professionals that were interviewed present a high consumer-orientation; even higher than the sensory marketing orientation. This means that the main concern for the majority of companies is customer satisfaction, being the epicenter indisputable of corporate strategy.

Only a few studies have proven the effects of the previously mentioned actions of experiential marketing, and almost no studies have comprehensively measured the effectiveness of their implementation and impact on commercial results (Countryman and Jang, 2006). Taking this gap into account, a measure to understand properly the experiential marketing strategies held by retailers was proposed. It was composed of seven items that reflect consumer orientation to experiential marketing, coordination of internal marketing experiences and the response to experiential marketing actions. The results indicated that these strategies had a direct effect on the degree of client satisfaction, the level of quality offered, market share and profitability.

These empirical results have implications that should be considered by managers. It is important to sensitize them and the businesses associated with the shopping malls about the importance of applying

Sensorial and Experiential Marketing in Shopping Centers

a customer-oriented strategy and the deployment of having a marketing approach including sensations, emotions and rewarding experiences towards the degree of satisfaction from clients and both company and team performance. Even though we have seen that there are many companies in the retail sector where experiential and sensory marketing is already well known and applied, there are still many that have not developed the necessary tools for its implementation. The results of this study prove furthermore the impact of experiential and sensory marketing in the company results when they are applied following the rules of a customer's approach.

Incorporating a business model guided for these strategies could improve the competitive advantage of a company and its ability to achieve positive results. Nevertheless, managers must understand that customer orientation is not enough. A company must have strong coordination and a clear orientation towards the long term and ensure that a short-term orientation is only relevant for day-to-day management.

ACKNOWLEDGMENT

This research was conducted under the framework of the research group "Research on Consumer Behaviour and Technology" (TECHNOCONS) from Universidad Autónoma de Madrid. The authors are grateful to the Asociación Española de Centros Comerciales (AECC) for favoring the participation of their associates and providing space to carry out the survey. They also thank Dr Sebastián Molinillo of Málaga University for valuable help and suggestions.

REFERENCES

- Alpert, J. I., Alpert, M. I., & Maltz, E. N. (2005). Purchase occasion influence on the role of music in advertising. *Journal of Business Research*, 58(3), 369–376. doi:10.1016/S0148-2963(03)00101-2
- Amodio, L. V. (1998). Mood makers: An in-depth look at how scents claim to boost your spirit and de-stress your nerves. *Good Housekeeping (New York, N.Y.)*, 227(5), 53–55.
- Annett, J. (1996). Olfactory memory: A case study in cognitive psychology. *The Journal of Psychology*, 130(3), 309–319. doi:10.1080/00223980.1996.9915012 PMID:8667286
- Aral. (2018). Las ventas en los centros y parques comerciales crecen un 3.5% en 2017. Retrieved from <http://www.revistaaral.com/es/notices/2018/02/las-ventas-en-los-centros-y-parques-comerciales-crecen-un-3-5-en-2017-79317.php#.WrtUGojFJhE>
- Areni, C. S., & Kim, D. (1994). The influence of in-store lighting on consumers' examination of merchandise in a wine store. *International Journal of Research in Marketing*, 11(2), 117–125. doi:10.1016/0167-8116(94)90023-X
- Baker, J. (1986). The role of environment in marketing services: the consumer perspective in the services challenge: integrating for competitive advantage. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), (pp. 79–84). Chicago, IL: American Marketing Association.
- Bone, P. F., & Ellen, P. S. (1999). Scents in the marketplace: Explaining a fraction of olfaction. *Journal of Retailing*, 75(2), 243–262. doi:10.1016/S0022-4359(99)00007-X

- Broekemier, G., Marquardt, R., & Gentry, J. W. (2008). An exploration of happy/sad and like/disliked music effects on shopping intentions in a women's clothing store service setting. *Journal of Services Marketing*, 22(1), 59–67. doi:10.1108/08876040810851969
- Bruner, G. C. II. (1990). Music, mood and marketing. *Journal of Marketing*, 54(4), 94–104. doi:10.1177/002224299005400408
- Carù, A., & Cova, B. (2003). Revisiting consumption experience: A more humble but complete view of the concept. *Marketing Theory*, 3(2), 267–286. doi:10.1177/14705931030032004
- Castro, E. & Navarro, A. (2003). Disposición del punto de venta. *Distribución y Consumo*, March-April, 5-22.
- Chebat, J. C., Chebat, B. G., & Vaillant, D. (2001). Environmental background music and instore selling. *Journal of Business Research*, 54(2), 115–123. doi:10.1016/S0148-2963(99)00089-2
- Chebat, J. C., & Michon, R. (2003). Impact of ambient odors on mall shoppers' emotions, cognition, and spending, a test of competitive causal theories. *Journal of Business Research*, 56(7), 529–539. doi:10.1016/S0148-2963(01)00247-8
- Countryman, C. C., & Jang, S. (2006). The effects of atmospheric elements on customer impression: The case of hotel lobbies. *International Journal of Contemporary Hospitality Management*, 18(7), 534–545. doi:10.1108/09596110610702968
- Custers, P. J. M., De Kort, Y. A. W., Ijsselstein, W. A., & De Kruiff, M. E. (2010). Lighting in retail environments: Atmosphere perception in the real world. *Lighting Research & Technology*, 42(3), 331–343. doi:10.1177/1477153510377836
- De Farias, S. A., Aguiar, E. C., & Melo, F. V. S. (2014). Store atmospherics and experiential marketing: A conceptual framework and research propositions for an extraordinary customer experience. *International Business Research*, 7(2), 87. doi:10.5539/ibr.v7n2p87
- Dubé, L., & Morin, S. (2001). Background music pleasure and store evaluation: Intensity effects and psychological mechanisms. *Journal of Business Research*, 54(2), 107–113. doi:10.1016/S0148-2963(99)00092-2
- Gilboa, S., & Rafaeli, A. (2003). Store environment, emotions and approach behaviour: Applying environmental aesthetics to retailing. *International Review of Retail, Distribution and Consumer Research*, 13(2), 195–211. doi:10.1080/0959396032000069568
- Gilmore, J. H., & Pine, B. J. (2002). *The experience is the marketing*. Louisville, KY: BrownHerron Publishing.
- Gómez-Suárez, M., & García-Gumiel, C. (2010). Nuevas tendencias en el punto de venta: el marketing sensorial. In *Distribución comercial y comportamiento del consumidor* (pp. 235–247). Oviedo, FL: Ramón Areces Foundation.
- Gómez-Suárez, M. & García-Gumiel, C. (2012). Marketing sensorial: cómo desarrollar la atmósfera del establecimiento comercial. *Distribución y Consumo*, March-April, 30-39.

Sensorial and Experiential Marketing in Shopping Centers

- Gómez-Suárez, M. & García-Gumiel, C. The use of sensorial marketing stores: attracting clientes through the senses. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. *Advances in Marketing Customer Relationship Management*.
- Gulas, C. S., & Bloch, P. H. (1995). Right under our noses: Ambient scent and consumer responses. *Journal of Business and Psychology*, 10(1), 87–98. doi:10.1007/BF02249272
- Holbrook, M. B. (2000). The millennial consumer in the texts of our times: Experience and entertainment. *Journal of Macromarketing*, 20(2), 178–192. doi:10.1177/0276146700202008
- Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *The Journal of Consumer Research*, 9(2), 132–140. doi:10.1086/208906
- Hultén, B. (2012). Sensory cues and shoppers' touching behaviour: The case of IKEA. *International Journal of Retail & Distribution Management*, 40(4), 273–289. doi:10.1108/09590551211211774
- Hunter, B. T. (1995). The sales appeal of scents (using synthetic food scents to increase sales). *Consumer Research Magazine*, 78, October, 10, 8-10.
- Kellaris, J. J., & Kent, R. J. (1992). The influence of music on consumer's temporal perceptions: Does time fly when you're having fun? *Journal of Consumer Psychology*, 1(4), 365–379. doi:10.1016/S1057-7408(08)80060-5
- Kellaris, J. J., & Rice, R. C. (1993). The influence on tempo, loudness, and gender of listener on responses to music. *Psychology and Marketing*, 10(1), 15–28. doi:10.1002/mar.4220100103
- Khan, I., Garg, R. J., & Rahman, Z. (2015). Customer service experience in hotel operations: An empirical analysis. *Procedia: Social and Behavioral Sciences*, 189, 266–274. doi:10.1016/j.sbspro.2015.03.222
- Klatzky, R. L., & Lederman, S. J. (1992). Stages of manual exploration in haptic object identification. *Perception & Psychophysics*, 52(6), 661–670. doi:10.3758/BF03211702 PMID:1287570
- Mehrabian, A., & Russell, J. A. (1974). *An approach to environmental psychology*. Cambridge, MA: MIT Press.
- Milliman, R. E. (1986). The influence of background music on the behaviour of restaurant patrons. *The Journal of Consumer Research*, 13(2), 286–289. doi:10.1086/209068
- Morier, M. (2005). *The sweet sound and smell of success: consumer perceptions as mediators of the interactive effects of music and scent on purchasing behaviour in a shopping mall*. (Thesis, Universidad of Concordia, Canada).
- Moser, A. (2012). *Marketing experiencial: estrategias de marketing experiencial aplicadas a los espacios de retail*. (Thesis dissertation, Universidad de Zaragoza, Spain).
- Musso, F. & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Nell, C. & Wiid, J. (2014). Sight: The last bastion of the brick and mortar retailer to survive? *The International Business y Economics Research Journal (Online)*, 13(1), 125-n/a. Retrieved from <http://search.proquest.com/docview/1477975115?accountid=14478>

- Park, C. W., & Young, S. M. (1986). Consumer response to television commercials: The impact of involvement and background music on brand attitude formation. *JMR, Journal of Marketing Research*, 23(1), 11–24. doi:10.1177/002224378602300102
- Peck, J., & Childers, T. L. (2003). Individual differences in haptic information processing: ‘the need for touch’ scale. *The Journal of Consumer Research*, 30(3), 430–442. doi:10.1086/378619
- Peck, J. & Childers, T. L. (2007). If it tastes, smells, sounds, and feels like a duck, then it must be a...: effects of sensory factors on consumer behaviours. In F. Kardes, C. Haugtvedt, & P. Herr. (Eds.), *Handbook of Consumer Psychology*, Mahwah, NJ: Erlbaum.
- Roschk, H., Loureiro, S. M. C., & Breitsohl, J. (2016). Calibrating 30 years of experimental research: a meta-analysis of the atmospheric effects of music, scent, and color. *Journal of Retailing*, 93(2), 228–240. doi:10.1016/j.jretai.2016.10.001
- Sachdeva, I., & Goel, S. (2015). Retail store environment and customer experience: A paradigm. *Journal of Fashion Marketing and Management*, 19(3), 290–298. doi:10.1108/JFMM-03-2015-0021
- Same, S., & Larimo, J. (2012). Marketing theory: experience marketing and experiential marketing. In L. Meidute (Ed.), *Proceedings 7th International Scientific Conference Business and Management*, Lithuania, pp. 480–487. 10.3846/bm.2012.063
- Schmitt, B. (1999). Experiential marketing. *Journal of Marketing Management*, 15(1-3), 53–67. doi:10.1362/026725799784870496
- Sierra, D. B., Alier, E., & Falces, C. (2000). Los efectos de las variables ambientales sobre la conducta del consumidor. *Distribución y Consumo*, 54, 5–23.
- Singh, S. (2006). Impact of color on marketing. *Management Decision*, 44(6), 783–789. doi:10.1108/00251740610673332
- Soars, B. (2009). Driving sales through shoppers’ sense of sound, sight, smell and touch. *International Journal of Retail & Distribution Management*, 37(3), 286–298. doi:10.1108/09590550910941535
- Spangenberg, E., Herrmann, A., Zidansek, M., & Sprott, D. (2013). The power of simplicity: processing fluency and the effects of olfactory cues on retail sales. *Journal of Retailing*, 89(1), 30–43. doi:10.1016/j.jretai.2012.08.002
- Spangenberg, E. R., Crowley, A. E., & Henderson, P. W. (1996). Improving the store environment: Do olfactory cues affect evaluations and behaviors. *Journal of Marketing*, 60(April), 67–80. doi:10.2307/1251931
- Spence, C., Puccinelli, N. M., Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology and Marketing*, 31(7), 472–488. doi:10.1002/mar.20709
- Turley, L. W., & Milliman, R. E. (2000). Atmospheric effects on shopping behaviour: a review of the experimental evidence. *Journal of Business Research*, 49(2), 193–211. doi:10.1016/S0148-2963(99)00010-7
- Verhoef, P. C., Kannan, P. K., & Inman, J. J. (2015). From multi-channel retailing to omni-channel retailing. *Journal of Retailing*, 91(2), 174–181. doi:10.1016/j.jretai.2015.02.005

Sensorial and Experiential Marketing in Shopping Centers

- Vieira, V. A. (2013). Stimuli-organism-response framework: A meta-analytic review in the store environment. *Journal of Business Research*, 66(9), 1420–1426. doi:10.1016/j.jbusres.2012.05.009
- Ward, P., Davies, B., & Kooijman, D. (2003). Ambient smell and the retail environment: Relating olfaction research to consumer behaviour. *Journal of Business and Management*, 9(3), 289–302.
- Wright, L. T., Newman, A., & Dennis, C. (2006). Enhancing consumer empowerment. *European Journal of Marketing*, 40(9/10), 925–935. doi:10.1108/03090560610680934
- Yalch, R., & Spangenberg, E. (1990). Effects of store music on shopping behaviour. *Journal of Services Marketing*, 4, 31–39.
- Yalch, R., & Spangenberg, E. (1993). Using store music for retail zoning: A field experiment. *Advances in Consumer Research*. Association for Consumer Research (U. S.), 20, 632–636.
- Yalch, R., & Spangenberg, E. (2000). The effects of music in a retail setting on real and perceived shopping times. *Journal of Business Research*, 49(2), 139–147. doi:10.1016/S0148-2963(99)00003-X
- Zorrilla, P. (2000). Política de merchandising en la empresa de distribución detallista. In M. S. Aguirre (Ed.), *Marketing En Sectores Específicos*. Madrid, Spain: Editorial Pirámide.

ADDITIONAL READING

- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing*, 66(april), 120–141. doi:10.1509/jmkg.66.2.120.18470
- Bone, P. F., & Scholder, E. P. (1998). Does it matter if it smells? Olfactory stimuli as advertising executional cues. *Journal of Advertising*, 27(4), 29–40. doi:10.1080/00913367.1998.10673567
- Donovan, R., & Rossiter, J. (1982). Store atmosphere: An environmental psychology approach. *Journal of Retailing*, 58, 34–57.
- Jain, R., & Bagdare, S. (2011). Music and consumption experience: A review. *International Journal of Retail & Distribution Management*, 39(4), 289–302. doi:10.1108/09590551111117554
- Knasko, S., Gilbert, A. N., & Sabini, J. (1990). Emotional state, physical well-being and performance in the presence of feigned ambient odor. *The Journal of Applied Psychology*, 20(16), 1345–1357.
- Krishna, A. (2012). An integrative review of sensory marketing: Engaging the senses to affect perception, judgment and behaviour. *Journal of Consumer Psychology*, 22(3), 332–351. doi:10.1016/j.jcps.2011.08.003
- Law, D., Wong, C., & Yip, J. (2012). How does visual merchandising affect consumer affective response? An intimate apparel experience. *European Journal of Marketing*, 46(1/2), 112–113. doi:10.1108/03090561211189266
- Mattila, A. S., & Wirtz, J. (2001). Conguency of scent and music as a driver of in-store evaluations and behaviour. *Journal of Retailing*, 77(2), 273–289. doi:10.1016/S0022-4359(01)00042-2

Summers, T., & Hebert, P. (2001). Shedding some light in store atmosphere, influence of illumination on consumer behaviour. *Journal of Business Research*, 54(2), 145–150. doi:10.1016/S0148-2963(99)00082-X

KEY TERMS AND DEFINITIONS

Atmosphere: Specific ambient created in a store by means of the utilization of sensorial elements such as colors, light or music.

Experiential Marketing: It refers to means to create experiences that engage the client in a personal way.

Experiential Marketing Orientation: It serves to build brands and drives awareness & trial via experiential marketing.

Merchandising: Groups of techniques used in a store with the purpose of improving the image of the products sold.

Sensorial Marketing: Marketing discipline, which studies the responses of customers when they are impacted by the manipulation of variables that can be perceived by the five human senses.

Sensorial Variables: Elements or factors perceived through the five human senses, which are manipulated to cause a reaction in the consumer.

Shopping Center: An area or complex of stores.

Section 3

Retail Context, Store Formats, and Retail Services

The third section refers to the retail context offering an overview of the way in which formats, retail environment, and locations are changing facing new consumer expectations and values. The shopping activity as an experience to be enriched becomes the subject of new paradigms for the retail offer in the combination of products, services, entertainment, and environmental values whose importance is increasing.

Chapter 9

Retail Formats and Alternative Retail Formats: The Mechanisms for the Emergence and Evolution

Barbara Borusiak

Poznań University of Economics and Business, Poland

ABSTRACT

This chapter explains the mechanisms for the emergence of selected innovative formats based on existing format change theories. The nature of a retail format is explored and the classification both of retail formats and alternative retail formats are presented. Four groups of theories (cyclical, conflict, environmental, and integrated) explaining the emergence and evolution of retail formats are analysed. Retail formats theories are applied in explaining the emergence of two formats: pop-up store and m-commerce. The approach involved a review of literature and analysis of empirical data concerning the structure of the retail trade turnover in the chosen countries.

INTRODUCTION

A retail format is one of the fundamental concepts in the retail sector, being a synthesis of the marketing strategy of a commercial company. The choice of retail format determines the choice of enterprise resources which are necessary to perform the sales function. Thus the decision regarding the choice of format by means of which a company operates on the market is one of the fundamental decisions that a retailer has to make, and it has far-reaching consequences (Dragun, 2004, Yu and Ramanathan, 2008). The retail formats which exist today are characterised by unprecedented variability: new formats are appearing, existing formats are evolving, and their life-cycles are becoming significantly shorter (Davidson et al., 1976, McGoldrick and Davies, 1995). Alternative retail formats are a very special group of formats, focused mainly on selling used products or products. Some of them have been existing for

DOI: 10.4018/978-1-7998-1412-2.ch009

decades but due to the growth of the environmental concern they gain a higher interest and visibility at the beginning of 21 century (Yan, Bae and Xu 2015, Ferraro, Sands, and Brace-Govan, 2016).

The aim of this chapter is to explain the mechanisms for the emergence of innovative formats on the basis of existing theories of format change. Therefore, the chapter presents the conceptualisation of a retail format, classifications of both retail formats and alternative retail formats, a critical analysis of the four groups of theories relating to format change (cyclical, conflict, environmental and integrated theories), as well as the mechanisms for the emergence of new formats based on the examples of pop-up stores and m-commerce. In order to explain these phenomena an integrated theoretical approach has been adopted.

CONCEPTUALISATION OF A RETAIL FORMAT

The Nature of a Retail Format

The need for clarifying the nature of a retail format stems from the fact that there is some ambiguity regarding the interpretation of this notion in the scientific literature (Reynolds et al., 2007). As a starting point for the conceptualisation of a retail format the essence of the product of a retail company must be explained. This product is a service, and the basis for the service is a set of goods, which is the range of products on offer. This means that a **retailer's product** is a service which is based on a set of products originating outside the retail sector. Essentially, it is the service element that provides the added value generated by a retail company (Dawson, 2000). This product is intended for two groups of recipients: the basic, traditional group of buyers being consumers; and the second group of recipients being producers. To individual customers a retailer offers access to goods manufactured in a variety of sectors, i.e. it offers in one place a bundle of relationships between the retailer and manufacturers (usually numerous, though this is not a necessary condition). To producers a retailer offers access to individual consumers in the form of a bundle of relationships with individual buyers (Walter et al., 2001). In other words, the essence of a retailer's product is offering usability in the form of access to manufacturers (and in the case of producers – access to consumers) whose products are offered to the consumer in a convenient form in terms of configuration, location, time and volume, with favourable terms of service and payment (in the latter case convenience ought to be treated as the result of the competitive situation in a given sector, which depends on the number of participants and the intensity of competition).

A **retailer's product**, when considered structurally, has a very complex nature: it is defined by a number of components such as the form of the product assortment (in terms of dimensions such as depth, width and the criteria for its creation); and the conditions in which it is offered (location, time, presentation, range of services, price level, forms of payment, how customers receive goods). This product meets two types of buyers' needs. The first type are needs which to be satisfied require a product from the product range of a shop. The other type of needs are to a large extent independent from the product assortment of a shop. These are social, symbolic, educational and aesthetic needs as well as needs connected with spending leisure time, either by doing shopping itself or by taking advantage of an 'entertainment package' offered especially by shopping centres (Fiore and Kim, 2007).

The considerable complexity of a retailer's product means that, taking into account the actual transactions between a retailer and a customer, the product is highly individualised, which is typical of service products. On the other hand, it is essential to ensure mass (and also economical) access to goods, which prompts retailers to standardise products. An aggregated and standardised designation for the product/

service of a commercial enterprise is the **retail format**, which is a specific manner for conducting sales, both store-based and non-store. Different retail formats are characterised by a specific configuration of such marketing strategy instruments as product and service assortment, pricing policy, the location and manner of offering products, as well as the type and configuration of the resources used (Reynolds et al., 2007, Zentes et. al., 2007, Tiwari, 2009).

Classification of Retail Formats and Alternative Retail Formats

In order to better understand the nature of retail formats a classification of formats will be presented, as some formats are well-established whereas others are innovative formats, sometimes poorly structured. Several systems of retail format classification have been developed by governmental institutions. Some of these include the American Standard Industrial Classification (SIC) code, the International Standard Industrial Classification of all Economic Activities (ISIC) of the United Nations or the NACE (Nomenclature statistique des Activites economiques dans la Communaute Europeenne) of the European Union (Zentes et al., 2007). These classifications, however, focus mainly on the type of goods sold and have little relevance for researchers and practitioners in the retail sector. The classification of retail whereas in practice formats proposed here (Table 1) takes into account a multitude of criteria and is based on a set of marketing strategy instruments; the most important of which are product assortment for store-based formats (Guy, 1998), and the method of communicating with customers for non-store formats (Borusiak, 2014). The presented formats are of great importance in economic practice, although they do not exhaust the set of existing formats.

As we are witnessing the growing environmental concern and sustainability sensitivity of the customers (De Brito et al., 2008, Trudel and Cotte 2009) the development of the **alternative retail formats** (Stone, Horne & Hibbert 1996) may be observed. The logic behind that type of formats is quite a reverse comparing to regular retail formats. Their aim is to prevent products (mainly used) from being thrown away and help to make a better use of manufactured goods, which reduces the extent of resources waste (Klouda 2008), whereas regular retail formats are mostly oriented on new products sale increase. Alterna-

Table 1. Classification of retail format

Store-based retail format	Non-store retail format
Grocery: <ul style="list-style-type: none"> ● convenience stores ● discount stores ● forecourt stores ● hypermarkets/superstores ● supermarkets ● small grocers ● food/drink specialists 	Internet retailing <ul style="list-style-type: none"> ● e-stores/e-commerce ● m-stores/m-commerce ● online auctions ● group buying ● social commerce
Non-grocery: <ul style="list-style-type: none"> ● speciality stores (for example: apparel specialists, electronics and appliance specialists, health and beauty specialists) ● mixed retailers <ul style="list-style-type: none"> ○ department stores ○ variety store ○ mass merchandisers ○ warehouse clubs 	Other non-store retailing <ul style="list-style-type: none"> ● direct selling ● television home shopping channels ● mail orders catalogues ● vending ● market stands

Retail Formats and Alternative Retail Formats

tive retail formats have been existing for decades but they were not very meaningful. Nowadays they gain much more attention thanks to the growing consumers' interest and their business models. In the case of food this mainly relates to redistributing excess food or food products which due to the short remaining expiry date may have to be destroyed (Holweg and Lienbacher 2011); and in the case of non-food products this regards the possibility of extending the usage cycle of products by giving them a second life. Recently the number of used-merchandise retail outlets has grown at about ten times the rate of other stores (Yan, Bae and Xu, 2015). The alternative retail formats may be divided using two criteria: first - the type of products sold (food and non-food) and the second: the method of communication and set of used assets (brick & mortar and e-commerce). What must be stressed, the assortment of alternative retail formats may be described only in a general way, the products sold there are usual unique. As far as brick & mortar stores selling non-food products are concerned, two of them gain increasing interest: second-hand shop and charity/thrift store. Consumers' pressure has led to steady growth in second-hand retail (Ferraro, Sands and Brace-Govan, 2016), forcing traditional retailers to take note. For example, New York high-end fashion retailer Bergdorf Goodman recreated the second-hand experience by hosting a flea market to launch its vintage collections (Jordon, 2015). One of a luxury brands - Ralph Lauren looks for second-hand vintage pieces in order to sell them in flagship stores alongside new collections (Cervellon et al., 2012). Second-hand clothes have become fashionable in its own right (Beard, 2008). This is the case even in markets where consumers typically dislike wearing used clothes, like in China where a variety of specialised second-hand stores have opened (Cervellon et al., 2012). Second-hand stores have become an accepted and well-established retail format offering an authentic alternative to regular outlets (Brace-Govan and Binay, 2010, Chu and Liao, 2007, Williams and Paddock, 2003).

Charity/thrift shops are defined by Parsons (2002) as stores that sell gently-used donated goods where the profits are used for charity. In some charity stores new products are also offered but they are in the minority (Horne and Broadbridge 1995). An important distinctive feature of such shops is the low-price level, which can be obtained due to the low labour costs connected with the involvement of volunteers in running the stores. Since the 1990s a dynamic development of charity shops has been observed. While in 1992 there were 3,480 such shops in the British Isles, in 2002 this number had increased to 6,220 (Parsons 2002), and in 2018 to 11,200. The majority of these stores (83%) were located in England (Charity Retail Association 2018).

Table 2 presents the proposed classification of alternative retail formats.

THE THEORIES OF THE EMERGENCE AND EVOLUTION OF FORMATS

Classification of Theories

The retail format is a dynamic conceptual category; new formats appear, existing ones evolve, and some cease to exist (McNair, 1958, Hollander, 1966, Dreesman, 1968, Swan, 1974, Davidson et al., 1976, Kaufman, 1985, Brown, 1987, 1990, 1991, Rousey and Morganosky, 1996, Takei et al., 2006). The changeability of store formats as a manifestation of certain concepts of market operations has repeatedly been the subject of research and a number of theories have been developed to account for it. Their classification is presented in Table 3.

A multiplicity of theories for explaining certain phenomenon is not unusual in management sciences. It applies even to very basic concepts such as an enterprise. The existence of multiple theories relating

Table 2. Alternative retail formats classification

	Food alternative retail formats	Non-food alternative retail formats
Brick&mortar stores	Social supermarket Food outlet	Vintage/antique shop Second hand shop Charity store/thrift store Pawn shop Flea market/swap meet (permanent/ occasional/regular) Car boot sale Commission shop
E-commerce	Food share platform Food outlet	Fashion share platform Second-hand share platform E-second-hand shop

to a certain area is usually connected with a large diversity of studied objects as well as the complexity and significance of an issue, which justifies the numerous attempts at explaining it. In the case under discussion such attempts are understandable: investors want to know which retail formats provide the best chance for success and how to design portfolios of formats. So the most important questions the theory of formats should answer are:

1. Why and in what form do new formats emerge?
2. In what direction and at what speed do existing formats evolve? What does this depend on, that is:

Table 3. Theories explaining the changes in retail formats

Groups of theories	Theory	Representative authors
Cyclical theories	The wheel of retailing theory	McNair (1958)
	The retail accordion theory	Hollander (1966)
	The three wheels of retailing theory	Izraeli (1973)
	The format life cycle theory	Davidson, Bates, Bass (1976)
	The concept of the “big middle”	Levy, Grewal, Peterson, Connolly (2005)
Conflict theories	The dialectical theory	Swan (1974) Maronick, Walker (1974) Stern, El-Ansary (1977) Kaufman (1985)
Environmental theories	The theory of natural selection/evolution	Dreesman (1968) Markin, Duncan (1981)
	The adaptation theory	Michael, Kim (2005) Takei, Kudo, Miyata, Ito (2006)
	The survival of the fittest theory	Hanappi (2004)
Integrated theories	Environmental-cyclical	Kaynak (1979)
	Cycle-conflict	Gist (1968)
	Environment-cycle-conflict	Beem, Oxenfeldt (1966)

Source: Adapted from Brown, 1991; Anitsal and Anitsal, 2011

Retail Formats and Alternative Retail Formats

3. What is the impact of the environment (macro- and micro-environment) on existing and potential formats?

The following section of the chapter will present an analysis of the format theories developed to-date in order to assess their explanatory value.

Cyclical Theories

Chronologically, the first concept which attempted to explain the mechanisms for the emergence and changes to formats was the **Wheel of Retailing Theory** (McNair, 1958). According to this theory, innovative formats are characterised by low cost, which justifies low profit margins and consequently low prices. Over time, however, the standard of the services offered by such enterprises increases as retailers wish to expand their business and attract more customers. This leads to an increase in operating costs and prices and thus offers opportunities for new competitors to enter the market with low-cost and low-price strategy. The format in a mature stage becomes low effective and vulnerable to new competitors which enter the market with low prices and at low costs.

The Wheel of Retailing theory is based on four basic premises:

- There are many price-sensitive buyers who are willing to forego a higher standard of service, a wider product range and a convenient location if in return they get lower prices. However, there are also buyers who are sensitive to prestige and the standard of service;
- Price-sensitive individual consumers are not very loyal, which means that they are prepared to change shops if they find a retailer who offers lower prices;
- New entrants in the retail sector are able to operate with lower operating costs than existing companies;
- Changes in the concept of a store's operations through improving standards (a shift in the wheel of retailing) aim to enhance the shop's image, expand the target group and consequently increase turnover.

McNair proposed the Wheel of Retailing theory to explain the changeability of the format of department stores in the United States. Later this model was positively verified based on the examples of other formats: supermarkets (Bucklin, 1972), off-price retailers (Kaikati, 1985), and discount stores (Perrigot et al., 2007); the phenomenon of improving standards in respect of products and services is noticeable in their evolution. However, one can find examples in the history of the development of commercial enterprises where a new enterprise offered high standards and this is why it gained approval from buyers. The Wheel of Retailing theory does not explain this phenomenon. Thus it is not universal and this is one of its shortcomings which has prompted criticism of this theory (Hollander, 1960, Goldman, 1975, Kaynak, 1979, Brown, 1990, Davies, 1999). In addition, it does not offer a detailed explanation as regards the causes for the emergence of new formats or the mechanisms of format evolution. Its greatest merit is an attempt to address the issue of the form of a new format; however, the answer is limited to indicating only one possible scenario which involves implementing a low-cost strategy and targeting price-sensitive buyers. These shortcomings prompted researchers to persevere in their efforts.

Nearly ten years later another attempt was undertaken by Hollander (1966), who proposed a different concept for explaining format changes based on the idea of cyclical fluctuations. According to the so-

called **Retail Accordion theory**, in the subsequent stages of the development of this sector the formats which emerge and gain an advantage are those which alternate between specialisation and universalisation of their product and service structure. In this case the extent of explaining the complexity of the issues related to the emergence and evolution of formats is therefore limited as it identifies the sources of innovation and the direction of format evolution in respect of only one feature describing a format: the width of product assortment. Additionally, studies conducted in British, German, French and Italian markets (Hart, 1999, Cardinali 2009) show the two tendencies mentioned above occur simultaneously only in relation to different formats. On the one hand, the range of products offered by, for example, discount stores expand; on the other hand, super- and hypermarkets tend to limit their product range. This means that this theory also has a limited explanatory value. Comparing it to the previous one, one can say that it attempts to answer the same questions, and although the answer is not a fully satisfactory one, it is worth noting that this theory identifies two different sources of innovation and the potential directions of format evolution.

The evolution of ideas and accumulation of knowledge are manifested in another proposal – Israeli's Three Wheels of Retailing theory (1973). The author incorporated elements of previous theories and created a concept according to which there exist two alternative sources of innovation as regards new formats: low costs linked with low standards, and very high standards which require high costs. Their further evolution proceeds along familiar lines: the low-cost format strives to raise its standards of service, which leads to an increase in costs and prices; the opposite happens in the case of a format where the initial standards are high. An important advantage of the Three Wheels of Retailing concept is that it indicates a variety of inter-format interactions, or inter-format competition, which leads on the one hand to the convergence of existing formats, and on the other hand to the emergence of new formats in an attempt to be different from existing ones. Therefore, it can be concluded that this concept has many points in common with the attempts at explaining the issue of format change on the basis of conflict theories, which will be discussed in the subsequent section of this chapter.

The idea of cyclical fluctuations is also the basis for the **Retail Format Life Cycle theory** (Davidson et al., 1976). It was developed as a response to the criticisms relating to the Wheel of Retailing concept, in particular with regard to its two limitations:

- The Wheel of Retailing theory focuses on costs and the related margin level; as a result it cannot be applied to account for new formats which are not price-oriented (e.g. convenience store),
- The Wheel of Retailing concept does not examine the regularities in terms of the pace of change; it only indicates the direction of change (namely in a one-dimensional way).

The Life Cycle concept, however, is not in opposition to the Wheel of Retailing theory; rather, it is its extension which tries to explain the complex nature of format innovation and to determine the pace of the change. The fundamental thesis of the Life Cycle theory is that a format has a life cycle similar to that of a material product. This life cycle consists of four basic stages:

- **Innovation:** The stage when a new format appears which has some unique characteristics that distinguish it from the formats already in the market and that help it gain a considerable advantage. The advantage is a result of a number of factors: a better cost position, which leads to a better price offer; a specific product assortment configuration; and a range of commercial services provided (location, service methods, forms of payment, opening hours, additional services). The innovative

Retail Formats and Alternative Retail Formats

features are a result of spotting gaps in the market which the existing formats have not been able to fill. At this stage, if a format successfully fills a gap in the market a substantial increase in sales revenues follows (which proves that the novelty has been accepted by customers); profitability, however, is relatively low because this is a learning stage on the one hand, and a stage for creating the scale of operations on the other;

- **Growth:** During the second stage of the life cycle there is a significant increase in revenues as well as profitability. As approval for the new format grows (the share of the market increases), traditional formats begin to lose ground in the market, which prompts them to try and modify their own formats. Usually, however, the modification is only partial and concerns only one parameter of the format, e.g. the price level. This means that the modification is either insufficient (the essence of innovation of new formats lies in the composition of constituent features) or impossible to maintain in the long term (lowering the prices without lowering costs is possible only over a relatively short period of time);
- **Maturity:** This is the third stage in the life cycle of a format during which the growth rate decreases and the sales revenues stabilise as a result of growing problems related to managing an expanded and complex organisation and an excessively developed sales network in a given market (disproportionate to its size). This causes the phenomenon of cannibalisation; competition with new formats is increasing. The result is a decline in the profitability of an enterprise;
- **Decline:** The last stage in the life cycle, which can be delayed through some modifications and improvements. However, this does not mean that it is always possible to prevent the stage of decline, which is characterised by a drop-in market share, a decrease in profitability (to even below zero) and generally being unable to effectively compete with other players.

An analysis of empirical data which describe the history of format development (presented in Table 4) makes it possible to formulate a conclusion that the life cycle of formats is becoming shorter, and this seems to be one of the particular, sector-specific symptoms of the growing dynamics of change in the economy as a whole.

The theory of the Life Cycle of Formats contains much more universal ideas relating to the features of innovative formats compared to previous theories, in which innovation was based on the dichotomy low standard – low cost, high standard – high cost. The authors also indicated the source of innovation, which are the observations of buyers leading to spotting gaps in the market. An unquestionable advantage of the Life Cycle concept is the empirically confirmed increase in the rate of change of formats. Never-

Table 4. Life cycle duration of selected formats

Store format	Approximate date of origin	Approximate date of achieving maximum market share	Approximate cycle duration until maturity
Department store	1860	1940	80
Variety store	1924	1968	44
Supermarket	1930	1965	35
Hypermarket	1965	1995	30
Discount store	1970	2000	30

Source: (Davidson et. al., 1976, McGoldrick and Davies, 1995)

theless, questions arise about the determinants of the duration of a format's life cycle. This is connected, among others, with the observation which indicates a renaissance of discount stores in the wake of the world economic crisis which started in 2008.

In relation to the Format Life Cycle Theory, a new concept was proposed fairly recently - the concept of the "big middle" (Levy et al., 2005). According to this theory new formats emerge as 'low-price' or 'innovative', and there are two other groups of formats. The "big middle" comprises a group of retailers whose formats have the best price-to-quality ratio. This gives them a good market position and allows them to implement economies of scale. The fourth group are formats which are threatened with demise because of an unsatisfactory ratio between the prices and value proposition. This concept originated in the United States and was verified there. Undoubtedly, there is also a need to do so in relation to other markets.

Conflict Theories

A different approach to explaining the issue of format change was used in the **Conflict theories**. According to these theories, conflict between existing and new formats is the driving force behind changes in the retail sector. The source of this conflict is competition between old and new, innovation, which is considered (Schumpeter 1950) to be the most inherent feature of a capitalist economy and its principal driving force. The emergence of innovative formats forces the existing formats to respond. The response to innovation is a process whose nature has been repeatedly studied, also in relation to the retail sector. One of the first researchers who explored this issue was Gist (1968), according to whom conflicts between retail companies is a driving force behind the changes which occur in the reality of the commercial world. The conflict occurs as a result of introducing innovation in the operations of different players, either those who already are on the market or new market entrants. Swan (1974) proposed an adaptation of Parsons and Smelser's model of social change, in which he identified seven stages of the process of change. Another model is the concept created by Fink, Baek and Taddeo, adapted for the purposes of distribution channels by Stern and El-Ansary (1977), which indicates four stages in the action-reaction sequence: shock, retreat (defensive action), acceptance and adaptation. A more profound analysis of the process of creating innovation and the responses to it is based on Hegelian dialectic (Maronick and Walker, 1974, Kaufman, 1985). This explains development as a natural consequence of the appearance of an original idea (thesis), its negation (antithesis) and a result in the form of a synthesis. A newly-created format in a conceptual sense is an antithesis of an existing format (thesis). The imitation effect (mutual adaptation) which occurs between the two leads to the emergence of another format (synthesis), which later becomes the thesis. In this way it is possible to explain the emergence of a number of formats such as department stores, discount stores, discount department stores, hypermarkets, discount hypermarkets and other so-called hybrid formats (Cardinali, 2009). It ought to be stressed that in comparison to the Wheel of Retailing theory or the Format Life Cycle theory, the Conflict theory has contributed a lot more to the understanding of how new formats emerge by identifying two basic mechanisms: a conceptualisation of a format through negating or reversing the characteristics of existing formats, and new formats becoming similar to existing ones. Thus, the Conflict theory has given rise to the development of a multi-element Environmental theory of new format emergence.

Environmental Theories

Environmental theories are a group of theories which focus on the impact of exterior factors and phenomena on a format and on the format's adaptive changes (Anitsal and Anitsal, 2011). They include such theories as the Adaptation theory, the Natural Selection theory and the Survival of the Fittest theory.

The **Adaptation theory** assumes that changes in the business environment are reflected in internal changes. In a sense this is a continuation of the dialectic approach as adaptation is a common feature of both those theories, though in the Environmental theory adaptation means adapting to a nominally greater number of factors which influence the operations of a company (format holder). The main assertion of this theory states that all the changes which occur in the market environment (macro- and micro-) of a company are reflected in the existing structure of the retail trade (Brown, 1987, Michael and Kim, 2005). Innovative formats will emerge (or rather, will be effective) if the operating conditions are favourable and/or if they have the ability to adapt; however, the most significant are social changes (the number, size, geographical distribution and income of households; the level of education and urbanisation), technological changes, legal changes, as well as the intensity of competition (Takei et al., 2006). For example, department stores would not have appeared in mid-19th century if it had not been for the development of the middle class, the development of public transport systems, the invention of lifts, as well as the customers' readiness to accept the fixed price policy. The supermarket, on the other hand, is a consequence of the Great Depression, the introduction of refrigerators onto the market, the popularisation of cars, the emergence of new packaging technologies (developed for the army during World War 1) and an increase in literacy (Bates, 1989). The origins of the discount store date back to the late 1940s, the time of the post-war reconstruction of Europe (Perrigot et al., 2007). The 1970s, the time of the great energy crisis, mark the beginning of the great expansion of discount stores.

By analogy to Darwinian evolutionism based on the principle of natural selection it can be said that the formats which are best adapted to changes in the operating conditions achieve greater efficiency in market services, have a better market position and contribute to the growth of commercial enterprises. In contrast, formats which are not modified according to changes in the environment are replaced by others, which are better suited to the current conditions. This mechanism very well explains the multiplicity and diversity of retail formats (Markin and Duncan, 1981).

Another environmental theory is the Survival of the Fittest theory (Hanappi, 2004). According to this theory, larger and stronger organisms have a greater chance of surviving in the business environment than smaller ones. In the case of the retail sector, however, there is insufficient evidence to support such a view. This applies to both retail formats and individual trading companies. It is possible to indicate many large, significant formats which are currently in decline (e.g. department stores) or in crisis (e.g. hypermarkets). The same applies to commercial enterprises, as evidenced by the failure of Walmart in Germany or the bankruptcy of Praktiker AGF.

Integrative Theories

The theories presented above are not mutually exclusive. They describe the process of format evolution from different perspectives and often have limited explanatory properties: they are suitable for describing the changes of selected formats, on selected markets and at specific stages of development. Cyclical theories point to the sources of innovation and the internal evolution of formats; conflict theories indicate inter-format interactions; environmental theories attach particular importance to external conditions and

the ability of formats to adapt to them under pain of death (as in the case of department stores). Thus, none of them provides a comprehensive explanation of institutional changes in the retail sector. This is why adopting an integrated approach may be the solution and combined theories have been proposed. Three such proposals ought to be mentioned:

- Environmental-cyclical theories, whose authors point out that cyclical changes occur consequent on the occurrence of favourable environmental conditions (Kaynak, 1979), which seems obvious (particularly as one of the elements of this theory is identifying the causes of increases in the level of commercial services, costs, profit margins and prices). The Wheel of Retailing theory cannot be considered in isolation, separated from actual operating conditions, because it is a generalisation of a historical analysis.
- **Cycle-Conflict:** An attempt at integrating the cyclical approach and the conflict approach which was undertaken by Gist (1968), the author of the dialectical theory of retail, who indicated that mature formats are the thesis, innovative formats are the antithesis, and the synthesis is a result of their mutual adjustment.
- Environment-cycle-conflict.

An integrated approach to the phenomenon of retail format evolution has been proposed by Agergaard, Olsen and Allpass (1970). According to this concept, the pattern of development resembles a spiral rather than a cycle. The theory assumes that the modification of a format (particularly in the direction of higher standards) automatically creates a vacuum in which new formats can appear. But because in the meantime the operating conditions have changed, innovative formats introduced at different times vary from one another. According to this theory, the convenience store is a more sophisticated version of the earlier corner shop. Also, discount stores are cheaper forms of supermarkets, and off-price stores are a modification of discount stores. The principal reason for these changes is economic growth, whose rate determines the pace of format change. This theory does not take into account other factors (e.g. technological or legal) which may promote or restrict the development of some formats.

A slightly different approach to format change is presented by Beem and Oxenfeld (1966). In their view, these changes (in a historical perspective) can be explained by distinguishing two types of cycles: long and short. Long cycles begin when new innovative formats emerge and span their entire life cycle. From the beginning of their existence new formats are observed by other market participants and it is not long before the imitation effect occurs: imitators appear that want to use the same solutions for achieving a competitive advantage. The decreasing distance forces the innovator, but also the imitator, to look for distinguishing features for their operations. Short cycles pertain to just such intra-format changes.

EXAMPLES OF INNOVATIVE RETAIL FORMATS AND AN ATTEMPT AT EXPLAINING THEIR ORIGINS

In the current structure of the retail sector store-based retail formats play a dominant role in terms of generating turnover. According to Euromonitor International data for 2018, for example, in the United States 80.52% of the turnover in retail trade was generated by such formats, in Great Britain – 81.84%, in China – 75.17% and in South Korea – 70.07%. It must be noted, however, that in the years 2012-2018 the most dynamic section of retail sales was online trading. The process of new format emergence ap-

Retail Formats and Alternative Retail Formats

plies to both store-based and non-store based retailing. Let us look at the mechanism for the emergence of two innovative formats in the light of the previously presented theories relating to format emergence and change: the pop-up store and m-commerce.

The most important feature of the **pop-up store** is the temporariness of its existence. This statement lends support to cyclical theories as well as reflecting dialectical processes in change. The contemporary pop-up store is essentially a version of itinerant trade which existed at the dawn of commerce. It originated as a result of a division of labour in society and the emergence of agents who professionally engaged in sales activities. After centuries of development in the retail sector, which throughout this time sought to produce stationary points of sale, here again has emerged a format which by definition is temporary. In a way, this is a negation of the current standard which favours running a business for a long time. Such solutions, up to now considered the most desirable, were justified on the one hand by the relatively costly and time-consuming process of accumulating resources and the need for obtaining the benefits of those efforts. On the other hand, the longer the duration of the operations, the greater the chance of creating brand value and providing the customers with the comfort of repeat visits. However, in the post-modern era nothing remains the same; the modern reality is fluid and based on perpetual change (Bauman, 2007). Stability is not necessarily a virtue; novelty gains in value. A pop-up store does not last long – from several days to several months, usually around a month (Surchi, 2011). The first such shops appeared in Great Britain in 2003, then also in the US, Italy and France. In their most innovative form they operate as ordinary shops, but they can also operate as stands in shopping centres, itinerant sales points (e.g. on buses), or online shops (Surchi, 2011).

Describing the mechanism for the emergence of pop-up stores requires taking into account environmental factors. The most significant one is the evolution in customer behaviour. Consumers increasingly desire products that express their unique, personal identity (Kim et al., 2010). They expect innovation, surprises, new products (Barnes and Lea-Greenwood, 2006). This is particularly noticeable in the fashion industry. At the same time, more and products are subject to fashion, not only clothes and accessories but also home and garden furnishings, toys, sporting goods, cars, houses, and even pets. Fast fashion, a phenomenon which originated in the apparel industry, perfectly fits this trend. The precursors of applying this concept in business are considered to be Inditex and H&M. The essence of this concept is a radical reduction in the time of preparing a collection and shortening the entire life cycle. In pre-fast fashion days, the period between designing and manufacturing clothing was approximately six months; in the fast fashion era this cycle lasts four weeks or less (Mihm, 2010). Products are marketed at high frequency, and the batches are relatively small. This is intended to generate the effect of uniqueness, which in many cases encourages a customer to make an instant purchase rather than postpone it till later. Products are designed for a relatively short period of use. The fact that they are fashionable means that they are ‘stigmatised’ as belonging to a particular season by their colour, fabric and style. As a result, there is a high level of recurring demand among new-fashion buyers, which leads to a growth in revenues and an increase in the market power of the companies which apply this concept. It ought to be added that for manufacturers the pop-up store is not only a format for selling goods, i.e. an element in the distribution channel, but also a method of testing new products and an ambient marketing instrument.

An important factor is also the development of companies which offer the resources necessary to set up a shop. Creating a pop-up store is like creating a virtual organisation; it requires a venue (often in a location with the highest flow of buyers), furnishings and employees for a short-term project. A particular role in this process is played by Internet portals which function as intermediaries (e.g. commercial space exchanges)

A possible reason for the success of pop-up stores can be (according to the Theory of Natural Selection) the fact that they are better adapted to the environment than other formats. In this case it can be concluded that the pop-up store is a synthesis of 'push' actions from producers seeking more effective ways of distribution and market communication, and 'pull' actions relating to customer expectations. A catalyst for this reaction are the markets for resources which are necessary for a retail company to open a shop. Such a configuration of factors bodes well for the future of the pop-up store.

It is worth noting that in comparison to earlier formats, the approach to determining the sources for the innovativeness of pop-up stores is non-standard (which to a large extent corresponds to the findings of the Format Life Cycle theory). So far, they have been traced to such features of shops as product assortment, sales area, price level and range of services. New shops have opened which offered lower prices in contrast to higher ones; were bigger in contrast to smaller ones; or were more general in contrast to more specialised ones. The pop-up store, in essence, is different from the vast majority of existing retail formats. It is like a comet or an ephemeron whose transience attracts the attention of surprise-hungry consumers. The example of the pop-up store shows that consumers do not always expect shops to offer lower prices, greater convenience or a higher standard of service. The range of their expectations is much wider, although they themselves might not be aware of some of them. This issue is a potentially attractive area of research.

The second format which has been selected for this analysis is mobile commerce (m-commerce). It is difficult to pinpoint the date of origin of this format. The most important determinant of its development was smartphones launch. In 2007 Apple launched the first model of iPhone, followed by similar devices marketed by Nokia, Samsung, HTC and Motorola. In 2008 the first Android-powered phones appeared. This marked the beginning of an exponential increase in the number of applications which served various purposes: providing entertainment, comparing prices, searching for products or places (e.g. shops or cash machines), preparing shopping lists, conducting transactions, making payments, as well as many others.

M-Commerce is quite broadly defined as all activities related to a (potential) commercial transaction conducted through computer-mediated networks with the help of mobile devices – mainly mobile phones and personal data assistants (PDAs) (Tarasewich, 2002, Tiwari et al., 2006). These activities include:

- Providing information to a consumer and acquiring information by a consumer;
- Creating a real-time interaction between a retailer and a consumer, used by any type of retailer, including bricks-and-mortar (Yang, 2010),
- Purchasing goods and services via a mobile phone or another mobile device (Clarke, 2001).

A separate retail format exists when transactions are made with the help of a mobile device. In many ways m-commerce is largely similar to standard online commerce, it is a modification of it (from the perspective of both the customer and the seller). Its main feature is that it offers the convenience of remote access to a range of products. However, the features of m-commerce are more advanced in comparison to those of online shops which can be accessed from a desktop PC; these are (Liao et al., 1999, Shin and Shim, 2002, Gilbert and Han, 2005, Yang, 2010):

- Personalised products which take into account not only customer profiles and the time context but also the spatial context of interaction;

Retail Formats and Alternative Retail Formats

- Access to products anytime and anywhere. Purchases can be made both in shops which offer goods on a website and from those which offer their products in the public space (as in the case of Tesco in South Korea). This option means that a customer can make a purchase not only when they feel like doing so, but also when they are away from their PC and are subject to forced inactivity, for example waiting for a tram or sitting in a dentist's waiting room.

The source of innovation for m-commerce is providing customers with constant (continuous and ubiquitous) contact with retailers – total contact. This unique feature has provided consumers unprecedented convenience in online shopping (Sun and Chi, 2019). Potentially, it is also a highly expansive format. In the current practice of format operations it was usually the consumer who initiated contact by going to a shop or an online shop's website. M-commerce allows a retailer to be more active and take the initiative as regards offering products. At the same time, this feature has caused some legal controversy (particularly relating to ensuring customer privacy). M-commerce is a format the development of which is a consequence of the 'push' impact on the part of smartphone and smartphone application suppliers as well as retailers and banks. This format is characterised by a high degree of technological advancement and the process of its adaptation is dependent on the adaptation of technology. This is influenced on the one hand by the perceived usefulness of the technology, and on the other by its perceived ease of use (Venkatesh and Davis, 1996). Thus, the question remains to what extent consumers are and will be inclined to use m-commerce. Many studies have been conducted worldwide to determine the attitudes of consumers towards mobile marketing (Broeckelman, 2010, Yang, 2010, Persaud and Azhar, 2012, Wells et al., 2012). Their findings indicate significant cultural differences in this respect. The issue of acceptance for the new format has not been studied very thoroughly yet, but here cultural differences also seem to be quite noticeable (Su and Adams, 2010). The factors relating to the acceptance of the m-commerce format by consumers from different countries will certainly be the subject of ample research in the future.

CONCLUSION AND EMERGING ISSUES

An effective explanation for the emergence of new formats requires an integrated theoretical approach. Undoubtedly, just like in the case of all social phenomena, nothing happens without a reason, which means that it is necessary to determine the strength and direction of the influencing factors. These factors are diverse because they are related to different kinds of processes (social, technological, economic, sector-specific) and have different types of impact (push and pull). The effectiveness of new format emergence depends on the degree of adaptation to these conditions; the better the adaptation, the greater the chances of development. The sources of innovation are also significant as innovation is the sine qua non for the emergence of a new format: there must be something that distinguishes the new from the old. A potential list of such sources does not exist, and in the search for new ones a non-linear approach is becoming evident, which probably means that not all new formats need be based on existing ones, being their modification or opposite.

A common element of the two innovative formats presented, the pop-up store and m-commerce, is time as a criterion behind their emergence. Time, which is a strictly non-renewable resource, is the source of innovation for both pop-up stores and m-commerce, though in different ways. M-commerce is

an answer to the pragmatism of customers, who want to save time. The pop-up store is a format which accelerates the pace of change, thus dynamising the passage of time.

In the near future more new formats are certain to appear. These will most probably include further modifications of online stores, for example a format which will make it possible to do automated shopping, without customer participation. In this format orders will be generated by an intelligent refrigerator or other household appliance.

A solution which may revolutionise online commerce may be a shop which instead of selling real products will offer products in a digital form. This will require the popularisation of 3D printers. Such devices already make it possible to print a variety of goods, ranging from simple plastic items (e.g. building blocks for children) to very complex structures (such as human body parts for transplantation).

However, it is almost certain that new store-based retail formats will also emerge. In many developed countries the formats belonging to this category have dominated the retail trade and there are no indications that they may cease to exist in the foreseeable future. Some of them, like alternative retail formats may be a growing category. Also, new formats are bound to emerge which will be a synthesis of stationary and online retailing, using augmented and virtual reality technology. Thankfully, there are no limits to the ingenuity of entrepreneurs.

REFERENCES

- Agergaard, E., Olsen, P. A., & Allpass, J. (1970). The interaction between retailing and the urban center structure: A theory of spiral movement. *Environment & Planning*, 2(1), 55–71. doi:10.1068/a020055
- Anitsal, I., & Anitsal, M. M. (2011). Emergence of entrepreneurial retail forms. *Academy of Entrepreneurship Journal*, 17(2), 1–17.
- Barnes, L., & Lea-Greenwood, G. (2006). Fast fashioning the supply chain: Shaping the research agenda. *Journal of Fashion Marketing and Management*, 10(3), 259–271. doi:10.1108/13612020610679259
- Bates, A. D. (1989). The extended specialty store: a strategic opportunity for the 1990s. *Journal of Retailing*, 65(3), 379–389.
- Bauman, Z. (2007). *Liquid times: living in an age of uncertainty*. Cambridge, UK: Polity Press.
- Beard, N. D. (2008). The branding of ethical fashion and the consumer: a luxury niche or mass-market reality? *Fashion Theory*, 12(4), 447–467. doi:10.2752/175174108X346931
- Beem, E. R., & Oxenfeldt, A. R. (1966). A diversity theory for market processes in food retailing. *Journal of Farm Economics*, 48(3), 69–95. doi:10.2307/1236319
- Borusiak, B. (2014). The mechanisms for the emergence and evolution of retail formats. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch007
- Brace-Govan, J., & Binay, I. (2010). Consumption of disposed goods for moral identities: A nexus of organization, place, things and consumers. *Journal of Consumer Behaviour*, 9, 69–82.

Retail Formats and Alternative Retail Formats

- Broeckelmann, P. (2010). Exploring consumers' reactions towards innovative mobile services. *Qualitative Market Research*, 13(4), 414–429. doi:10.1108/13522751011078827
- Brown, S. (1987). Institutional change in retailing: a review and synthesis. *European Journal of Marketing*, 21(6), 5–36. doi:10.1108/EUM0000000004701
- Brown, S. (1990). The wheel of retailing: past and future. *Journal of Retailing*, 66(2), 143–149.
- Brown, S. (1991). Variations on a marketing enigma: the wheel of retailing theory. *Journal of Marketing Management*, 7(2), 131–155. doi:10.1080/0267257X.1991.9964146
- Bucklin, L. P. (1972). *Competition and evolution in the distributive trades*. Englewood Cliffs, NJ: Prentice Hall.
- Cardinali, M. G. (2009). The strategic options of modern retailers in the development of new formats. In *XV European Association of Education and Research in Commercial Distribution Conference Proceedings* (pp. 1-28).
- Cervellon, M. C., Wigley, S. M., Carey, L., & Harms, T. (2012). Something old, something used. [Guildford, UK: Surrey University. doi:10.1108/09590551211274946]. *International Journal of Retail & Distribution Management*, 40(12), 956–974.
- Charity Retail Association. Retrieved from <https://www.charityretail.org.uk/charity-shops>
- Chu, H. & Liao, S. (2007). Exploring the motivations of consumer resale behavior in C2C E-commerce. *International Journal of Business and Management*, 2(5), 178–185.
- Clarke, I. I. (2001). Emerging value propositions for m-commerce. *The Journal of Business Strategy*, 18(2), 133–149.
- Davidson, W. R., Bates, A. D., & Bass, S. J. (1976). The retail life cycle. *Harvard Business Review*, Nov./Dec., 89-96.
- Davies, G. (1999). The evolution of Marks and Spencer. *Service Industries Journal*, 19(3), 60–73. doi:10.1080/02642069900000030
- Dawson, J. (2000). Viewpoint: retailer power, manufacturer power, competition and some questions of economic analysis. *International Journal of Retail & Distribution Management*, 28(1), 5–8. doi:10.1108/09590550010306700
- De Brito, M. P., Carbone, V., & Blanquart, C. M. (2008). Towards a sustainable fashion retail supply chain in Europe: Organisation and performance. *International Journal of Production Economics*, 114(2), 534–555. doi:10.1016/j.ijpe.2007.06.012
- Dragun, D. (2004). The financial implications of retail strategy. In J. Reynolds & C. Cuthbertson (Eds.), *Retail strategy. The view from the bridge*. Oxford, UK: Elsevier Butterworth-Heinemann. doi:10.1016/B978-0-7506-5696-2.50009-X
- Dreesman, A. C. R. (1968). Patterns of evolution in retailing. *Journal of Retailing*, 44(Spring), 64–81.

- Ferraro, C., Sands, S., & Brace-Govan, J. (2016). The role of fashionability in second-hand shopping motivations. *Journal of Retailing and Consumer Services*, 32, 262–268. doi:10.1016/j.jretconser.2016.07.006
- Fiore, A. M., & Kim, J. (2007). An integrative framework capturing experiential and utilitarian shopping experience. *International Journal of Retail & Distribution Management*, 35(6-7), 421–442. doi:10.1108/09590550710750313
- Gilbert, L. A., & Han, H. (2005). Understanding mobile data services adoption: Demography, attitudes or needs? *Technological Forecasting and Social Change*, 72(3), 327–337. doi:10.1016/j.techfore.2004.08.007
- Gist, R. R. (1968). *Retailing: Concepts and decisions*. New York, NY: Wiley.
- Goldman, A. (1975). The role of trading up in the development of the retailing system. *Journal of Marketing*, 39(1), 54–62.
- Guy, C. M. (1998). Classifications of retail stores and shopping centres: Some methodological issues. *GeoJournal*, 45(4), 255–264. doi:10.1023/A:1006960414161
- Hanappi, H. (2004, October). *The survival of the fittest. evolution of needs, lust and social value in a long-run perspective*. Paper presented at the European Association for Evolutionary Political Economy Conference, Crete, Greece.
- Hart, C. (1999). The retail accordion and assortment strategies: an explanatory study. *International Review of Retail, Distribution and Consumer Research*, 9(2), 111–126. doi:10.1080/095939699342598
- Hollander, S. C. (1960). The Wheel of Retailing. *Journal of Marketing*, 25(1), 37–42. doi:10.1177/002224296002500106
- Hollander, S. C. (1966). Notes on the retail accordion. *Journal of Retailing*, 43(Summer), 24–40.
- Horne, S., & Broadbridge, A. (1995). Charity shops: A classification by merchandise mix. *International Journal of Retail & Distribution Management*, 23(7), 17–23. doi:10.1108/09590559510095242
- Izraeli, D. (1973). The three wheels of retailing: a theoretical note. *European Journal of Marketing*, 7(1), 70–74. doi:10.1108/EUM0000000005101
- Jordon, A. (2015). Free reign fashion. *LSN Global*. Retrieved from <https://www.lsnglobal.com/news/article/18265/free-rein-fashion>
- Kaikati, J. D. (1985). Don't discount off-price retailers. *Harvard Business Review*, 63(3), 85–92.
- Kaufman, S. (1985). Coping with rapid retail evolution. *Journal of Consumer Marketing*, 2(1), 17–27. doi:10.1108/eb038817
- Kaynak, E. (1979). A refined approach to the wheel of retailing. *European Journal of Marketing*, 13(7), 237–245. doi:10.1108/EUM0000000004957
- Kim, H., Fiore, A. M., Niehm, L. S., & Jeong, M. (2010). Psychographic characteristics affecting behavioral intentions towards pop-up retail. *International Journal of Retail & Distribution Management*, 38(2), 133–154. doi:10.1108/09590551011020138

Retail Formats and Alternative Retail Formats

- Klouda, L. (2008). Charity retailing: The future of sustainable shopping? *European Retail Digest*, 56, 16–20.
- Levy, M., Grewal, D., Peterson, R. A., & Connolly, B. (2005). The concept of the “big middle”. *Journal of Retailing*, 81(2), 83–88. doi:10.1016/j.jretai.2005.04.001
- Liao, S., Shao, I. P., Wang, H., & Chen, A. (1999). The adoption of virtual banking: An empirical study. *International Journal of Information Management*, 19(1), 63–74. doi:10.1016/S0268-4012(98)00047-4
- Markin, R. J., & Duncan, C. P. (1981). The transformation of retailing institutions: beyond the wheel of retailing and life cycle theories. *Journal of Macromarketing*, 1(1), 58–66. doi:10.1177/027614678100100110
- Maronick, T. J. & Walker, B. J. (1974). The dialectic evolution of retailing. In B. Greenberg (Ed.), *Proceedings of the Southern Marketing Association* (pp. 147-151). Southern Marketing Association. Atlanta, GA: Georgia State University.
- McGoldrick, P. J., & Davies, G. (Eds.). (1995). *International retailing: trends and strategies*. Glasgow, UK: Pitman Publishing.
- McNair, M. P. (1958). Significant trends and development in the postwar period. In A. B. Smith (Ed.), *Competitive distribution in a free, high-level economy and its implications for the university*. Pittsburgh, PA: University of Pittsburgh Press.
- Michael, S. C., & Kim, S. M. (2005). The organizational ecology of retailing: A historical perspective. *Journal of Retailing*, 81(2), 113–123. doi:10.1016/j.jretai.2005.03.005
- Mihm, B. (2010). Fast fashion in a flat world: global sourcing strategies. *International Business & Economics Research Journal*, 9(6), 55–63.
- Musso, F. & Druica, E. (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Parsons, E. (2002). Charity retail: Past, present and future. *International Journal of Retail & Distribution Management*, 30(12), 586–594. doi:10.1108/09590550210453066
- Perrigot, R., Basset, G., & Cliquet, G. (2007). Does the retailing wheel still work? The case of the hard discount stores in France. In J. Zentes, D. Morschett, & H. Schramm-Klein (Eds.), *XIV European Association of Education and Research in Commercial Distribution Conference Proceedings* (pp. 1328-1353), Saarland University, Germany.
- Persaud, A., & Azhar, I. (2012). Innovative mobile marketing via smartphones: are consumers ready? *Marketing Intelligence & Planning*, 30(4), 418–443. doi:10.1108/02634501211231883
- Reynolds, J., Howard, E., Cuthbertson, C., & Hristov, L. (2007). Perspectives on retail format innovation: Relating theory and practice. *International Journal of Retail & Distribution Management*, 35(8), 647–660. doi:10.1108/09590550710758630
- Rousey, S. P., & Morganosky, M. A. (1996). Retail format change in US markets. *International Journal of Retail & Distribution Management*, 24(3), 8–16. doi:10.1108/09590559610147883

Schumpeter, J. A. (1950). *Capitalism, socialism and democracy*. New York, NY: Harper & Brothers Publishers.

Shin, G., & Shim, S. S. Y. (2002). A service management framework for m-commerce applications. *Mobile Networks and Applications*, 7(3), 199–212. doi:10.1023/A:1014574628967

Stern, L. W., & El-Ansary, A. I. (1977). *Marketing channels*. Englewood Cliffs, NJ: Prentice Hall.

Stone, J., Horne, S., & Hibbert, S. (1996). Car boot sales: A study of shopping motives in an alternative retail format. *International Journal of Retail & Distribution Management*, 24(11), 4–15. doi:10.1108/09590559610131682

Su, Q., & Adams, C. (2010). *Consumers' attitude toward mobile commerce: a model to capture the cultural and environment influences*. Hershey, PA: IGI Global. doi:10.4018/978-1-61520-967-5.ch092

Sun, J., & Chi, T. (2019). Investigating the adoption of apparel m-commerce in the US market. *International Journal of Clothing Science and Technology*, 31(4), 544–563. doi:10.1108/IJCST-03-2018-0038

Surchi, M. (2011). The temporary store: A new marketing tool for fashion brands. *Journal of Fashion Marketing and Management*, 15(2), 257–270. doi:10.1108/13612021111132672

Swan, J. E. (1974). A functional analysis of innovation in distribution channels. *Journal of Retailing*, 50(1), 9–23.

Takei, H., Kudo, K., Miyata, T., & Ito, Y. (2006). Adaptive strategies for Japan's retail industry facing a turning point. *Nomura Research Institute Papers*, 110, 1-13. Retrieved from <http://www.nri.co.jp/english/opinion/papers/2006/pdf/np2006110.pdf>

Tarasewich, P., Nickerson, R. C., & Warkentin, M. (2002). Issues in mobile e-commerce. *Communications of the Association for Information Systems*, 8, 41–64. doi:10.17705/1CAIS.00803

Tiwari, R., Buse, S., & Herstatt, C. (2006). From electronic to mobile commerce. Opportunities through technology convergence for business services. *Tech Monitor*, Sep-Oct, 38-45.

Tiwari, R. S. (2009). *Retail management, retail concepts and practices*. Mumbai, India: Global Media.

Venkatesh, V., & Davis, F. D. (1996). A model of the antecedents of perceived ease of use: Development and test. *Decision Sciences*, 27(3), 451–481. doi:10.1111/j.1540-5915.1996.tb01822.x

Walter, A., Ritter, T., & Gemunden, H. G. (2001). Value creation in buyer-seller relationships. theoretical considerations and empirical results from a supplier's perspective. *Industrial Marketing Management*, 30(4), 365–377. doi:10.1016/S0019-8501(01)00156-0

Wells, R., Kleshinski, C. E., & Lau, T. (2012). Attitudes toward and behavioral intentions to adopt mobile marketing; comparisons of Gen Y in the United States, France and China. *International Journal of Mobile Marketing*, 7(2), 5–24.

Williams, C. C., & Paddock, C. (2003). The meanings of informal and second-hand retail channels: Some evidence from Leicester. *International Review of Retail, Distribution and Consumer Research*, 13(3), 317–336. doi:10.1080/0959396032000101372

Retail Formats and Alternative Retail Formats

- Yan, R.-N., Bae, S. Y., & Xu, H. (2015). Second-hand clothing shopping among college students: The role of psychographic characteristics. *Young Consumers, 16*(1), 85–98. doi:10.1108/YC-02-2014-00429
- Yang, K. (2010). Determinants of US consumer mobile shopping services adoption; implications for designing mobile shopping services. *Journal of Consumer Marketing, 27*(3), 262–270. doi:10.1108/07363761011038338
- Yu, W., & Ramanathan, R. (2008). An assessment of operational efficiencies in the UK retail sector. *International Journal of Retail & Distribution Management, 36*(11), 861–882. doi:10.1108/09590550810911656
- Zentes, J., Morschett, D., & Schramm-Klein, H. (2007). *Strategic retail management. Text and international cases*. Wiesbaden, Germany: Gabler.

ADDITIONAL READING SECTION

- Borusiak, B., & Kucharska, B. (2019). Sustainability in Retailing: A Study of Consumer Intentions Regarding Involvement in Charity Shop Activities. *Studia Periegetica, 1*(25), 65–85. doi:10.26349t.per.0025.05
- Chan, F. T. S., & Chong, A. Y.-L. (2013). Analysis of the determinants of consumers' m-commerce usage activities. *Online Information Review, 37*(3), 443–461. doi:10.1108/OIR-01-2012-0012
- Colla, E. (2004). The Outlook for European Grocery Retailing: Competition and Format Development. *International Review of Retail, Distribution and Consumer Research, 14*(1), 47–69. doi:10.1080/0959396032000154293
- Colla, E., & Lapoule, P. (2012). E-commerce: Exploring the critical success factors. *International Journal of Retail & Distribution Management, 40*(11), 842–864. doi:10.1108/09590551211267601
- Hino, H. (2010). Antecedents of supermarket formats' adoption and usage: A study in the context of non-western customers. *Journal of Retailing and Customer Services, 17*(1), 61–72. doi:10.1016/j.jretconser.2009.09.005
- Jhamb, D., & Kiran, R. (2012). Emerging Retail Formats and It's Attributes: An Insight to Convenient Shopping. *Global Journal of Management and Business Research, 12*(2), 63–71.
- Kim, S.-H., & Kincade, D. H. (2006). The Model for the Evolution of Retail Institution Types. *Journal of the Korean Society of Clothing and Textiles, 30*(12), 1661–1671.
- Payton, P. (2007). New Formats from New Retailers: Breakthrough Concepts from the US. *European Retail Digest, 55*, 17–25.
- Young, K., & Kim, H.-Y. (2012). Mobile shopping motivation: An application of multiple discriminant analysis. *International Journal of Retail & Distribution Management, 40*(10), 778–789. doi:10.1108/09590551211263182

KEY TERMS AND DEFINITIONS

Adaptation Theory: Assumes that changes in the business environment are reflected in internal changes. The main assertion of this theory states that all the changes which occur in the market environment (macro- and micro-) of a company are reflected in the existing structure of the retail trade.

Alternative Retail Format: A retail format focused mainly on second-hand products sale, also products which lost their ability to be sold in a regular store (due to the short remaining expiry date or package damage). Many alternative retail formats are founded in order to protect products from waste and to give them a “second life”.

Conflict Theories: According to them, conflict between existing and new formats is the driving force behind changes in the retail sector.

M-Commerce: An internet retailing format based on the possibility of making transactions via mobile devices such as smartphones and personal data assistants.

Pop-up Store: A temporary retail outlet which sells short lines of goods and/or unique products.

Retail Accordion Theory: In the subsequent stages of the development of retail sector the formats which emerge and gain an advantage are those which alternate between specialisation and universalisation of their product and service structure.

Retailer's Product: A service which to consumers offers access to products which originate outside the trade sector, and to suppliers – access to the consumer market. A retailer's product, when considered structurally, has a very complex nature: it is defined by a number of components such as the form of the product assortment (in terms of dimensions such as depth, width and the criteria for its creation); and the conditions in which it is offered (location, time, presentation, range of services, price level, forms of payment, how customers receive goods).

Retail Format: An aggregated and standardised designation of a retailer's product which denotes a certain way of conducting sales, both in the store-based and non-store form. Retail formats are described in terms of marketing strategy instruments such as product and service assortment, pricing policy, the location and manner of offering products, as well as the type and configuration of the resources used.

Retail Format Life Cycle Theory: Refers to the succession of identifiable stages a retail format goes through over time: innovation, growth, maturity and decline.

Wheel of Retailing Theory: Concept explaining the mechanisms for the emergence and changes to retail formats. It suggests that new retail formats often start as discount store and then improve their service to get better position on the market.

Chapter 10

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Jason J. Turner

Asia Pacific University of Technology and Innovation, Malaysia

Toni Corstorphine

Audi, UK

ABSTRACT

This chapter examines customer and retailer perceptions of the decline of the UK High Street and investigates the potential of the service encounter to reverse this decline. UK High Street is in perpetual decline as a result of 3 inter-related factors: the rise in competitor offers from out-of-town retailing and online shopping; rather high business rates; economic uncertainty perpetuated by Brexit. Revisiting interviews conducted in 2013 across 4 Scottish cities with 40 retailers (national chains and independents) and 40 customers ages 18-60 reveals a difference of opinion between retailers and customers. Unlike retailers, the majority of customers thought potential solutions to the decline in the UK High Street lay in combining the appeal of online convenience and choice with the tangibility of the physical store experience.

INTRODUCTION

The decline of the UK High Street (a typical High Street is illustrated in Figures 1 and 2) has been a much-discussed topic in the UK media and academic community for many years. It is perceived as a symptom of how today's customer engages with products and services and a consequence of the strategies employed by many UK retailers. The effects of the decline are felt not just economically but socially, with community cohesion being negatively impacted by the decline (Martin, 2018). Today's customer increasingly uses the internet and mobile devices to shop (Williams, 2019; Popomaronis,

DOI: 10.4018/978-1-7998-1412-2.ch010

2017; Williams-Grut, 2017; Milliken, 2012; O'Reilly, 2012), seeking convenience, choice and value for money, which are arguably better facilitated by online and out-of-town retailing (Williams, 2019; Bignell & Lefty, 2013; Bamfield, 2013; Milliken, 2012; Poulter, 2012; Portas, 2011; Hall, 2011). The result is an increasing number of empty shops across the UK, rising year on year to reach around 50,828 in 2019 (Butler, 2019). In Scotland, similarly to the rest of the UK, it is not only the rise in the number of store closures, it is the net store loss (new stores opening – stores closing) which stood at 119 in 2018 (265 store closures and 146 new stores), a drop on the 2017 figure of 148 (Anon, 2019ab) yet still an area of real concern. With respect to the cities used in this research the net losses for 2018 were 32 for both Glasgow and Edinburgh, 27 for Aberdeen and 5 for Dundee (Anon, 2019a) which illustrates the challenges facing city centre management groups and local authorities.

To address, or perhaps more accurately to arrest, the decline a number of solutions have been suggested, with the most comprehensive arguably delivered by Portas (2011) in her 'Review into the future of our High Streets'. Portas (2011) made 28 recommendations which focused on non-digital solutions, specifically High Street management, the need to change existing legislation to address barriers to retailers ability to change the use of existing retail spaces and reduce current business rates which are still considered high by many retailers. The themes from Portas's (2011) review still resonate today and although some have been challenged (Wrigley & Lambiri, 2015), the themes have generally had a positive impact on driving the High Street agenda forward and stimulating further discussion and proposed solutions. Examples of these discussions include the research of Findlay (2013) who proposed the need for High Street retailers to better connect, particularly emotionally, with customers; 'The High Street Report' conducted by a panel of industry experts who proposed a High Street Task Force, appropriate funding and a range of short term measures to assist the High Street and town centres (Anon, 2018). Wrigley & Lambiri (2015) provided a robust analysis of the retail landscape across the UK, proposing digital and non-digital solutions to address the potential recovery of the High Street and Millington & Ntounis (2017) who propose a strategy of High Street repositioning to enable consumers to understand the function of, and identify and connect with, their respective town centre.

Using qualitative interviews conducted in 2013 and revisited in 2019 with 40 retailers (20 national chains and 20 independents) representing the fashion, footwear, jewelry and health and beauty sectors and 40 customers (20 aged 18-30 and 20 aged 31 and over) across Scotland's four major cities (Aberdeen, Dundee, Edinburgh and Glasgow), the research will evaluate customer and retailer perceptions of the decline of the UK High Street and investigate, amongst other measures, the potential of the service encounter, specifically customer service as a means to reverse this decline. Clearly enhancing the service encounter is not the only solution to reverse the UK High Street decline, however making the in-store experience more appealing to customers presents retailers with an opportunity to exploit something which is not readily available online and may encourage customers to return to the High Street not simply because there is the facility to collect online purchases or to 'try before they buy online', but because the High Street adds real value and choice to their shopping experience.

BACKGROUND

'The UK High Street is in crisis' is a common media headline in recent years and reflects key themes in UK retailing, namely the decline of the High Street, the reasons for this decline and suggestions on how to arrest this decline. Although there are other themes facing today's UK retailers, specifically the

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Figure 1. Britain's Changing High Streets (© 2009, user:kilnburn. Used with permission)



changing competitive social and economic nature of retail both nationally and internationally (Theodoridis, Ntounis & Pal, 2017; Smith, 2013); and an increasingly data driven and informed customer (Popomaronis, 2017; Smith, 2013), many of the key themes in UK retail are related to the decline of the High Street. The high rents and associated costs to the physical store (Greenhalgh, Johnson & Huntley, 2019; Department for Communities & Local Government, 2013; Smith, 2013; Portas, 2011) have made it increasingly difficult to stay competitive offline and has therefore presented retailers with a number of dilemmas, do they continue to increase their online presence and if so will this come at the expense of the customer experience in-store? Can the in-store experience be combined with online convenience?

Figure 2. Dundee High Street. (© 2013a, James Kelly. Used with permission.).



Due to the increase in online shopping (Williams, 2019; Popomaronis, 2017; Wrigley & Lambiri, 2015; Arnott, 2016; Bamfield, 2013; Westbrook, 2013) the need to understand the customer and how they shop both online and in-store has become increasingly important, a theme reflected in the need to have the correct product assortment which appeals to online and in-store customers and reinforced by the fact that customers are now more price aware due to comparative websites and promotions being more transparent and traceable (Williams, 2019; Smith, 2013).

The decline of the High Street has been felt more sharply in the UK when compared to the majority of European countries where many customers “still prefer to visit their local shops and town centres” (Briggs, 2013, para.1). However, that is not to say that online shopping is not increasing in the majority of European countries (Davis, 2019). When the research reviews the literature we can observe that customers across Europe seek convenience and are increasingly using the internet to make their retail purchases (Davis, 2019; Anon, 2013a; Cotterill, 2013; EMEA, 2013; Roland Berger, 2013; Sikora, 2013). Therefore, it is not too much of a stretch to hypothesise that the European town centre could follow a similar decline (Williams-Grut, 2019), being used predominantly for showrooming (Butler, 2013; Roland Berger, 2013) as customers with higher expectations seek more retail choice and added value (Anon, 2013a) from their shopping experience. Such a trend would arguably be to the detriment of the respective communities, creating a negative impact both psychologically and socially on the community feel in those towns and cities (Martin, 2018; Hill, 2013).

According to Hall (2011) “Britain’s shops and High Streets are in crisis due to the economic downturn and the continued growth in the number of out-of-town shopping centres, supermarkets and retail parks, which are attracting custom away from town centres” (para.8). Such a perspective has merit; low wage rises and inflation have arguably led to a lack of consumer spending and low growth (Theodoridis, Ntounis & Pal, 2017; Cooper, 2012; Moulds, 2013) which has in turn, has a negative effect on High Street footfall, duration of visit and spend. High business rates and rents for retailers and, following the 2017 revaluation, reduced relief for some smaller retailers (Greenhalgh, Johnson & Huntley, 2019) has led to the argument that in order to drive consumers to the High Street there needs to be a fundamental change to how customers perceive the High Street (Millington & Ntounis, 2017; Wrigley & Lambiri, 2015). Currently legislation does not make it easy to change the use from empty properties to housing, crèches or gyms (Minton, et al., 2013) which in turn contributes to a difficult trading environment for retailers on the High Street which has seen the number of ‘voids’ or store vacancies increase to 7,500 in 2019 and the number of closures increase to 50,828, a 37% rise compared to 2018 (Butler, 2019).

Although Hall (2011) has identified key economic issues contributing to the High Street decline, research should also take into account the growth in technology which has built on the influence of out-of-town retailing in changing the shopping behaviour of the UK consumer. ‘Showrooming’ is a phrase associated to many UK consumers who research their purchase online, compare the prices of the competition, search for other information, then use the store to experience or trial the product before making their final purchase which could be online or in-store (Williams, 2019; Butler, 2013; Roland Berger, 2013; Warman, 2013; Wearn, 2013; Oates, 2011). Retailers such as HMV, Toys R Us, Maplin and Jessops arguably failed to adapt to these changes in consumer behaviour and the importance of the online component in the retail offer (Butler, 2019; Bignell & Lefty, 2013) and as a result, have experienced the negative outcome of administration. It is important to note that when the research refers to online, it does not simply mean online competition it is also referring to the retailers use of their own website and mobile applications, with online retail amounting to 17.4% of all retailing in 2018 (Murphy, 2018). The increased use of technology can and has influenced consumer buying behaviour in how we

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

shop, where we shop and when we shop (Poulter, 2012) with convenience considered the key value proposition (Butler, 2019; Williams, 2019; Miller, 2013; Newman, 2012). However, are in-store and online shopping mutually exclusive entities, can they complement each other to deliver convenience and a value-added experience? Perhaps we need “to stop treating online and offline shopping as an either/ or scenario. Modern consumers don’t want to have to choose between them; they enjoy the convenience of both” (Williams, 2019, p.1).

ISSUES, CONTROVERSIES, PROBLEMS

Today’s typical UK High Street is said to have lost its identity, characterised by barbers, vaping stores, charity, payday loan and bookmaker stores (Butler, 2019; Rushby, 2018), (illustrated in Figure 3), although it should be noted that there are variations in the degree of problems facing the High Street depending on which part of the country is being examined (Bennison, Warnaby & Pal, 2010). Retailers who operate on the High Street, but also have an online presence, have observed online sales out performing that of their bricks-and-mortar stores (Williams, 2019; Geddes, 2011), a trend which will continue unless the High Street adapt to changes in consumers motivations to and expectations from shopping (Theodoridis, Ntounis & Pal, 2017; Findlay, 2013).

An individual can have a number of motivations for shopping, they could be motivated by convenience; the need for immediate possession; to seek variety; for information; as a recreational experience or for social interaction (Millington & Ntounis, 2017; Parker et al., 2017; Rohm & Swaminathan, 2004; Sit, Merrilees & Birch, 2003). When we examine these motivations in the context of the UK High Street the current problems and possible solutions become clearer. The High Street could potentially exploit those shopping motivations, creating a more inviting and customer focused environment, as “you can’t try on a dress over the internet” (Turner-Mitchell, 2012, para.15). Equally the High Street could embed

Figure 3. High Street decline (© 2013b, James Kelly. Used with permission.)



technological advancements into their offer to increase their appeal to those shoppers motivated by convenience and immediacy (Williams, 2019; Arnott, 2016), using mediums such as multi and omni-channel retailing, smart devices and click-and-collect services (Chahal, 2013; Wallop, 2013; Whiteaker, 2012; Dennis, Harris & Sandhu, 2002) to enhance the customer encounter and service experience.

What the High Street needs to have is an identity (Millington & Ntounis, 2017; Ntounis & Kavaratis, 2017), creatively using vacant shops (Edemariam, 2019) to be perceived as “lively, dynamic, exciting social places that gives a sense of belonging and trust to a community” (Portas, 2011, p.3). If customers are shopping online because of convenience, choice and price then High Street retailers need to provide an experience which is either not available online or compliments the online experience (Williams, 2019; Popomaronis, 2017; Reimers & Clulow, 2009) to cumulatively offer a more diverse and convenient way to service customers (Steiner, 2013).

The Portas (2011) review, followed by subsequent reviews and studies (Anon, 2018; Millington & Ntounis, 2017; Parker *et al.*, 2017; Theodoridis, Ntounis & Pal, 2017; Wrigley & Lambiri, 2015) highlights the increasingly competitive environment facing the High Street and has given rise to the aims of this study, to evaluate customer and retailer perceptions of the decline of the UK High Street and to examine the role of the service encounter as a possible solution to the decline of the High Street in the UK. By service encounter the research does not simply mean the provision of excellent customer service, it means the creation of a unique in-store experience which customers cannot experience online with the retailer-customer interface at its centre. This research is advocating that the High Street incorporates new technology and approaches such as self-service checkouts and ‘BOPIS’ (Buy Online Pick Up in Store), (Popomaronis, 2017) to both operate in parallel and compete with online and out-of-town competition and provide customers with a reason to return to the High Street based on convenience, choice and value added customer service.

Harnessing Technology

Incorporating technology is one possible solution to the decline of the High Street with several technologies capable of enhancing the customer experience and engaging with consumers. As boundaries between online and offline shopping continue to be blurred, mediums such as augmented reality, location-based technology and magic mirrors will further “support the convergence of [the] online and physical” (Withers & De Judicibus, 2013, para.5) retail environment. Saving customers time and fitting in with the ‘convenience’ mentality is increasingly being used in the High Street with electronic and machine assisted services providing customers with a feeling of autonomy, reduced queuing time and convenience (Turner & Szymkowiak, 2019; Collier & Kimes, 2013; Lee, et al., 2010; Dabholkar, Bobbitt & Lee, 2003). By combining “the best of both online and offline retail” (Chahal, 2013, para.19) customer needs may be satisfied more effectively, however retailers should be aware that customers’ expectations may also rise as a result.

The Service Encounter

The application of technology to the retail environment has the potential to enhance the customer experience, allowing staff more time to focus on the customer (Shields, 2013). However just using technology to replicate the online experience may not necessarily enhance the customer experience, rather technology must compliment the strengths of the in-store experience, in particular the service encounter.

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Customers patronise retailers for a number of reasons working in tandem, it could be because of employees (Smith, Hart, & Tzokas, 2004; Wong, 2004; Swan, Bowers & Richardson, 1999), customer service (Butcher, Sparks & O'Callaghan, 2001; Heskett, Sasser Jr & Schlesinger 1997; Javalgi & Moberg, 1997), environmental factors associated to the store (Miranda, Kónya & Havrila, 2005; Sit, Merrilees & Birch, 2003) and/or brands (De Wulf, et al., 2005; Barnes, 2003; Rundle-Thiele & MacKay, 2001; Ewing, 2000; Baldinger & Ruben, 1996). These studies underline the importance of the customer experience and the need for retailers to deliver a quality and relationship enhancing service (Wong & Sohal, 2006; Wong & Sohal, 2003). However, given the decline in customer footfall on the High Street and the requirement to reduce costs to compete with online shopping, High Street retailers face a predicament and the “need to strike a balance between reducing costs and improving the customer experience” (Bishop, 2013, para.15). Currently the in-store experience is not as convenient as it is online so in order for retailers to encourage customers to the High Street retailers should perhaps emphasise the experience, make consumption more convenient and enhance the personal approach (Popomaronis, 2017; Arnott, 2016; Butler, 2013). In the past customers were only able to receive a more personalised experience in-store, now-a-days, through technology and the ability of online retailers and/or retailers with an online presence to capture customer data for profiling purposes, online retailers are also able to offer personalisation. Therefore, High Street retailers have to provide customers with “value, service, entertainment and experience, [however] the average High Street has in many cases simply failed to deliver” (Portas, 2011, p.2).

SOLUTIONS AND RECOMMENDATIONS

The original research conducted by Turner & Gardner (2014) used qualitative interviews using quota sampling with 40 retailers (20 independents and 20 national chains) representing the fashion, footwear, jewelry and health and beauty sectors and 40 customers (20 males and females aged 18-30 and 20 males and females aged 31 and over) across the 4 Scottish cities (Aberdeen, Dundee, Edinburgh and Glasgow). Both retailers and customers were approached to participate in person, with the researcher explaining the research and ethical considerations directly to the respective retailer and then seeking permission to discuss the research with customers. There was a relatively high refusal rate, with 1 in 4 retailers and 1 in 5 customers unable to make the time commitment to be interviewed, those who agreed to participate provided their contact details and were contacted via telephone to arrange a convenient time and location for the interviews to take place.

This research revisited the three main themes to emerge from those interviews with retailers and customers to investigate whether perceptions had changed in the interim 5-6 years. The themes were to first investigate retailers and customers perceptions of the High Street and their opinions on why the High Street has declined. The second theme examines perceptions of how technology can encourage customers back to the High Street. The third theme evaluates perceptions around whether the service encounter can play a role in encouraging customers to return to the High Street and reverse the current decline. Throughout this chapter representative quotes from retailers and customers and illustrative analysis will be used to evaluate the themes to emerge from the research.

Shopping Behaviour on the High Street: Customer Perspectives

All customers were asked in the first instance to provide their opinions on the typical 'High Street' and in the second instance on the 'High Street' to which they were most familiar, in order to identify whether opinions were specific to a particular city High Street or generalisable across Scotland. It should be noted that in terms of customer perspectives there were no variations between responses based on age, gender or city. There were however variations in responses among retailers in terms of the city and whether they were a national chain or independent, these variations are commented on throughout the qualitative analysis. In terms of changes in perceptions between the original study of 2013 and 2019, there were no discernible differences in the responses.

Prior to examining responses to questions relating to the specific themes of this research, customers were asked three classification questions relating to their shopping behaviour on the High Street. Firstly, customers were asked how often they shopped on the High Street; responses varied, ranging from every day to five times a year. There was no clear pattern, with customers all having individual High Street shopping frequencies, although the majority of customers shopped every two weeks to once per month. Secondly, customers were asked at what times of day they shopped on the High Street, similarly to the earlier question, there was no clear pattern of responses, although the majority shopped between 12 and 3 during the weekday. What these responses inform the research is that the frequency of visit to the High Street was not particularly high, with those visits mainly by city centre workers shopping during their lunchbreak. Thirdly, customers were asked what products/services they shopped for on the High Street, similarly to previous responses, there was no clear pattern of responses. Reasons for High Street patronage included shopping for clothing, prescriptions, groceries and cards, with the majority frequenting the High Street for toiletries (including perfume and cosmetics) and clothing, specifically the trying on of clothes, but not necessarily purchasing them, in other words showrooming (Popomaronis, 2017; Arnott, 2016; Butler, 2013; Roland Berger, 2013; Warman, 2013; Wearn, 2013; Oates, 2011).

Shopping Behaviour on the High Street: Retailer Perspectives

When retailers were asked in 2013 and 2019 at what times customers usually patronised their store, similarly to the responses from customers, they varied with no clear pattern. Retailers stated that shopping depended on the time of year and the type of retailer they were but when asked to give a specific time the majority of retailers stated between 12 and 3 and 4 and 6, with the national chains selecting both time slots and the independent retailers selecting the time slot between 12 and 3 as the time when customers usually patronise their store. The fact that the majority of retailers provided a similar response to the majority of customers indicated a degree of synergy between the retailer and the customer and interestingly all retailers thought their opening hours were appropriate to their customers' needs based on footfall and the opening hours of their competitors. However, this raises an interesting point around retailers' response to customer demand and whether they dictate demand through their opening hours with customers shopping, predominantly during their lunch; when the retailers are open rather than when they would prefer to shop.

This issue of the retailer meeting the needs of the customer was further examined when the research asked retailers whether they carried out market research to better understand their customers. The national chains agreed that they carried out market research through a variety of different mediums, including online and in-store surveys, focus and listening groups as well as competitions. The majority

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

of independent retailers did not carry out market research not because they did not see the benefits but because of the time associated with carrying out such research. The extent to which the lack of market research impacts on an independent retailers understanding and meeting the demands of customers will be investigated throughout the chapter beginning with customer and retailer perceptions of the High Street decline.

The High Street Decline

A summary of the themes to emerge from interviews with customers and retailers in 2013 and 2019 regarding the decline of the High Street are illustrated in Table 1. In terms of changes in perceptions between the original study of 2013 and 2019, there were no discernible differences in the responses.

The High Street Decline: Customer Perspectives

The majority of customers agreed that the High Street has declined, with a representative quote being:

“Yes, the number of empty shops has increased and there are more and more pound shops¹ alongside similar type fashion stores”.

A number of customers made the distinction that this decline was particularly acute in the High Street of smaller towns and cities. Only one customer disagreed with the statement, indicating:

“No [pause] for me it hasn’t especially declined it’s just online shopping that is more and more important but without it necessarily making [the] High Street decline”.

From the customer perspectives one could argue that the High Street, characterised by vaping stores, charity shops and payday loan establishments (Butler, 2019; Rushby, 2018) as well as a declining number of all too similar fashion stores, has lost a degree of its appeal and identity. This lack of High Street appeal is arguably motivating customers to patronise online retailers who already have an attractive offer in the form of convenience and choice (Nash, 2019; Rohm & Swaminathan, 2004). Interestingly, customers could be partly to blame for this lack of engaging environment because of their choosing

Table 1. Summary of themes to emerge from the findings: the decline of the High Street

Theme	Customers	National Chains	Independents
The High Street decline – has the High Street declined?	The majority of customers agreed that the High Street was in decline.	All national chains agreed that the High Street was in decline.	All independent retailers agreed that the High Street was in decline.
The High Street decline – why has the High Street declined?	The majority of customers thought the High Street has declined because of the internet, offering choice and convenience to customers.	There was no clear pattern of responses with retailers citing the internet, limited parking, the economy, the weather, business rates, the media and limited facilities as reasons for the High Street decline.	There was no clear pattern of responses with retailers citing the internet, limited parking, the economy, the weather, business rates, the media and limited facilities as reasons for the High Street decline.

online retailers over the High Street, i.e. if customers do not patronise the High Street businesses close which further exacerbates the cycle of decline.

The High Street Decline: Retailer Perspectives

All retailers, not just the majority, like the majority of customers, who were interviewed agreed that the High Street has declined, with a typical response being:

“Yes, the number of empty shops has increased [pause] footfall has decreased, the High Street has changed a fair bit over the past 10 years”.

It should also be noted that a number of retailers indicated that although they thought the majority of High Streets were in decline they did not think all offline retailers were in decline, indicating that those retailers who provided customers with a positive customer encounter and experience, giving them what they wanted when they wanted it both online and in-store, have proved successful. In other words, by combining “the best of both online and offline retail” (Chahal, 2013, para.19) some retailers have managed to prosper which perhaps provides some insight into a solution to the decline of the High Street which will be investigated later in the chapter.

Why the High Street has Declined: Customer Perspectives

When asked ‘Why do you feel the High Street has declined?’ the majority of customers felt the internet and mobile use was principally to blame, mediums better placed to meet customers demand for convenience and choice. A typical response was:

“I think it declined because of the internet [pause] I think the internet gives a lot of choice [and] I also think the opening hours on the High Street aren’t suitable to modern day life”.

“Mobile use is increasing, giving easy access to online buying. I can go into a shop and instantly compare prices and offers online. I can even order on my phone and collect where I want”.

A minority of customers were of the opinion that out-of-town retailing has influenced the decline of the High Street also citing the variables convenience and choice as reasons why customers patronise out-of-town retailers in favour of the High Street. A typical response was:

“Retail parks have certainly influenced the decline [pause] they have longer opening hours, good parking and more choice”.

Customer responses reflect the literature with Williams (2019); Popomaronis (2017); Williams-Grut (2017); Bamfield (2013) and Milliken (2012) citing the reasons for the decline of the High Street being the increased use of the internet, mobile devices and out-of-town retailing, with customers motivated by convenience, choice and value for money. To verify this observation, customers were asked for their reasons for shopping online and although no clear pattern emerged, the majority of respondents stated choice and convenience, with a typical response being:

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

“Two major reasons really, choice and convenience. I like to sit and browse for clothes and dictate when it’s going to be sent to me”.

A number of customers cited price as well as the ability to compare prices as their reasons for shopping online with a minority of customers simply stating the ability to compare prices or habit as their reasons for shopping online. Typical responses were:

“It’s cheaper to buy online, you don’t have to pay to park the car and you can compare prices, [pause] you feel you are getting a good deal buying online ‘cos they don’t have the overheads”.

“I can compare prices just by going store to store or using comparison websites, this way I know I’m getting the best deal”.

It was an interesting finding that some customers thought products were cheaper online because they believed that High Street retailers had higher overheads (specifically rent and rates) and may be perceived as even less competitive when the associated travel costs are added on (although it should be noted that such costs are usually negated when one factors in delivery charges from online retailers). A further interesting finding is that some customers were motivated to purchase online because of the ability to compare prices, providing them with relevant information (Williams, 2019; Popomaronis, 2017; Rohm & Swaminathan, 2004) and in part reassuring them that they are making the correct buying decision. Those reasons, along with the variables choice and/or convenience, appear to indicate that alternatives to the High Street, namely online and out-of-town retailing were in a better position to provide customers with what they wanted, when they wanted it (Williams, 2019; Arnott, 2016; O’Reilly, 2012; Portas, 2011; Hall, 2011). A point illustrated by a customer’s quote “most High Street shops are closed when I finish work”.

Why the High Street has Declined: Retailer Perspectives

When the research asked retailers why the High Street has declined, similarly to the majority of customers, some retailers cited the increased popularity of online shopping and the development of out-of-town retailing as the reasons for the decline, with typical responses being:

“Customers believe they get a better deal online, I guess they feel it’s more convenient and they get time to shop around”.

“Parking is a big issue on the High Street, its expensive and a bit limited so given the choice I think people go out-of-town or stay at home [pause] its convenience I guess”.

However, there was no clear pattern of responses with a number of retailers giving a number of secondary reasons for the decline of the High Street, some of which were supported by the literature and included the economy (Hall, 2011), the weather, parking (Anon, 2013b; Portas, 2011), business rates (Greenhalgh, Johnson & Huntley, 2019; Hill, 2013; Ruddick, 2013; Portas, 2011), the media and a lack of town centre activities. In contrast to customers, retailers saw the decline of the High Street as a more complex issue with a number of interrelated variables. The majority of national chains stated that the

reasons for the decline were related to the High Street itself, its definition and which city the High Street was in which is supported by the literature (Millington & Ntounis, 2017; Parker, et al., 2017). Glasgow was argued to be in a better position than Aberdeen, Dundee or Edinburgh, if the High Street was referring to Buchanan Street (considered by national chains and independents in Glasgow as the High Street in Glasgow). The majority of retailers (both independents and national chains) cited more than one reason in their response to why the High Street has declined, summarised by the quote:

“The recession has had an effect, [pause] which is made worse by the media and weather. If customers buy online its convenient, delivered to their door without having to worry about parking”.

These responses from retailers and customers provide some insight into the first part of the research, namely why the High Street has declined, revealing the main themes of the appeal of online retailing, and its provision of convenience and choice and the repelling aspects of the High Street, lacking retail variety, appeal, identity (Millington & Ntounis, 2017; Dominiczak, 2013), convenient opening hours and parking (Anon, 2013b; Portas, 2011). In order to address the second part of the research, the factors which would encourage customers back to the High Street, customers and retailers were asked a series of questions relating to proposed solutions, specifically around the service encounter and the improved use of in-store technology.

Encouraging Customers Back to the High Street: Retailer Perspectives

Retailers were asked in 2013 and 2019 which retail measures could be incorporated to make customers patronise the High Street more frequently. When the research analysed the responses there was no clear pattern and no discernible differences in the responses between the original study of 2013 and 2019. The majority of retailers in 2013 and 2019 cited more than one measure specifically free parking particularly during the evenings, more variety of retailers and from the retailers in Dundee who argued better quality retailers, i.e. more branded retailers which are available in other cities. A typical response was:

“I would say free parking and more choice as that is something that the online environment offers [pause] we as retailers on the High Street are struggling to offer the same choice at the same price as online as with them you don’t have to pay parking as well”.

A number of independent retailers provided the unhelpful response, “offering something which isn’t available online”, when prompted to specify which features, they responded that they did not know.

To ascertain what retailers thought they as a store on the High Street could do to make the High Street more appealing and encourage increased customer footfall, the majority stated an improved, more welcoming and transparent customer service with a representative quote being:

“Continue to listen to the customer and deliver high standards of customer service”.

Only one retailer provided a different response and emphasised their brand pull and the need to be supported by High Street management. This retailer said:

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

“We would say our brand would pull custom to the High Street [we] just need more help from the centre or high street management”.

These findings indicate that retailers do not see one specific measure as a means to encourage customers back to the High Street although the majority see free parking (Anon, 2013b; Portas, 2011), retail variety and improved customer service (Butcher, Sparks & O’Callaghan, 2001; Heskett, Sasser Jr & Schlesinger 1997; Javalgi & Moberg, 1997) as possible measures to make the High Street more appealing. The extent to which retailers and customers agree that these measures will reverse the decline of the High Street will be investigated later in the chapter.

Encouraging Customers Back to the High Street, the Role of Technology

A summary of the themes to emerge from interviews with customers and retailers in 2013 and 2019 regarding the role of technology in reversing the decline of the High Street are illustrated in Table 2. In terms of changes in perceptions between the original study of 2013 and 2019, there were no discernible differences in the responses.

Encouraging Customers Back to the High Street, the role of Technology: Customer Perspectives

The majority of customers shopped online, predominantly using a laptop, PC or mobile technology (tablet and/or mobile phones). The main reasons for using mobile technology for shopping was convenience, being able to shop on their terms and not those imposed by the opening hours of High Street retailers, a point which was eluded to earlier in the context of shopping behaviour. When asked if customers would be ‘more likely to use a retailer which had both an online and offline presence than a retailer which only had an offline presence’ the majority indicated they would, principally for the reasons of

Table 2. Summary of themes to emerge from the findings – encouraging customers back to the High Street using technology

Theme	Customers	National Chains	Independents
Encouraging customers back to the High Street – the role of technology and the impact of the internet.	The majority of customers shopped online because of convenience.	All national chains agreed that the internet and subsequently online buying had a significant impact on the decline of the High Street.	All independents agreed that the internet and subsequently online buying had a significant impact on the decline of the High Street.
Encouraging customers back to the High Street – the role of technology in-store.	The majority of customers were more likely to use a retailer which had both an online and offline presence because of convenience. The majority of customers agreed they would frequent the High Street more often if retailers incorporated facilities such as click-and-collect.	All national chains agreed that the use of technology in-store could reverse the decline of the High Street with the caveat that the technology would have to add value to the customer experience.	The majority of independent retailers thought the use of technology in-store could reverse the decline of the High Street with the caveat that the technology would have to add value to the customer experience.

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

convenience, having the ability to return products purchased online, choice, and to shop according to their needs and shopping context which is supported by the literature (Williams, 2019; Arnott, 2016). A typical response was:

“It would be a good mix of the online and offline benefits. Most people shop offline to try on products, if you included the convenience of online shopping then more people would shop in the High Street”.

The majority of customers agreed that they would use click-and-collect or BOPIS and that if more High Street retailers incorporated such facilities into their offer they would be more likely to frequent the High Street. The majority of respondents would also frequent the High Street more often if technology in general was included into the in-store experience, specific technology which would make High Street shopping more convenient with quicker access to information. A typical response was:

“If shops in the High Street had click-and-collect or have other facilities which made shopping easier I would shop there more often [pause] you know have touch screen technology and things”.

Given a customer’s motivation for convenience (Popomaronis, 2017; Arnott, 2016; Miller, 2013; Sampson, 2013; Newman, 2012; Rohm & Swaminathan, 2004) and their increased use of technology (Williams, 2019; Popomaronis, 2017; Wrigley & Lambiri, 2015; Bamfield, 2013; Westbrook, 2013; O’Reilly, 2012) it would appear that if High Street retailers were to have an online presence and embed technology features in-store, such as click-and-collect or BOPIS (Popomaronis, 2017; O’Brien, 2013; Quinn, 2013; Langston, 2012; Wallop, 2013; Whiteaker, 2012) customers may return to the High Street due to them having a choice and their shopping experience being made more convenient (Turner-Mitchell, 2012; Reimers & Clulow, 2009). It should be noted that there are obvious cost implications for incorporating technology which may present a barrier to smaller independents, however it is also acknowledged that not all technological adaptations are expensive and that some technological improvements could be made in-store at minimal cost to the independent retailer which would have the desired effect of improving shopper convenience.

Encouraging Customers Back to the High Street, the Role of Technology: Retailer Perspectives

When retailers were asked about the role of technology on the decline of the High Street all retailers agreed that online buying had a significant impact. A typical response was:

“It’s becoming increasingly difficult to compete with online retailers as a [High Street] retailer”.

However, when retailers were asked whether offline retailers use of technology could reverse this decline and increase customer visits to the High Street, opinion was divided. The majority of retailers indicated that it would depend on the type of technology with the integration of technology purely for the sake of it viewed as not necessarily adding value to the customer experience; those retailers who agreed with the statement indicated that it could support the current offer, with a representative quote being:

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

“It would help customers compare prices or specific products [pause] it would benefit them to have that information available offline and may mean that they visit the High Street more frequently as they know that they’re always getting the best offer and price”.

A minority of retailers (all were independents) indicated that the embedding of technology into in-store retail would make no difference to the frequency of customer visits to the High Street with a typical response being:

“No, I don’t think it would make a difference, it’s not something that affects the customer experience currently”.

Such a response from the minority of independent retailers would appear to run contrary to customer opinion and the perspectives of the majority of retailers in this research and also the literature which is of the opinion that customers do use technology and if given the opportunity to use it in-store would do so (Williams, 2019; Popomaronis, 2017; O’Brien, 2013; Quinn, 2013; Wallop, 2013; Wearn, 2013; Langston, 2012; Whiteaker, 2012). The national chains had already integrated technology into their offer with all retailers having a website which allowed customers to purchase online and some also offered home delivery, iPads and/or a click-and-collect service. All the national chains acknowledged their use of technology as “helpful” to both enhancing the customer experience and their profitability.

These responses from retailers and customers provide some insight into the second part of the research, how to encourage customers back to the High Street. The main themes to emerge were that customers would patronise the High Street more often if technological measures were incorporated which made shopping more convenient and accessible. The majority of retailers agreed that the use of technology in-store could reverse the decline of the High Street but with the reservation that retailers have to be selective in the technology they use. Interestingly this was the first-time national chains and independents differed significantly in their responses, with a minority of retailers, (all independents), stating that the embedding of technology into in-store retail would make no difference to the frequency of customer’s visits to the High Street. The extent to which opinion differed between customers and retailers with regards to the service encounter and whether an improved customer service could reverse the decline of the High Street will be investigated in the next section.

Encouraging Customers Back to the High Street, the Role of Customer Service

A summary of the themes to emerge from interviews with customers and retailers in 2013 and 2019 regarding the role of customer service in reversing the decline of the High Street are illustrated in Table 3. In terms of changes in perceptions between the original study of 2013 and 2019, there were no discernible differences in the responses.

Encouraging Customers Back to the High Street, the Role of Customer Service: Customer Perspectives

Having established that the role of technology was important to customers online and potentially in-store behaviour, customers were then asked how important customer service was to their shopping experience.

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Table 3. Summary of themes to emerge from the findings – encouraging customers back to the High Street using customer service

Theme	Customers	National Chains	Independents
Encouraging customers back to the High Street – the role of customer service.	All customers agreed that customer service was important to their shopping experience. The majority of customers did not agree that customer service was the main reason for their frequenting the High Street.	The majority of national chains agreed that customer service was the main reason for customers frequenting the High Street.	The majority of independents agreed that customer service was the main reason for customers frequenting the High Street.
Encouraging customers back to the High Street – the role of customer service, improved or even excellent customer service.	An equal proportion of customers agreed and disagreed that improved or even excellent customer service would encourage them to frequent the High Street more often.	The majority of national chains agreed that improved or even excellent customer service would increase customers frequenting the High Street.	The majority of independents agreed that improved or even excellent customer service would increase customers frequenting the High Street.
Encouraging customers back to the High Street – the role of customer service, comparing online and in-store customer service.	The majority of customers did not think the High Street offered better customer service in contrast to online customer service but that the High Street did make products tangible in contrast to online retailing.		

All customers agreed that customer service was important to them, with responses ranging from very important to pretty important. A typical response was:

“It’s important because I like to know that if I go into a shop I will get help and assistance”.

Interestingly, a number of customers indicated that they were not always satisfied with the levels of customer service in the High Street, using phrases such as “unhelpful”, “rude”, “obviously having a bad day” to describe their experience of customer service and the staff in High Street retailers. This theme of being disgruntled with customer service in the High Street is supported when we assess responses to the question ‘Is customer service the main reason for you patronising the High Street?’ with the majority of customers stating no, it was not the main reason, a typical response was:

“It’s not the main reason [pause] trying on products and just the experience of shopping are more important reasons”.

It would appear that although customer service is viewed as important to customers, it was not the main reason for their patronising the High Street, in fact when asked whether improved or even excellent customer service would increase the frequency of their visits, the majority disagreed. Among those who agreed with the statement (‘Would improved or even excellent customer service make you frequent the High Street more often?’) it should be noted that many included a caveat, stating that it would only make a difference if it were in conjunction with improvements in convenience, choice, price and rewards for repeat custom. For those customers who disagreed with the statement, arguing that price, choice and convenience were more important, a representative quote was:

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

“I don’t think so, to me convenience is more important and if the High Street just improve customer service buying online still is cheaper, has more choice and is more convenient”.

For those minority of respondents who thought improved or even excellent customer service would increase their visits a representative quote was:

“Yeah, it would make me go back [pause] customer service is important and excellent customer service is more important than anything, [pause] well as important as choice and price”.

Customers intimated that customer service was important, capable of providing them with assistance and support (Butcher, Sparks & O’Callaghan, 2001; Heskett, Sasser Jr & Schlesinger 1997; Javalgi & Moberg, 1997). However, customers felt that customer service on the High Street was currently lacking these elements, instead being characterised by “rude” and “unhelpful staff”, an issue compounded by a High Street already lacking atmosphere, emotional connection and social cohesion (Martin, 2018; Findlay, 2013). Customer service was not considered the main reason for their patronising of the High Street and even if the current levels were improved to ‘excellent’ it would not influence the majority of customers to return to the High Street either in favour of or in parallel with online shopping given the appeal of convenience and choice available online.

High Street and Online Customer Service Compared: Customer Perspectives

To ascertain perceptions of online customer service in contrast to the customer service on the High Street customers were asked the question ‘Does online shopping offer the same level of customer service as the High Street?’ The majority of customers thought the High Street did not necessarily provide better customer service but being face-to-face was more suitable for dealing with customer complaints and aftercare, with a typical response being:

“I don’t think you can really compare [pause] customer service online is good [pause] and the in-store customer service is generally OK. I guess the main difference is the fact that in-store the service is face-to-face”.

It should be noted that a number of customers stated that customers shop online for convenience, choice and price comparisons as well as price competitiveness and that customer service was not a major reason for their shopping online, with a representative quote being:

“You don’t shop online for the service, you shop for convenience, price and choice [pause] you don’t really think about getting poor customer service online [pause] I guess the only way you could get bad customer service is if the wrong product arrived or it was damaged”.

It would appear that the majority of customers thought the High Street did not necessarily provide better customer service when compared to online retailers, with many customers adding the caveat that when shopping online customer service was not the main or even secondary reason why they preferred to shop online (Arnott, 2016; Miller, 2013; Newman, 2012; Rohm & Swaminathan, 2004). Customers argued that improved customer service would not encourage customers back to the High Street nor was it

the main reason for their patronage of the High Street. To this end, customers were asked what the High Street could offer customers that online retailers could not as a way of encouraging customers back to the High Street. The majority of customers discussed the tangible factors, and similarly to issues discussed earlier in the chapter and supported by the literature (Popomaronis, 2017; Arnott, 2016), the ability to touch, see and try on the products, with a typical response being:

“You get to see what the product looks like in store rather than seeing a picture of it online [pause] you get to try it on or try it out”.

It is worth noting that a minority of customers stated that the High Street was better placed to encourage impulse buying, although they acknowledged that online retailers could also encourage customers to buy on impulse. A representative quote was:

“When you browse the store on the High Street the layout sometimes throws up things which you might not have seen online unless you searched for it”.

The improvements in online retailers’ ability to encourage impulse buying was acknowledged by the majority of customers in 2019, with a typical quote being:

“online retailers are very good at encouraging impulse buying, you constantly get personalised offers straight to your phone”.

Overall, customers were of the opinion that improved customer service would not encourage them back to the High Street, nor were they of the opinion that the High Street provided a better customer service when compared to online retailers, with the added reservation that it was convenience and not customer service which motivated them to shop online (Popomaronis, 2017; Arnott, 2016; Bamfield, 2013; Miller, 2013; Milliken, 2012; Newman, 2012). This finding underlines the point made earlier that offline retailers have to make the in-store shopping experience more convenient, accessible and engaging for customers in order to increase customer footfall to the High Street, providing unique selling points and differentiating itself from online shopping.

Encouraging Customers Back to the High Street, the Role of Customer Service: Retailer Perspectives

When retailers were asked whether customer service was the main reason for customers shopping in the High Street, the majority agreed indicating that staff interaction and interacting with the products add to the customer experience, with a typical response being:

“It’s often interactions with staff that help make that [the shopping] experience enjoyable”.

A minority of retailers (including both national chains and independents) stated that customer service was but one factor, with other issues such as product range, store layout and location as well as environmental factors inhibiting a customer’s patronage of the High Street, with a typical response being:

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

“There are too many factors that stop customers from shopping on the High Street [pause] I’m not even sure customers think of customer service when they shop on the High Street”.

To continue this theme of customer service and in contrast to the perspectives of customers, the majority of retailers stated that the delivery of improved or even excellent customer service would increase the frequency of customers patronising the High Street, with a typical response being:

“Better and consistent customers service would get customers back to the High Street as its giving customers something they don’t get online”.

An interesting finding was revealed when the research compares the perspectives of retailers and customers. The majority of retailers (both national chains and independents) were of the opinion that customer service was the main reason why customers patronised the High Street whereas the majority of customers disagreed citing factors such as trying products on and the shopping experience as more important. It would appear that even though customers valued customer service, some felt that the customer service provided by offline retailers could be improved and was neither the main reason for their patronising the High Street nor would it encourage them to visit the High Street more often even if customer service was improved or even excellent. This mismatch of opinion goes some way to addressing the issue of the decline of the High Street and is a common theme to emerge from this research, that the needs of customers are not being met, with some retailers, specifically independents, appearing not to address the factors which drive and could potentially increase customer footfall to the High Street. This issue facing these independents is compounded by the fact raised earlier in the chapter that the majority of these retailers do not conduct market research and are perhaps at a disadvantage when it comes to having a holistic understanding of the customer.

SUMMARY DISCUSSION

The results from the interviews conducted in 2013 and 2019 with customers and retailers (national chains and independents) assist in explaining the decline of the High Street and address the potential of the service encounter, specifically customer service as a means to reverse the decline. Key issues have been identified which either inhibit customers shopping on the High Street and/or encourage them to shop online, which include the in-store opening hours, which customers felt could be more flexible and reflective of changing consumption patterns rather than have customers shop when retailers want them to shop, parking (Anon, 2013b; Portas, 2011) and business rates (Greenhalgh, Johnson & Huntley, 2019; Hill, 2013; Portas, 2011). Convenience either individually or in conjunction with choice and price were identified as key motivators in customers shopping behaviour (Arnott, 2016; Wrigley & Lambiri, 2015; Bignell & Lefty, 2013; Bamfield, 2013; Miller, 2013; Sampson, 2013; Milliken, 2012; Newman, 2012). It would appear that customers have become used to the benefits of online shopping (Murphy, 2018; Arnott, 2016; O’Brien, 2013; Quinn, 2013; Warman, 2013; Wearn, 2013; O’Reilly, 2012), which may have raised their expectations with regards to High Street retailers, expectations which are not being addressed as well as they are online or at least not well enough to make them stop shopping online and return to the High Street. However, this does not mean that the High Street no longer has a place in UK retailing. Customers intimated that they preferred retailers who had an online and offline presence as it

accommodated their motivation for convenience and to receive support in terms of trying products on (Williams, 2019; Arnott, 2016; Wrigley & Lambiri, 2015; Butler, 2013; Roland Berger, 2013; Warman, 2013; Wearn, 2013; Turner-Mitchell, 2012; Oates, 2011) return products, pick up products and receive face-to-face sales support. The role of customer service in encouraging customers back to the High Street was seen as less influential, although many retailers thought it was the main reason and a possible solution to reversing the decline of the High Street. According to a number of customers, the current service encounter and customer service is characterised by “rude” and “unhelpful staff” which does little to enhance a High Street which already lacks identity (Millington & Ntounis, 2017; Ntounis & Kavaratis, 2017; Dominiczak, 2013) atmosphere and emotional connection (Findlay, 2013).

FUTURE RESEARCH DIRECTIONS

As a consequence of this research there are a few areas which have been identified as potential areas for future research. Firstly, there could be a comparative study with cities in England in an attempt to understand if the findings from this research in Scotland are generalisable. This future research would reveal common themes in customer and retailer perspectives and enable the construction of a framework around which we can better understand and evaluate viable solutions to the decline of the UK High Street.

A second area for future research would be to investigate the possible lessons UK offline retailers could learn from their European counterparts. Although European consumers use the online shopping platform in increasing numbers, many towns and cities throughout Europe have relatively vibrant town centres with consumers tending to patronise town centres and local shops more than their UK counterparts (Arnott, 2016; Briggs, 2013; EMEA, 2013). Further research would be useful to investigate whether there is a formulae or particular set of measures operating in Europe which UK retailers could implement in order to reverse the decline of the High Street.

A third area for future research is to investigate the particular role of technology in reviving the UK High Street. Based on the findings from this research, customers did appreciate the High Street as a means of realising the tangible dimensions of the shopping experience, being able to try on products, particularly clothing following and/or preceding an online search, a practice called showrooming (Williams, 2019; Popomaronis, 2017; Butler, 2013; Roland Berger, 2013; Warman, 2013; Wearn, 2013). However, these customers did not necessarily purchase those products in-store following the showrooming practice. Future research could evaluate how retailers could ‘fuse together’ technology and the store environment to encourage customers to patronise the High Street more frequently and more importantly to buy in-store instead of online.

CONCLUSION

This research addresses an important theme in UK retailing, consolidating existing literature on the use of in-store technology to enhance the customer experience, and takes research forward in the area of the decline of the High Street and the role of customer service. The qualitative research revealed that consumer and retailer perceptions have not changed over the period 2013-2019. The majority of customers frequented the High Street every two weeks to once per month which was not particularly high and that those visits were predominantly by city centre workers shopping during their lunchbreaks, mainly for

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

toiletries and clothing. The reasons for their lack of shopping on the High Streets of Aberdeen, Dundee, Edinburgh and Glasgow were summed up in their reasons for the decline of the High Street and the factors which would encourage them to return, that online retailers provide choice, convenience and the ability to compare prices which are usually more competitive than those on the High Street. Unlike the retailers in this study, customers were not of the opinion that an improvement in current, in some cases, 'disappointing' customer service would encourage them back to the High Street. Rather customers thought solutions to the decline of the UK High Street lay in combining the convenience and choice of online retail with the tangibility of the offline retailer experience, observations supported by the literature (Williams, 2019; Popomaronis, 2017). The research contends that the increased integration of technology into High Street stores should be seen as a means to enable more focus on providing an enhanced customer experience (Chahal, 2013; Shields, 2013). The results show that rather than being perceived as a threat to the High Street, the growth of online buying and customers increased use of technology for purchasing products and services should be seen as a positive, enhancing the appeal and adding value to customers High Street retail experience.

REFERENCES

- Anon. (2013a). European consumers want choices and convenience when shopping online. *ComScore*. Retrieved from <http://pressroom.ups.com/Press+Releases/Current+Press+Releases/ci.European+Consumers+Want+Choices+And+Convenience+When+Shopping+Online.print>
- Anon. (2013b). "Majority" care about high street decline; but parking prevents use. *AMT*, 1. Retrieved from <http://towns.org.uk/2013/06/10/majority-care-about-high-street-decline-but-parking-prevents-use/>
- Anon. (2018). The High Street Report. *UK Government*. Retrieved from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766844/The_High_Street_Report.pdf
- Anon. (2019a). Five shops a week close their doors across Scotland. *DailyBusiness*. Retrieved from <https://dailybusinssgroup.co.uk/2019/04/five-shops-a-week-close-their-doors-across-scotland/>
- Anon. (2019b). PwC: Store closures across Scotland fall to six-year low. BBC. Retrieved from <https://www.bbc.com/news/uk-scotland-scotland-business-47872986>
- Arnott, G. (2016). Why people buy online vs. in store – not what you think. *PowerRetail*. Retrieved from <https://www.powerretail.com.au/news/online-vs-store-research/>
- Baldinger, A. L., & Ruben, J. (1996). Brand loyalty: The link between attitude and behaviour. *Journal of Advertising Research*, 36(2), 22–34.
- Bamfield, J. A. N. (2013). *Retail futures 2018: Shop numbers, online and the High Street, a guide to retailing in 2018*. The Centre for Retail Research. Nottingham, UK: Centre for Retail Research.
- Barnes, J. G. (2003). Establishing meaningful customer relationships: Why some companies and brands mean more to their customers. *Managing Service Quality*, 13(3), 178–186. doi:10.1108/09604520310476445

Bennison, D., Warnaby, G., & Pal, J. (2010). Local shopping in the UK: Towards a synthesis of business and place. *International Journal of Retail & Distribution Management*, 38(11/12), 846–864. doi:10.1108/09590551011085948

Bignell, P. & Lefty, M. (2013). High Street blues: the slow death of retail Britain. *The Independent*. Retrieved from <http://www.independent.co.uk/news/business/analysis-and-features/high-street-blues-the-slow-death-of-retail-britain-8458766.html>

Bishop, D. (2013). Customer service lessons from the High Street. *The Marketing Donut*, para.15. Retrieved from <http://www.marketingdonut.co.uk/marketing/customer-care/understanding-your-customers/customer-service-lessons-from-the-high-street>

Briggs, F. (2013). Local shops and town centres are top choice for European shoppers, CBRE finds. *Retailtimes*, para. 1. Retrieved from <http://retailtimes.co.uk/local-shops-and-town-centres-are-top-choice-for-european-shoppers-cbre-finds/#>

Butcher, K., Sparks, B., & O’Callaghan, F. (2001). Evaluative and relational influences on service loyalty. *International Journal of Service Industry Management*, 12(4), 310–327.

Butler, M. (2013). Showrooming: are retailers ready to embrace it? *The Guardian*. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2013/may/09/showrooming-retail-solution-e-commerce>

Butler, S. (2019). Thousands of UK shops left empty as high street crisis deepens. *The Guardian*. Retrieved from <https://theguardian.com/business/2019/may/02/thousands-of-uk-shops-left-empty-as-high-street-crisis-deepens>

Chahal, M. (2013). Open all hours: the future of the High Street. *Marketing Week*, para.19. Retrieved from <http://www.marketingweek.co.uk/trends/open-all-hours-the-future-of-the-high-street/4005606.article>

Collier, J. E., & Kimes, S. E. (2013). Only if it is convenient: Understanding how convenience influences self-service technology evaluation. *Journal of Service Research*, 16(1), 39–51. doi:10.1177/1094670512458454

Cooper, K. (2012). High Street plunges into triples dip. *The Sunday Times*. Retrieved from http://www.thesundaytimes.co.uk/sto/business/Retail_and_leisure/article1184780.ee

Cotterill, S. (2013). 43% of Europeans shop online. *InternetRetailer*. Retrieved from <http://www.internetretailer.com/2012/06/07/43-europeans-shop-online>

Dabholkar, P. A., Bobbitt, L. M., & Lee, E.-J. (2003). Understanding consumer motivation and behaviour related to self-scanning in retailing. *International Journal of Service Industry Management*, 14(1), 59–95. doi:10.1108/09564230310465994

Davis, D. (2019). European consumers shop more online – and with Amazon. *Digital Commerce*. Retrieved from <https://www.digitalcommerce360.com/article/european-ecommerce/>

De Wulf, K., Odekerken-Schröder, G., Goedertier, F., & Van Ossel, G. (2005). Consumer perceptions of store brands versus national brands. *Journal of Consumer Marketing*, 22(4), 223–232. doi:10.1108/07363760510605335

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Dennis, C., Harris, L., & Sandhu, B. (2002). From bricks to clicks: Understanding the e-consumer. *Qualitative Market Research*, 5(4), 281–290. doi:10.1108/13522750210443236

Department for Communities & Local Government. (2013). *The Future of High Streets: Progress since the Portas Review*. Department for Communities and Local Government. London, UK: Crown.

Dominiczak, P. (2013). Pay day lenders ‘could replace independent shops’ in High Street reforms. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/lifestyle/reinvent-the-high-street/10088028/Pay-day-lenders-could-replace-independent-shops-in-high-street-reforms.html>

Edemariam, A. (2019). ‘Meanwhile spaces’: the empty shops becoming a creative force across the country. *The Guardian*. Retrieved from <https://www.theguardian.com/lifeandstyle/2019/may/02/meanwhile-spaces-the-empty-shops-becoming-a-creative-force-across-the-country>

EMEA. (2013). *How we shop: Inside the minds of Europe’s consumers*. EMEA. London, UK: CBRE Ltd.

Ewing, M. T. (2000). Brand and retailer loyalty: Past behaviour and future intentions. *Journal of Product and Brand Management*, 9(2), 120–127. doi:10.1108/10610420010322161

Findlay, D. (2013). High Street retailers must rediscover that emotional connection with customers. *Marketing Magazine*. Retrieved from <http://www.marketingmagazine.co.uk/article/1186124/high-street-retailers-rediscover->

Geddes, I. (2011). The store of the future: The new role of the store in a multichannel environment. *Deloitte*, 1-16. Retrieved from <http://www.deloitte.com/assets/Dcom-UnitedKingdom/Local%20Assets/Documents/Industries/Consumer%20Business/uk-cb-store-of-the-future-report.pdf>

Greenhalgh, P. M., Johnson, L., & Huntley, V. (2019). An investigation of the impact of 2017 business rates revaluation on independent high street retailers in the north of England. *Journal of Property Investment & Finance*, 37(3), 241–254. doi:10.1108/JPIF-01-2019-0008

Hall, J. (2011). Mary Portas: High Streets destined to ‘disappear forever’. *The Telegraph*, para.8. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/8951411/Mary-Portas-high-streets-destined-to-disappear-forever.html>

Heskett, J. L., Sasser, W. E. Jr, & Schlesinger, L. A. (1997). *The service profit chain: How leading companies link profit and growth to loyalty, satisfaction and value*. New York, NY: The Free Press.

Hill, J. (2013). High Street chain store closures soar, says research. *BBC News Business*. Retrieved from <http://www.bbc.co.uk/news/business-21611772>

Javalgi, R., & Moberg, C. (1997). Service loyalty: Implications for service providers. *Journal of Services Marketing*, 11(3), 165–179. doi:10.1108/08876049710168663

Kelly, J. (2013a). *Dundee High Street* [Image]. Retrieved from James Kelly.

Kelly, J. (2013b). *High Street decline* [Image]. Retrieved from James Kelly.

Langston, P. (2012). Will click and collect save the High Street? *Retail Week*. Retrieved from <http://www.retail-week.com/multichannel/comment-will-click-and-collect-save-the-high-street/5039566.article>

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

- Lee, H. J., Cho, H. J., Xu, W., & Fairhurst, A. (2010). The influence of consumer traits and demographics on intention to use retail self-service checkouts. *Marketing Intelligence & Planning*, 28(1), 46–58. doi:10.1108/02634501011014606
- Martin, L. (2018). How high street decline is hitting community cohesion. *The Financial Times*. Retrieved from <https://www.ft.com/content/85a38158-7890-11e8-bc55-50daf11b720d>
- Miller, G. (2013). Is the prime reason customers shop online price or convenience? Which one? Are you sure? *The Retail Intelligence Company*. Retrieved from <http://upstreamcommerce.com/blog/2013/08/07/ptime-reason-customers-shop-online->
- Milliken, J. (2012). Mobile phones are changing the world of retail – at a remarkable rate. *The Guardian*. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2012/jun/26/mobile-retail-technology-consumer>
- Millington, S., & Ntounis, N. (2017). Repositioning the high street: Evidence and reflection from the UK. *Journal of Place Management and Development*, 10(4), 364–379. doi:10.1108/JPMD-08-2017-0077
- Minton, A., Skelton, D., Sennett, R., Umunna, C., & Jones, E. (2013). How can we save the High Street? *The Guardian*. Retrieved from <http://www.guardian.co.uk/commentisfree/2013/jan/15/how-can-we-save-high-street>
- Miranda, M. J., Kónya, L., & Havrila, I. (2005). Shoppers' satisfaction levels are not the only key to store loyalty. *Marketing Intelligence & Planning*, 23(2), 220–232. doi:10.1108/02634500510589958
- Moulds, J. (2013). UK GDP shrank by 0.3% in fourth quarter. *The Guardian*. Retrieved from <http://www.guardian.co.uk/business/2013/jan/25/uk-gdp-crunch-time-osborne>
- Murphy, R. (2018). Retail sales, Great Britain: March 2018. *Office for National Statistics*. Retrieved from <https://www.ons.gov.uk/businessindustryandtrade/retailindustry/bulletins/retailsales/march2018>
- Musso, F., & Druica, E. (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Nash, J. (2019). Exploring how social media platforms influence fashion consumer decisions in the UK retail sector. *Journal of Fashion Marketing and Management*, 23(1), 82–103. doi:10.1108/JFMM-01-2018-0012
- Neate, R. & Moulds, J. (2012). More High Street name will collapse in New Year, warns retail body. *The Guardian*. Retrieved from <http://www.guardian.co.uk/business/2012/dec/31/high-street-names-collapse-new-year>
- Newman, M. (2012). Customers want convenience. *RetailWeek*. Retrieved from <http://www.retail-week.com/comment/customers-want-convenience/5033060.article>
- Ntounis, N., & Kavaratzis, M. (2017). Re-branding the High Street: The place branding process and reflections from three UK towns. *Journal of Place Management and Development*, 10(4), 392–403. doi:10.1108/JPMD-12-2015-0056

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

O'Brien, P. (2013). Click and collect cannot save the High Street analyst. *InternetRetailing*. Retrieved from <http://internetretailing.net/2013/04/click-and-collect-cannot-save-the-high-street-analyst/>

O'Reilly, L. (2012). Digital will save the High Street. *Marketing Week*, para.3. Retrieved from <http://www.marketingweek.co.uk/news/digital-will-save-the-high-street/4004029.article>

Oates, D. (2011). The changing face of UK retail in today's multi-channel world. *An Experian white paper*, 1-12. Retrieved from <http://www.experian.co.uk/assets/business-strategies/white-papers/RWC-whitepaper2.pdf>

Parker, C., Ntounis, N., Millington, S., & Castillo-Villar, F. R. (2017). Improving the vitality and viability of the UK High Street by 2020. *Journal of Place Management and Development*, 10(4), 310–348. doi:10.1108/JPM-D-03-2017-0032

Partington, R. (2019). UK retailers suffer weaker sales due to Brexit uncertainty. *The Guardian*. Retrieved from <https://www.theguardian.com/business/2019/mar/05/uk-retailers-suffer-weaker-sales-due-to-brex-it-uncertainty>

Popomaronis, T. (2017). Survival in today's retail environment means merging physical and digital. *Forbes*. Retrieved from <http://www.forbes.com/sites/tompopomaronis/2017/06/30/survival-in-todays-retail-environment-means-merging-physical-and-digital/#49d52bde1>

Portas, M. (2011). The Portas Review: An independent review into the future of our High Streets. *BIS*, 1-55. Retrieved from <http://www.bis.gov.uk/assets/BISCore/business-sectors/docs/p/11-1434-portas-review-future-of-high-streets.pdf>

Poulter, S. (2012). Dying High Street shops where up to a third is empty. *The Daily Mail*. Retrieved from <http://www.dailymail.co.uk/news/article-2097383/Dying-high-streets-shops-empty.html>

Quinn, I. (2013). Independent stores 'should team up on click & collect offers'. *The Grocer*. Retrieved from <http://www.thegrocer.co.uk/companies/independent-stores-should-team-up-on-click-and-collect-offers/343174.article>

Reimers, V., & Clulow, V. (2009). Retail centres: It's time to make them convenient. *International Journal of Retail & Distribution Management*, 37(7), 541–562. doi:10.1108/09590550910964594

Rohm, A. J., & Swaminathan, V. (2004). A typology of online shoppers based on shopping motivations. *Journal of Business Research*, 57(7), 748–757. doi:10.1016/S0148-2963(02)00351-X

Roland Berger. (2013). What the customer really wants. *Roland Berger*. Retrieved from http://www.rolandberger.com/press_releases/513-press_archive2013_sc_content/What_the_customer_really_wants.html

Ruddick, G. (2013). Government should freeze business rates for two years to help the High Street. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/10069475/Government-should-freeze-business-rates-for-two-years-to-help-high-street.html>

Rundle-Thiele, S., & MacKay, M. M. (2001). Assessing the performance of brand loyalty measures. *Journal of Services Marketing*, 15(7), 529–546. doi:10.1108/EUM0000000006210

- Rushby, K. (2018). How to bring a High Street back from the dead. *The Guardian*. Retrieved from <https://www.theguardian.com/lifeandstyle/2018/mar/29/high-street-closed-betting-shops-york-back-from-dead>
- Sampson, J. (2013). Why the High Street isn't dying. *Huffington Post*. Retrieved from http://www.huffingtonpost.co.uk/josie-sampson/why-the-high-street-isnt-dying_b_2811337.html?icid=hp_search_art
- Shields, R. (2013). Google touts retail solutions. *Marketing Week*. Retrieved from <http://www.marketingweek.co.uk/news/google-touts-retail-solutions/4005513.article>
- Sikora, D. (2013). Online or offline shopping? its not either or neither –it's both. *Insights*. Retrieved from <http://insights.wired.com/profiles/blogs/online-or-offline-shopping-it-s-not-either-or-neither-it-s-both#axzz2ixud0ZSn>
- Sit, J., Merrilees, B., & Birch, D. (2003). Entertainment-seeking shopping centre patrons: The missing segments. *International Journal of Retail & Distribution Management*, 31(2), 80–94. doi:10.1108/09590550310461985
- Smith, A., Hart, S., & Tzokas, N. (2004). Delivering customer loyalty schemes in retailing: Exploring the employee dimension. *International Journal of Retail & Distribution Management*, 32(4), 190–204. doi:10.1108/09590550410528962
- Smith, K. (2013). 6 challenges retailers face. *EDIDT*. Retrieved from <http://editd.com/blog/2013/04/6-challenges-retailers-face/>
- Steiner, R. (2013). No stopping the online shopping revolution as 'omni-channel' retailers offer more options than ever before. *Thisismoney*. Retrieved from <http://www.thisismoney.co.uk/money/markets/article-2317260/The-omni-channel-online-shopping-revolution.html>
- Swan, J. E., Bowers, M. R., & Richardson, L. D. (1999). Customer trust in a salesperson: An integrative review and meta-analysis of the empirical literature. *Journal of Business Research*, 44(2), 93–107. doi:10.1016/S0148-2963(97)00244-0
- Theodoridis, C., Ntounis, N., & Pal, J. (2017). How to reinvent the High Street: Evidence from the HS2020. *Journal of Placement Management and Development*, 10(4), 380–391. doi:10.1108/JPM-03-2017-0031
- Turner, J. J. & Gardner, T. (2014). Critical reflections on the decline of the UK High Street: Exploratory conceptual research into the role of the service encounter, 127-152. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*, Hershey, PA: IGI Global.
- Turner, J. J., & Szymkowiak, A. (2019). An analysis into early customer experiences of self-service checkouts: Lessons for improved usability. *Journal of Engineering Management in Production and Services*, 11(1), 36–50. doi:10.2478/emj-2019-0003
- Turner-Mitchell, P. (2012). Don't abandon retail. People will always want the High Street. *The Guardian*, para. 15. Retrieved from <http://www.theguardian.com/uk/the-northerner/2012/sep/21/manchester-salford-high-street-retail-mary-portas-shops>
- User:kilburn. (2009). Buchanan Street Glasgow [image]. Retrieved from https://commons.wikimedia.org/wiki/File:%28looking_down%29_Buchanan_Street,_Glasgow.jpg

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Wallop, H. (2013). Click and collect- the new way to go shopping. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/9785532/Click-and-collect-the-new-way-to-go-shopping.html>

Warman, M. (2013). The future of shopping: From High Street to iStreet. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/technology/news/9821702/The-future-of-shopping-from-h>

Wearn, R. (2013). Online shops take stock and move into the High Street. *BBC News*. Retrieved from <http://www.bbc.co.uk/news/business-22404652?print=true>

Westbrook, T. (2013). High Street needs e-tail therapy: Lack of vision as much to blame for retailers' failures as the rise of e-commerce. *Insight*. Retrieved from <http://www.cio.co.uk/insight/strategy/high-street-needs-e-tail-therapy/>

Whiteaker, J. (2012). Feature: Is the UK a click & collect nation? *Retailgazette*. Retrieved from <http://www.retailgazette.co.uk/articles/23311-feature-is-the-uk-a-click-collect-nation>

Williams, H. (2019). Why online vs. offline is a retail myth. *DTCDaily*. Retrieved from <http://www.dtcdaily.com/2019/01/online-vs-offline-retail-myth/>

Williams-Grut, O. (2017). 'What we're seeing is a revolution': How the internet is remaking the British High Street. *Business Insider*. Retrieved from <http://www.businessinsider.my/future-british-high-street-internet-brexite-retail-2017-8/?r=US&IR=T>

Withers, C. & De Judicibus, D. (2013). Augmented aisles: the online invasion. *The Guardian*, para. 5. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2013/mar/14/online-technology-high-street-innovation>

Wong, A. (2004). The role of emotional satisfaction in service encounters. *Managing Service Quality*, 14(5), 365–376. doi:10.1108/09604520410557976

Wong, A., & Sohal, A. S. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing*, 17(5), 495–513. doi:10.1108/08876040310486285

Wong, A., & Sohal, A. S. (2006). Understanding the quality of relationships in consumer services. *International Journal of Quality & Reliability Management*, 23(3), 244–264. doi:10.1108/02656710610648215

Wrigley, N., & Lambiri, D. (2015). *British High Streets: from crisis to recovery? a comprehensive review of the evidence*. London, UK: ESRC.

ADDITIONAL READING

Allies & Morrison Urban Practitioners. (2013). The Changing Face of the High Street: Decline and Revival. *English Heritage*, 1-68. Retrieved from http://www.english-heritage.org.uk/publications/changing-face-high-street-decline-revival/773_130604_final_retail_and_town_centre.pdf

The Role of the Service Encounter as a Means of Reversing Further High Street Retail Decline

Anon. (2013). The UK High Street: The decline of a British institution. *The Grocer*. Retrieved from <http://www.thegrocer.co.uk/reports-and-advice/third-party-reports/the-uk-high-street-the-decline-of-a-british-institution/348613.article>

Ecommerce Foundation. (2018). 2018 Global Ecommerce Report. *Ecommerce Foundation*. Retrieved from <https://www.internetalliance.my/wp-content/uploads/2018/10/Global-B2C-e-Commerce-Country-Report-2018.pdf>

Kesteloo, M., & Hoogenberg, M. (2013) Footprint 2020 offline retail in an online world. *PwC*. Retrieved from https://www.strategyand.pwc.com/media/file/Strategyand_Footprint-2020.pdf

Statista. (2017). Online shopping behavior in the United States – Statistics & Facts. *Statista*. Retrieved from <https://www.statista.com/topics/2477/online-shopping-behavior/>

Statista. (2018). Online shopping in Europe – Statistics & Facts. *Statista*. Retrieved from <https://www.statista.com/topics/3881/online-shopping-in-europe/>

Swinney, P., & Sivaev, D. (2013). Beyond the High Street: Why our city centres really matter. *Centre-for-cities*, 1-47. Retrieved from <http://www.centreforcities.org/assets/files/2013/13-09-09-Beyond-the-High-Streets.pdf>

We Made That, L. S. E. Cities. (2017). *High Streets For All*. London: Greater London Authority.

Wiggenraad, P., & Lung, T. (2018). *The digital consumer in Asia 2018*. Hong Kong: Tofugear Ltd.

KEY TERMS AND DEFINITIONS

Customer Service: The advice given by a businesses personnel to customers about their products and/or services.

Decline Of The UK High Street: The reduction in the number of retailers and attractiveness of the tradition shopping street in towns and cities across the United Kingdom.

In-Store Technology: Technology used by businesses in the physical environment to assist a customers purchasing of goods and/or services.

Online Shopping: A customers purchasing of goods and/or services via the internet using digital devices such as tablet, laptop or mobile.

Retail: The selling of goods and/or services by businesses to consumers.

Scotland: A country which is part of the United Kingdom.

Service Encounter: The meeting between the business and the customer which could be physical, virtual or a combination of the two.

ENDNOTE

¹ A retailer which sells a variety of low-cost household goods.

Chapter 11

The Urban Forest and Shopping Environments

Kathleen L. Wolf

University of Washington, USA

ABSTRACT

Many cities and communities are working toward urban sustainability goals, and the urban forest is one strategy to achieve environmental and social co-benefits. Yet retailers and merchants may not find environmental benefits to be compelling when compared to the direct costs of landscape and trees. Nonetheless, a quality outdoor environment can extend store appeal to the curb and boost positive experiences of visitors while in a shopping district. This chapter presents information about the atmospherics of green retail environments. A multi-study program of research shows that having a quality urban forest canopy within business districts and commercial areas can promote positive shopper perceptions and behavior. Positive responses have included store image, patronage behavior, and willingness to pay more for goods and services. This chapter provides a summary of the research, connects results to various psychological marketing theories, provides evidence-based design recommendations, and suggests future research activity.

INTRODUCTION

Marketing researchers have explored the influence of store environments on shopper activity. Many retailers and merchants use evidence-based strategies to enhance shoppers' experiences. Interior design, product integration and placement, the appearance and behavior of sales associates, and even the choice of background music are implemented and tweaked to influence consumer behavior. Retail establishments from small independent shops to chain department stores work to make the shopping environment alluring, comfortable, and profitable.

Meanwhile, gardeners and philosophers have celebrated the delights of trees and nature for centuries, noting the role of plants in aesthetics, cultural symbolism, and therapy. Recent research confirms the benefits that people gain from nature experiences. Research that spans the globe now reveals that nearby nature experiences can prevent and be therapy for disease, improve mental health, and boost social cohe-

DOI: 10.4018/978-1-7998-1412-2.ch011

sion in communities. However, the two research pursuits – investigations of human experiences of retail place and studies of nature settings – have rarely intersected.

City trees provide many environmental benefits such as clean air and water, reduced heat island effects, and reduced energy usage. Yet merchants often do not find such benefits compelling, when compared to the direct costs of streetscape trees. A series of studies explored both business people's attitudes about trees and shopper response to urban forest canopy, thus addressing the more direct interests of retailers (Wolf, 2014). The research results make the case for the importance of business investment in a tree program in order to promote urban sustainability, but more importantly, to enhance the appeal and success of business centers in cities and towns.

This chapter builds the case for the importance of having trees and quality landscapes in retail settings. The first sections address the broader issues of urban sustainability, retail settings, and recent research about urban forest benefits. Psychological theory about people's response to place, retail settings, and nature is provided in a background section. A research program has explored how business district visitors respond to city trees; key findings are summarized. A discussion section is followed by guidelines for urban forest planning in contemporary shopping environments. This presentation of theory and research presents several research opportunities, the focus of the last section in the chapter.

Challenges and Opportunities

Many local governments and communities pursue urban sustainability goals. They seek opportunities to improve air and water quality, and introduce energy efficiency across all land use sectors. Science, technology, and professional best practices have evolved to integrate natural systems and features into the everyday functions of cities and towns. Yet not all property owners are necessarily committed to ecology and landscape development for the sake of sustainability. For instance, shop owners within the retail and commercial districts of cities often lament the dis-services of street trees and vegetation, calling out the costs and annoyances of blocked signs, increased debris, and sidewalk damage. These practical concerns often lead to plans and actions that preclude plantings, in the belief that open, clear streets provide optimal shopping environments.

The basis of consumer behavior has changed in recent decades. While the retailer-consumer relationship still involves rational economic transactions, it also includes a variety of non-economic interactions. Shopping is much more than an activity of necessity, and now has leisure and entertainment components. Yet, the elements of the retail environment that attract customers and encourage them to purchase goods and services are not fully understood. Behavioral economics and neuromarketing are emerging fields of study that pursue better understanding of economic and retail behavior.

Facing competition from online and big box competitors, many merchants in local and neighborhood shopping districts give greater attention to customer service and the quality of experience in their shop. Curiously, in many instances the attention to retail experience and place does not extend beyond the front door. On approach a customer encounters blank walls, barren sidewalks, and large paved areas devoted to parking. The appealing retail experience that is carefully cultivated within the store is often absent at the curb and other outdoor areas of the business district or site.

Central business districts are often the retail and civic centers of urban neighborhoods and smaller cities. As business associations implement district improvements and strategies to attract and retain shoppers, some retailers may overlook the importance of a quality streetscape on visitors' encounters with a business district. The direct costs of an urban forest improvement program can be readily tallied;

The Urban Forest and Shopping Environments

assessing the consumer response benefits is more difficult. Meanwhile, trees and landscape are playing an ever more important role in urban quality of life. City leaders recognize the importance of parks, gardens and nature in creating healthier and more vibrant communities.

Background: Urban Forest Benefits and Functions

The urban forest includes the naturally occurring and planted trees in cities which are managed to provide inhabitants with a continuing level of social, environmental and ecological benefits, most with economic consequences, today and into the future. Many cities actively count, assess and manage trees across public lands, and some communities also promote best practices on private property.

Ask people about why trees are good, and aesthetics and beauty are probably the most commonly described benefits. Tree plantings have historically been an important element of beautification programs in cities throughout the world. Yet recent science indicates that decisions to plant and manage trees should not be based only on aesthetics, as urban forestry and nature more generally (such as parks, gardens and green space) provide benefits that are of high value to city dwellers. Here are key findings from recent research.

Ecosystem Services

The term *ecosystem services* (ES) has evolved to describe the full scope of nature's contributions to human health and welfare. ES are defined as those conditions and processes by which natural ecosystems sustain and fulfill human life. Economists have used the concept of ecosystem services for decades, but the notion really gained momentum in the 1990s after a key paper was published in the journal *Nature* (Costanza et al., 1997). The article defined ES and notably estimated that all services across the planet tallied up to an average annual value of USD \$33 trillion.

Nature's assets, such as forests, agricultural lands, shorelines, and seas have been the sources of essential and economically valuable goods and services throughout human history. Products such as timber, grains, and fish are readily bought and sold in markets. ES also includes natural systems' benefits that are less tangible but economically important, though estimating their values is more difficult. Examples include flood protection, pollinator activity, natural filtering of potable water, and climate stability. Generally, ecosystem services arise from broad systems of ecological components, processes, and functions, but the term specifically signifies aspects of ecosystems that are valued by people. Recent research in urban forestry and urban ecology has yielded important insights about the functions of natural systems within cities.

Environmental Services

Trees are major contributors of environmental services (Chen & Jim, 2008; Wolf, 2013a). Trees modify local microclimate to improve living conditions by providing shade, and reducing wind and noise. Urban greening also improves air quality, as plant foliage intercepts polluting microparticles and converts harmful gases. Urban vegetation improves water quantity and quality, as the pervious soils of planted areas allow infiltration of precipitation, reducing runoff and increasing groundwater recharge. Soils and vegetation can also retain water pollutants, thus improving water quality by mitigating nonpoint source pollution. Climate and energy effects are additional benefits. Strategically placed trees within

residential areas can reduce heat gain, thus reducing household energy consumption. Scaling up, areas of substantial tree canopy across a city can produce an oasis effect in hot climates and reducing urban heat island effects across all cities.

Health and Well-Being Benefits

Many environmental services have health consequences, such as provision of clean air and water. Meanwhile, nearly 40 years of research across the realms of social science and public health points to additional well-being benefits (Frumkin et al., 2017; Wolf & Robbins, 2015; Wolf et al., 2015). Having trees and nature in cities satisfies basic human needs, improves livability, and enhances quality of life. Nature provides beauty and aesthetics in built environments, but is also profoundly important to human health and well-being. The evidence spans social scales from individual response to person-to-person interactions, to neighborhoods, to organizations, and to various types of communities. The studies document how nature contributes to human performance and functioning in everyday life, and address some of the most urgent issues of contemporary society, such as education performance, public health costs, therapy for emotional and physical disabilities (such as those experienced by veterans returning from deployment), and mental functioning of the growing elderly population.

While the experience of nature is not a panacea for the ills of society, extensive psychosocial research suggests that natural settings enable a positive response, better functioning, and healing. The Green Cities: Good Health website (www.greenhealth.washington.edu) is a catalog of research about these social, economic, and cultural benefits. The review represents more than 4,000 peer-reviewed publications that have been collected and sorted by benefit theme. This knowledge shows why planning and management of urban forests, and urban greening more generally, are important to improve social capital and provide better human habitat.

BACKGROUND: PSYCHOLOGY DIMENSIONS

Purchasing behavior is based on complex psychological interactions, including the influences of the physical environment. Multiple psychological perspectives highlight how the experience of nature contributes to consumer behavior in retail settings.

Psychology of Economics

Fascinating new research and theory development has shifted how economists, financial planners, and retailers think about a person's financial reasoning and purchasing actions. New perspectives about people's relationships with money address actual (rather than assumed) behaviors and their psychological basis.

Neuromarketing

Neuromarketing is an application of various neuroscience evaluations in the context of economic behavior (Lewis & Bridger, 2005). This applied field attempts to better understand how consumer experience is expressed within the interacting neural systems of the human brain to create stores that resonate on an emotional level (Pinnock, 2018). Though a relatively new science, neuromarketing research confirms

The Urban Forest and Shopping Environments

the experimental observations of behavioral economics, showing that decision making is influenced by multiple interacting, and sometimes competing, specialized neural systems. These responses can be triggered by sight, smell, sound and taste, and multisensory engagement.

The brain has two key subsystems. The combined limbic and paralimbic system rules the intuitive and affective parts of our psyches and functions unconsciously. The analytic system of the frontal and parietal cortexes controls conscious thinking, such as information processing and future-oriented reasoning. Interaction of the limbic and analytic systems governs decision-making. People claim the primacy of their cognitive abilities, but the brain has been dependent on instinctual responses for millions of years. The most ancient part of our brain known as the R-complex or the reptilian brain, influences much of our behavior. Emotions play a significant role in consumer choice mechanisms and at times there may even be disconnect between conscious reasoning and preference expressions (Morin, 2011).

Neuroscience marketers have used a variety of methods to monitor consumers' emotions and decision-making. Assessments have included in-shop experiences, video clips and TV advertisements, and influences of political advertising during elections. Methods include electroencephalogram (EEG) monitoring of the electrical signals of the brain, eye tracking to determine visual focus points, facial coding to monitor barely perceptible facial expressions, and galvanic skin conductance which signals physiological arousal in response to nearby conditions.

Behavioral Economics

A neoclassical economic perspective assumes that consumers make choices in ways that optimize individual self-interest, and do so by carrying out rational analysis of all available options. This 'rational man' assumption has emphasized efficiencies in economic choices, yet recent research suggests that the premise has many shortfalls that can lead to unrealistic economic analysis and policy-making (Kahneman, 2003). Behavioral economics is a rapidly growing sub-discipline that seeks to increase the explanatory and predictive power of economic theory by providing it with more psychologically plausible foundations (Lambert, 2006). Studies explore the consumer psyche and irrationality of human decision-making processes.

Early behavioral economists tended to emphasize the role of cognitive types of errors (such as framing effects and time discounting) in less than optimal decision-making. Additional research, however, points to the important role of affect in judgment and choice. Beliefs, emotions, and heuristics are at least partly responsible for expressions of human behavior. In addition, people show enormous sensitivity to social influence, including attention to personal identity, social proof, and social learning. Within the last two decades assumptions about the sources of economic choice have diversified, and theorists are considering a broader potential range of influences on economic behavior.

Economist Robert Thaler, a Nobel winning economist, has proposed "nudge theory", the notion that small interventions can encourage individuals to make different decisions. Investigators observe and analyze the dynamics of actual human behavior in practical tests to construct models of behavior, rather than relying on hypothetical assumptions of market behavior. A core premise is that increasing the realism of economic analysis situations will help generate theoretical insights, improve predictions of field phenomena, and lead to better policy (Camerer & Lowenstein, 2003).

Place and Environmental Psychology

Behavioral economics and neuromarketing acknowledge that economic behavior is supported by a variety of unexpected processes, in addition to rational choice analysis. Humans are remarkably efficient information processors, constantly seeking to make sense of the physical cues around them. Some of the earliest studies in environmental psychology explored how people comprehend outdoor places and built settings.

Person/Environment Interactions

Social scientists distinguish the tangible, physical aspects of an environment from interpersonal, social and cultural connections. Some person/environment research explores responses to prompts or stimuli in our surroundings. On the other hand, an interactional perspective (Stokols, 1978) suggests that response to environments arises from a myriad of assessments of a physical setting. Observers interpret the literal characteristics of a place to make judgments of function (e.g. school vs. hospital) or wayfinding (i.e. how to efficiently navigate to where one wants to go). Observers also make connotative or inferential judgments about the quality or character of a place and the people who inhabit it (Nasar, 1998). People cognitively overlay physical form with meanings or representations, integrating mediating information gained from observers' prior experiences, social learning, and attitudes.

Social Psychology

The discipline of social psychology also offers insights for understanding the cognitive processes of place-based consumer response. Social psychology was defined by Brehm et al. (1999) as “the scientific study of how individuals think, feel, and behave in regard to other people and how individuals' thoughts, feelings, and behaviors are affected by other people.” Social perceivers assemble various bits of information, and mediated by their dispositions and prior experience, form impressions of others. Leyens and Fiske, (1994) note that, “people continuously build impression theories and use them in their commerce with other people.” Observed traits are the indirect cues used to interpret feelings, personality, character and likely behaviors. Diverse information about a person is integrated to form a coherent impression and guide decisions about how to interact in a social situation. Rapid assessment is the basis for cognitive inference and evaluation of new acquaintances. Built settings may evoke similar evaluative responses, as suggested by the research presented later in this chapter.

Retail Psychology

Shopping and purchasing involve complex cognitive processes, some of which the consumer is aware of while others are nonconscious (Veryzer, 1999). Brick-and-mortar retailers rely on the tangible, physical setting of their business to attract consumers to their products and services. Stimulus response marketing and retail science studies have mostly focused on store interiors. Might a comfortable streetscape and lush tree canopy generate similar responses?

Atmospherics

Marketing researchers continue to explore the ‘atmospherics’ attributes of products and stores, and evaluate their role in consumer behavior, including use of neuroscience measures (Pinnock, 2018). Store environments can affect shoppers’ behaviors through responses of emotion, cognition, and physiological state. Music, lighting, color, scent, layout, signage and service staff are all in-store elements that evoke complex reactions (Lam, 2001). Pleasant store settings are significant predictors of willingness to spend time in a store and of intentions to spend more money than originally planned (Donovan et al., 1994). Interior elements contribute to store image; for instance, classical music and soft lighting are associated with a high-quality image. Evaluations are also influenced by elements that are perceived as cues of level of service, merchandise quality, and general characterization of store types. Actual environmental conditions, such as temperature and noise levels, affect one’s sense of comfort and can influence the amount of time spent in a particular environment.

Store Image

Retail cognitions include inferences and impressions of product or store quality that shoppers make upon experiencing store-based cues. A related cognitive dimension is store image, that is, the way in which a store is defined in the shopper’s mind, including not only a store’s functional qualities but also its aura or psychological attributes. An array of attributes that contribute to store image was identified by Lindquist (1975) and included physical facilities. Store image can influence a buyer’s mood, and thus enhance affiliative behaviors within the store; e.g., spending more time and money than planned, and intention to revisit (Smith & Sherman, 1993). Initial store selection and purchase decisions may be rational choices but reactions to the store’s environment can influence unplanned purchasing, extra spending, time spent inside the store and intentions to return.

Nature Psychology

Behavioral economics, supported by neuroscience studies, acknowledges the broader set of potential influences on everyday consumer behavior. Place and retail psychology studies confirm that perceptions about a shopping place (and associated behavior) are informed by physical features and place ambience, such as light, sound, and color. The role of nature in the perceptual mix has rarely been addressed in marketing research, yet studies in environmental psychology and allied disciplines show consistent positive human response to nature, trees, and landscapes.

Biophilia

An emergent theory about human behavior is the *biophilia hypothesis* (Kellert & Wilson, 1993). The term refers to an innate emotional affiliation that people have for natural elements and places (such as trees and gardens). Biophilia is suggested to be the result of human evolution in natural environments, and our dependence on natural systems for food, water, shelter, and other basic needs. Although it is still uncertain as to what extent biophilia is hard-wired, numerous studies across a variety of disciplines (e.g. psychology, sociology, geography, anthropology, public health, epidemiology) point to nature’s

beneficial effects. Humans respond positively to natural elements within cities in terms of affect, cognition, and physiology (Wolf & Robbins, 2015).

Landscape Preference

When asked what is appealing about gardens or parks, people often talk about beauty and aesthetics. Psychological assessments of urban landscapes indicate that such responses are more than a mere reaction to what is comfortable or pleasant, beauty is but one expression of a complex array of perceptual and cognitive processes (Kaplan & Kaplan, 1989). Imbedded within visual preferences are reactions to cues that help one to make sense of an environment. Response to visual attributes is rarely neutral; there are often associated judgments and behaviors. Urban scenes containing trees (particularly large ones) are consistently highly preferred (Dilley & Wolf, 2013). Some investigations have assessed response of people to trees of particular shape or size (Camacho-Cervantes et al., 2014). Others have evaluated the social or cultural meanings and values that trees represent for people in urban environments (Wolf, 2017a). The general public rates the benefits of urban trees highly (Lohr et al., 2004).

Nature and Property Value

A market-based expression of preference is captured by hedonic analysis of property sales and assessments. Hedonic pricing is a revealed willingness-to-pay analysis that captures the proportion of property prices that derived from non-use values of nearby or in-parcel trees and other natural elements. Hedonic pricing studies have been done since the 1960s and generally show higher property values in those communities having tree canopy and large trees. Single trees (of various sizes and locations) can boost property values by 2 to 10 percent. Tree retention during development has boosted lot values by up to 35 percent. Homes near naturalistic parks and open spaces show value increase of 10 to 20 percent (Wolf, 2008a). A study in Portland, Oregon (Donovan & Butry, 2010) found that across the city, on average, street trees added nearly \$9,000 to sales price of a home and reduced time-on-market by 1.7 days.

RESEARCH: TREES AND RETAIL BEHAVIOR

Urban forest managers and advocates can call up many studies about the environmental services that city trees provide. Yet businesspeople often don't consider such evidence to be relevant to the bottom line. What can justify investment in tree planting and management in the retail streetscape? Merchants are interested in the potential return from green investment.

The theory and research presented in the background sections hint at how much consumer behavior is an expression of complex psychological interactions – not simply rational analysis – and that outdoor place and nature are probable influences. A series of studies directly explored the psychosocial response of shoppers to outdoor consumer environments (Wolf, 2004a; Wolf, 2005a). Surveys were used to evaluate how business district visitors respond to the presence of quality urban forest canopy.

These research questions guided each of several studies. We asked what might be the relationship between urban forest canopy, and:

- **Visual Quality:** The degree to which people judge a setting as pleasing and desirable;

The Urban Forest and Shopping Environments

- **Place Perceptions:** Mental representations or assumptions that one infers from an outdoor setting;
- **Patronage Behavior:** Stated frequency and duration of shopping actions, such as length of a visit, and;
- **Price Perceptions:** Represented by consumers' willingness-to-pay for products and services.

Additional questions explored attitudes about benefits and annoyances that consumers may associate with trees, and how businesspeople may differ from consumers in their preferences and attitudes toward trees. An overview of the results follows, with emphasis on the four core questions.

Methods

Each study involved two sampling approaches. Sampling of retail environments included the “main street” business districts of large (Wolf, 2003a), mid-size (Wolf, 2004b) and small cities (Wolf, 2005b). Districts were selected based on architectural characteristics, status of revitalization programs, and socio-economic status of neighboring residential areas. Respondent sampling across the studies typically included randomly selected nearby visitors from within a buffer distance of the targeted business districts, and included people from multiple U.S. cities. Replicate studies also evaluated commercial areas adjacent to freeway roadsides (Wolf, 2003b; Wolf, 2006) and small malls (Wolf, 2008b; Wolf, 2009a). Local collaborators made it possible for our research teams to sample business districts and associated users throughout the United States; their efforts were greatly appreciated.

Cited articles report the peer-reviewed, primary research and can be accessed for more detailed descriptions of methods. Generally, all surveys started with a preference rating exercise, presenting a set of images that depicted streetscapes with varying forest character, while minimizing the variation of other visual content. Each survey also contained streetscape scenarios “with trees” or “without trees”, and questions about a respondent's projected shopping behavior while viewing one of the settings. Measures included rating scales as well as categorical responses. Surveys were randomly distributed among respondents by mail or during sidewalk intercepts. Analysis methods were also similar across each of the surveys. Preference means were calculated for each of the images (up to 35 visual stimuli per study), then image categories were explored using factor analysis. For each of the scenarios, response variables sets were first tallied then combined using data reduction methods, such as factor analysis, to understand underlying categories. Finally, responses were compared for differences between commercial streetscape settings “with” or “without” trees. When appropriate, comparisons were also made between respondent subgroups, generally based on demographics.

Results and Findings

The results of the research program can help local resource managers and merchants to better understand, and reconcile, the tensions that are often associated with trees in consumer environments. This results overview reports trends and consistencies across the multi-study research program. Figures and tables present examples of findings within single studies, as well as across the different settings. Data analysis generally revealed consistently positive associations between streetscapes having trees for consumer preferences, perceptions, and behavior.

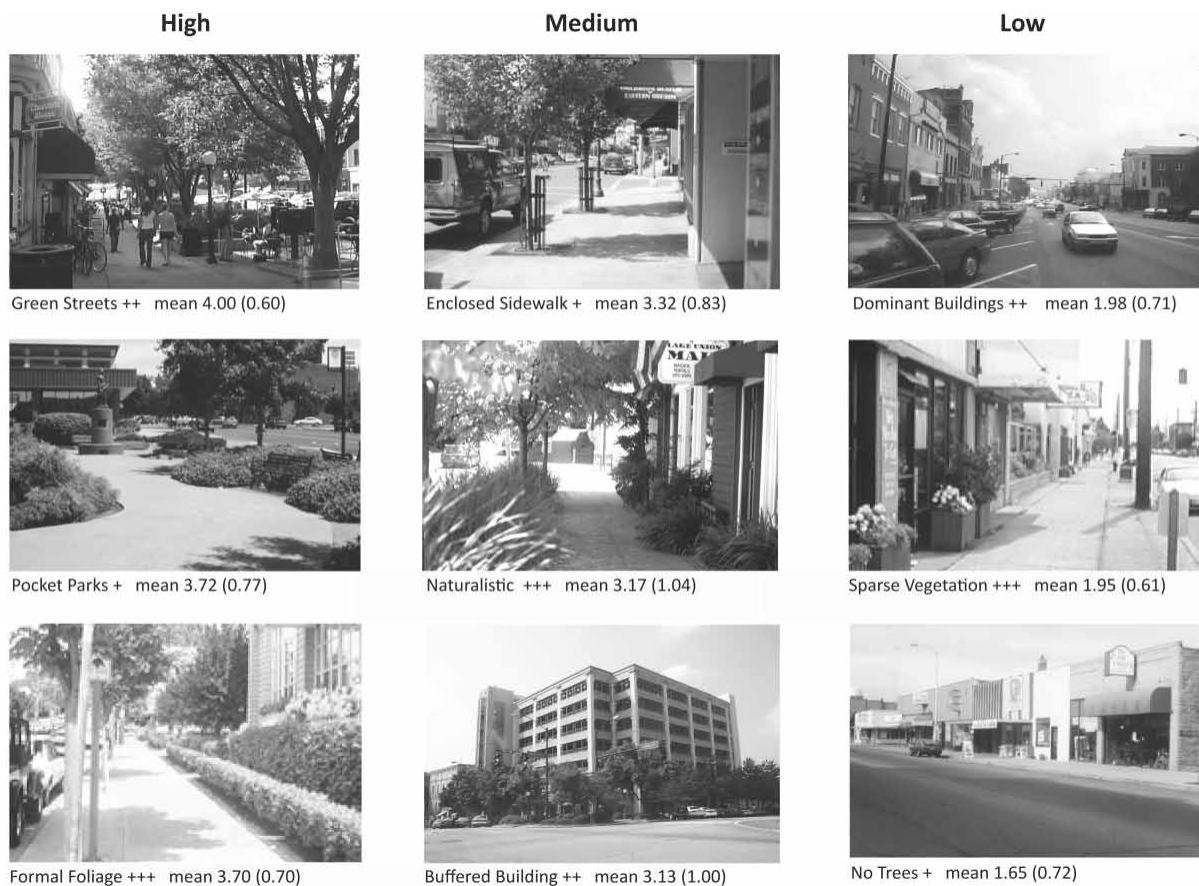
Visual Quality

Image preference ratings sorted into three to five visual categories per study (each containing at least two images), with mean ratings ranging from 1.65 to 4.00 on rating scales of 1 to 5. Figures 1 and 2 show sample category images and mean preference responses across the studies. Within each study, consumer ratings increased steadily with the presence of trees. Images depicting business district settings having narrow sidewalks and quality buildings, but no trees, were at the low end of the scores. Images having well-tended, large trees received the highest landscape preference ratings, even though plants obscured other visual elements (such as historic buildings and signs).

Place Perceptions

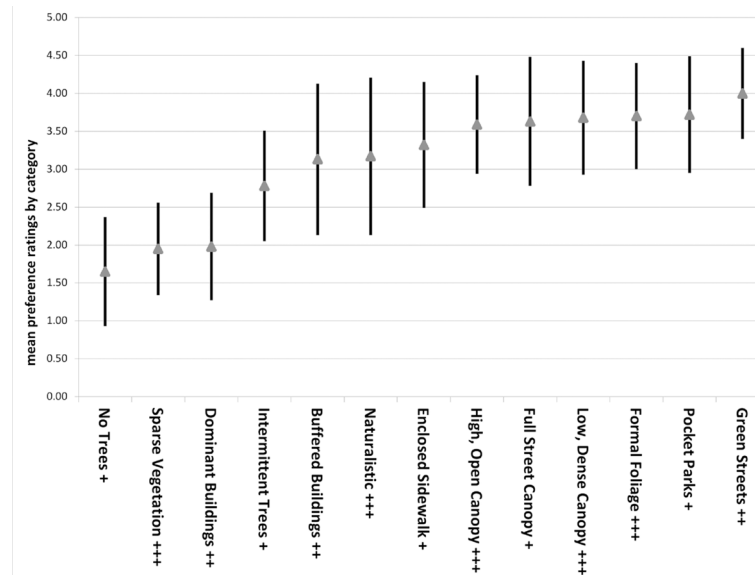
While viewing one retail scenario (randomly presented), each respondent was asked to rate his or her level of agreement with statements about the place using Likert scaled variables. Means for categories of items were compared between the forested and ‘no tree’ conditions (Table 1). Again, trees were as-

Figure 1. Image preference categories and mean ratings across multiple studies
Means (standard deviations) for categories from small +, midsize ++, and large cities +++. Means for a total of 13 categories ranged from 1.65 to 4.00 on a rating scale of 1 to 5 (more information available in Wolf 2005a).



The Urban Forest and Shopping Environments

Figure 2. Summary of image preference categories and mean ratings across multiple studies
Source study for category: + small city, ++ midsize city, +++ large city (more information available in Wolf 2005a).



sociated with higher ratings of ‘amenity’ and ‘visual quality’ across the studies. Moving beyond the obvious visual content, the respondents made inferences about the settings. For instance, positive scores for maintenance were given to districts with trees, despite efforts to present the same level of building care and street tidiness in the study images. Respondents also attributed social traits and characteristics to in-store experiences. Judgments of products and merchants were more positive in forested places. This was also the case for inferences about product value, product quality, and merchant responsiveness. It seems that favorable expectations of shopping experiences are initiated long before a consumer enters the door of a shop.

Patronage Behavior

Study participants stated their patronage behavior with respect to travel to the business district, visitation patterns, and willingness-to-pay for parking while considering the streetscape scenarios. Responses were analyzed to evaluate the relationship between reported intentions and streetscape character. Responses on most patronage variables, across each main street study were found to be significantly higher for “with trees” as compared to “without trees” conditions (Table 2). A distinct pattern of response was evident. Responses for settings “without trees” appeared concentrated at the lower end of each of the patronage variable’s values, while streetscapes “with trees” seemed to generate higher value responses. For example, respondents claimed they would travel farther to visit a business district having trees in both large and small cities. This could translate to an expanded trade area radius that adds thousands of people within urban population centers. Once there, survey respondents claimed they would stay longer, which may lead to greater sales revenues (Underhill, 1999).

Table 1. Mean ratings for place perceptions categories across multiple study settings

Perception Category	Large Cities*		Small Cities**	
	no trees	with trees	no trees	with trees
Amenity and Comfort	3.00 (1.28)	5.69 (1.05)	3.8 (1.62)	5.8 (0.91)
Maintenance and Upkeep	4.27 (1.39)	5.94 (0.87)		
Merchant Interaction	4.24 (0.98)	4.90 (0.94)	4.4 (1.14)	4.9 (0.97)
Quality of Products	3.59 (1.07)	5.00 (1.14)		

Notes: Likert rating scale: 1=strongly disagree, 4=neutral, 7=strongly agree. Reported values are mean (standard deviation). Means were compared on perception categories by urban forest condition within different sized cities (Large Cities were 250K or greater population; Small Cities were 10-20K population). Statistical significance: *one-way analysis of variance, $p < 0.000$; ** independent samples t-test, $p < 0.000$

Product Pricing

A pricing assessment was done using contingent valuation to understand the impact of streetscape trees on price perceptions. Respondents were presented with a list of goods and services and were asked to state prices for each. The list contained products within different product and services classes that were supposedly offered for sale in the setting. Table 3 lists respondents' valuations, and demonstrates the positive price effect associated with the presence of trees. There was some variability of price response between different sized cities, yet trees appeared to be consistently associated with higher price points. When standardized across all product categories and scenarios, the amenity margin for the presence of trees was 12 percent for large cities and 9 percent for small cities. The variation by city size may have been due to greater public appreciation for trees in big cities, or reflect differences in local economies of large versus smaller cities, or may be due to an economic downturn in the US that occurred in the period between the two studies.

Table 2. Summary of patronage behavior responses across multiple study settings

Patronage Variables	Large Cities	Mid-sized City	Small Cities
	with trees	with trees	with trees
travel time	*more time		
travel distance	*greater distance		*greater distance
duration of visit	*more time	^more time	*more time
frequency of visits	*more frequent	^more frequent	*more frequent
parking fee WTP	*higher fee		*higher fee

Notes: Results indicate comparisons between the “with tree” and “no tree” district conditions, within each city size. WTP = willingness-to-pay, or respondent stated price. Statistical significance: Pearson's X^2 and Cramer's V tests used for comparisons of categorical response frequencies, * $p < .000$, ^ $p < .001$. For details see: large cities – Wolf, 2003a; mid-sized city – Wolf, 2004b; small cities – Wolf, 2005b.

The Urban Forest and Shopping Environments

Table 3. Summary of patronage behavior responses across multiple study settings

Product Category	Large Cities [^]		Small Cities [*]	
	no trees	with trees	no trees	with trees
Convenience	8.98 (2.74)	13.78 (5.00)	5.93 (3.09)	7.48 (4.54)
Shopping	33.52 (11.49)	47.36 (18.54)	69.42 (42.41)	92.22 (59.76)
Specialty	51.88 (18.30)	73.24 (30.79)	63.96 (26.78)	74.32 (30.70)

Notes: Means compared on product categories by urban forest condition, and within city sizes (Large Cities were 250K or greater population; Small Cities were 10-20K population). Means (standard deviation) are in \$U.S. Measures indicate Willingness-To-Pay using respondent determined and open-ended pricing scales, with outliers removed. Statistical significance: [^]one-way ANOVA $p < .000$, ^{*}independent samples t-tests $p < .005$

Demographics Comparisons

Surveys included socio-demographics questions. Survey participants in the large and small city studies were generally slightly older, somewhat more affluent, and less culturally diverse than the general U.S. populace. Respondents in Athens, site of the mid-size city study, were younger and had reduced household incomes, which is not surprising for a college town. Despite demographic differences among participants, the consistency of responses across all studies was remarkable; green shopping districts were broadly preferred (Wolf, 2007).

DISCUSSION: NATURE AND SHOPPING ENVIRONMENTS

A four-concept framework guided the trees and retail research program - visual quality, place perceptions, patronage behavior, and price perceptions. The product pricing responses have been of greatest interest to merchant audiences, but other measures yield insights as to why shoppers may be willing to pay more for products in business districts that have a quality urban forest. It is important to note that each of the studies asked participants to indicate their responses to entire districts, each having a unified character throughout, and not to individual merchants or shops that may or may not have fronting trees. Investing in district wide urban forestry improvements provide the perceptual richness and sense of place that trees can generate.

The research studies indicated remarkably consistent retail behavior responses in business districts across a continent and within cities of different sizes. Why? What is going on in the background? First, there is more than forty years of evidence about the positive responses of people to experiences of nearby nature, that is the everyday trees, gardens, and green spaces within one's community. Biophilia may be a deep influence. Principles of behavioral economics, supported by the brain imaging data of neuromarketing, suggests that individuals' decisions about purchases, personal finance, and investment are influenced by a broader spectrum of factors than the purported 'rational man' model, with emotion playing a key role.

Person/environment theories note that physical form and the built environment inform cognition, and also evoke emotion through the symbols or representations of place. Social psychological concepts of "social attribution" and "impression formation" readily translate to consumer/environment interactions. The positive responses to urban forest canopy in business districts is likely due to both the literal pres-

ence of trees as nature elements, and the emotional or cognitive sensations associated with movement through a pleasant consumer environment.

Most of the studies and emerging principles of behavioral economics consider psychological functions of the individual, or social response where one interacts with individuals or small groups. Economic theory has rarely explored the role of one's physical environment in financial decision-making and behavior. Few studies have analyzed the relationships between the attributes of one's surroundings and how one considers, then acts on decision inputs, and how that changes across settings. For instance, might local climate or the conditions of one's neighborhood be associated with financial behavior patterns?

External features deserve greater attention, as store and shopping center exteriors present initial perceptual cues to consumers. Features such as storefronts, entrances, display windows, building architecture, and parking lot character can create favorable or negative impressions that affect the frequency of return, amount spent during a visit, types of products purchased, and time spent at the shopping venue. These place elements must appeal to the shopper to induce approach behaviors for a retail store or service to be successful (Wolf, 2013b). In turn perceived service quality, emotional satisfaction, and positive image are key drivers of customer loyalty and recommendation (Ladhari, 2011). Few studies have explored the interaction of biophilia and commerce (Joye et al., 2010). Yet it appears that trees are a significant atmospheric element of the business street, and are one of the first attributes of a business district that a visitor encounters.

SOLUTIONS AND RECOMMENDATIONS: TREES AND PLACE DESIGN

The research included interviews with independent merchants and managers of chain stores. The potential environmental benefits of having trees near their storefronts were of minimal interest to most. Rather, many called out the direct costs of tree planting and management, such as irrigation and pruning, leaf and debris removal, and infrastructure damage such as roots causing cracked sidewalks.

There are best practices and management strategies that alleviate such annoyances, optimize the benefits of city trees, and promote urban forest health. A comprehensive plan provides long-term guidance and continuity of care for trees, extending their life for decades. Good planning is more likely to support landscaping that can create positive shopper experiences, as a plan helps garner support from community members, boosts fundraising opportunities, and ensures that details are thought through. Following planning and planting, on-going maintenance will ensure maximum benefit and cost control.

Trees are living resources that change in character and form over many years. This dynamic, living design element offers opportunities, but also can create tensions in the built environment. Here are guidelines for integrating trees into the retail streetscape (Wolf, 2009b).

Creating Place

Each tree species or cultivar has a distinct mature form, size, and other attributes. Plant selections can "brand" a place through subtle, yet observable, distinctions of texture, seasonal color, and plant massing (Figure 3). Within a shopping district diverse tree groupings and arrangement help a person to interpret sub-zones, thereby providing cues for orientation and wayfinding. Working within a selected plant palette, a landscape designer can promote variety within unity, creating a place perceived to be coherent overall while having distinctive features. Conventional planting patterns are one tree per every 30 linear

The Urban Forest and Shopping Environments

Figure 3. Retail place-making using trees and accessory vegetation – Chicago, IL; Austin, TX; Seattle, WA (photo credits: Kathleen Wolf)



feet (or more) of sidewalk. Variations on this basic pattern make a shopping district more interesting and unique. For instance, double rows of trees can be planted if sidewalks are wide enough. Mixed species provide interesting visual patterns. Understory plantings of flowers and shrubs add color and focal points.

Order and Tidiness

Survey respondents preferred scenes where vegetation is presented in patterns, and where there is order within the street scene. Careful and routine maintenance is also important as tidiness improves preference ratings across all landscapes. Again, there is more to this than meets the eye; during interviews shoppers claimed that the level of care for plants in the sidewalk zone provided cues about the level of care and customer service they might expect from nearby merchants.

Store Visibility and Trees

Merchants may express concerns about trees and visibility of their signs, awnings, and storefronts. Extra attention to design is needed to prevent such conflicts. Certain design principles can alleviate visibility issues. First, tree species choice is important. Trees with a more open and airy canopy, rather than a thick, dense canopy will permit better views. Tree species with a mature height that is ultimately higher than sign heights are good choices. There are additional precautions as a tree grows. Ongoing maintenance should include pruning to guide the shape of the tree's canopy and remove any limbs that might be hazards. As the tree grows, the canopy can be "limbed up" to raise branches and foliage above signs and storefronts. The canopy can also be opened up with selective pruning to allow sunlight to filter down to the sidewalk, making the street more pleasant for pedestrians. Tree topping is not the answer as it causes a flush of new branch and leaf growth that becomes a more dense visual obstruction. Repeated shearing of treetops causes poor tree health in the long run.

Signage and storefront design may also reduce visual conflicts. Color and materials choices for signs should contrast with foliage, drawing the eye to visual accents. Monument signage can be used to consolidate multiple scattered signs into a single streetside structure that is readily seen and understood. Perhaps "iconic" signage, using quickly interpreted symbols for goods and services, could be placed, reducing the need for multiple, large, highly individualized signs that take more time for passing motorists

to comprehend. Indeed, traffic-calming approaches may be another solution, as drivers moving through a business district at high speeds may not notice signs no matter how visible.

Create Social Spaces

Shopping is often a social and recreational experience, shared with family or friends. Outdoor seating areas should be given careful thought. Randomly placed benches on the sidewalk may not be comfortable or visually appealing. Benches and custom seating can wrap around a tree pit or planter to give customers a sense of shelter while watching activity on the street. Trees and planters can also be used to perceptually break up a large paved area into a series of “rooms”, making the space feel more human in scale and welcoming (Figure 4). Such small spaces offer places of respite for extended district stays, or can be used for outdoor dining.

Co-Design for Co-Benefits

Green infrastructure has become an important sustainability strategy in many cities. Generally, green infrastructure is the conservation and creation of natural systems that are integrated with built systems to generate ecological benefits. In many urban communities, green infrastructure is being used to improve the performance of traditional “gray” infrastructure (Wolf, 2017b). Green Stormwater Infrastructure, or GSI, refers specifically to water management, especially runoff from rainfall. Engineering practices have traditionally put water detention facilities away from public view. Yet careful design can create co-benefits of improved environmental services and more attractive, appealing places (Wolf & The Nature Conservancy, 2018). Communities have tested GSI use in residential areas with success and some communities now integrate GSI into commercial and retail locations (Figure 5), particularly when new street or utilities construction is done. Careful planning of tree and ornamental plantings helps reduce utility costs and can create consumer-friendly landscapes that welcome visitors and become the backdrop for cafes and pedestrian zones.

Future Research Directions

As cities pursue more sustainable practices, there is greater attention to urban forestry, park systems for health, green infrastructure, and other nature-based policies or programs. This book focuses on one land use and activity within the broader context of cities – retail environments. While taking up far less land than other land uses in the typical city (such as residential or transportation) the quality and character

Figure 4. Trees and accessory vegetation serve to separate and define subspaces within retail environments – Charlotte, NC; Seattle, WA; Arlington, VA (photo credits: Kathleen Wolf)



The Urban Forest and Shopping Environments

Figure 5. Green infrastructure can enhance streetscapes while improving stormwater management (photo credit: Kathleen Wolf)



of a community's retail centers reflect the identity of a place. Planners and decision-makers of modern cities recognize that vital, appealing places attract businesses and the talent needed to succeed. Future research can promote better understanding and greater benefit.

Trees, Vegetation and Retail Behavior

The results concerning retail perceptions, patronage, and willingness-to-pay were all based on self-report data. These outcomes could be validated in several ways. First, the studies relied on stated pricing and behavior; revealed willingness-to-pay studies rely on the actual price paid for market goods that have a specified level of an environmental attribute. A consumer price index approach that compares prices of a 'basket of goods and services' across multiple places having or not having trees would be a more objective assessment of any amenity margin in retail pricing.

Also, hedonic pricing could be used to capture value increments by comparing cohorts of districts that are similar, but differ on the character and quality of urban forest conditions. A 'natural experiment' could be conducted in a single business district having trees if they are removed within a short time frame (e.g. following an ice storm or due to insect damage). Another important validation would be to compare actual on-site visual preference ratings with those expressed for photographic images. The self-report studies were conducted in urban neighborhood and 'main street' business districts; validation of the measures could be extended to other settings, such as malls of various sizes.

From a marketing perspective shoppers are diverse in goal orientation, socio-economic status, and retail product interests. Three general shopping motivations have been differentiated: functional, experiential, and social (Geuens et al., 2001). Individuals may have a prevailing motivational type, yet various shopping trips may be situational and connect to different motivations. An interesting marketing perspective is to empirically test how 'shopping motivation' or type of shopping is supported by streetscape characteristics, particularly tree canopy. Also, are there specific landscape attributes that both support the shopper's intentions, and increase satisfaction with the product or service after the return home?

Urban Forest Health and Sustainability

The studies found that large trees were associated with the highest business district approval ratings, yet the built conditions of retail settings often present challenges that restrict tree growth. Paved areas have elevated ambient temperatures that can stress trees (and humans). Other challenges include limited root and canopy volumes, compacted and low nutrient soils, water stress, and interactions with utilities. Pedestrians and passing vehicles pose daily risks in terms of tree damage and health. Additional research and technology development is needed to generate better knowledge about how to integrate trees into commercially zoned settings, as well as all urban land use zones. While the general concepts of traditional forest management apply to city trees, the needs of particular urban circumstances (such as central business districts) merit dedicated science and best management practices.

Successful urban forest management entails direct costs while benefits are less readily measured, thus a process for benefit/cost analysis is another research opportunity. Forest planting, pruning, and care costs can be easily estimated. Results of the studies presented here could be used to calculate tentative fiscal benefits, and then used to estimate net value of trees in business districts, thereby determining a reasonable investment plan to support trees whose level of benefit increases over decades. A study of residential hedonic analysis is a model, as the investigators converted home value increases to municipal revenues from property and excise taxes (Donovan & Butry, 2010).

The presence of trees within retail environments suggests several research questions about sustainability, with consequences that extend beyond the immediate district. Merchant or business associations are crucial organizations for creating high quality green shopping areas, as improvements must be implemented across an entire district or mall. Once active in landscape improvements (and observing likely positive return on investment) might merchant associations be more inclined to commit to other district-wide (or city level) sustainability practices? Also, building owners are increasingly seeking sustainability certifications (such as LEED or SITES). Might forest management be included in their public messaging about green business practices, thus appealing to shoppers of certain demographics? Finally, might high quality, flourishing trees in retail centers provide models of best species choice and best practices that shoppers can transfer to their homes, and perhaps contribute to citywide tree canopy goals with new plantings? The potential behavior transfer of satisfying retail experiences to more generalized behaviors that contribute to urban sustainability sets up several intriguing research opportunities.

CONCLUSION

Consumer purchasing represents about two-thirds of the economic activity of the United States, and is a substantial economic influence in most nations. Merchants in urban business districts now face com-

The Urban Forest and Shopping Environments

petitive pressure from regional malls, big box retailers and e-tailers. Marketing and consumer outreach serve multiple purposes, first attracting the attention and visitation of shoppers and, once people have arrived, helping to shape the character and quality of the shopping experience. While many conditions contribute to consumer perceptions of attractive, desirable shopping settings, the results of our research program suggests that a quality urban forest helps to define retail place. Many marketing studies have focused on the “micro” level of product packaging and placement, or indoor retail configuration. These studies contribute information about the “macro” level of consumer perception, that is the positive influences of outdoor environments on consumer choice and behavior.

Businesspeople may fail to recognize the value of trees in the streetscape, or may judge costs (e.g., reduced patronage due to sign blockage, sidewalk debris) to be greater than potential economic gains. Yet non-economic factors (such as atmospherics) appear to influence consumer behavior and choice on a subconscious level. Businesspeople, if focused only on direct costs, can overlook potential place-marketing benefits of urban trees and nature. Study results suggest that higher price valuations are mediated by psychological inferences of district character and product quality. Thus, creating and stewarding an urban forest canopy may enhance revenues for businesses in retail districts that offer diverse products and services. Consumer purchases provide both compensatory returns for district-wide costs of tree planting and maintenance, as well as revenue enhancement for individual businesses.

We used a comprehensive measurement approach to better understand consumer perceptions and behavior in the presence of trees. Statistically significant differences were found across four measures – visual quality, place perceptions, shopper patronage and product pricing – with forested districts having higher ratings and values. It is important to note that the highest ratings were granted to places having full, mature tree canopy, indicating careful maintenance across decades. City trees provide environmental benefits, the usual justification for urban forestry investment, and are an important concern as community leaders work toward urban sustainability. These studies demonstrate that trees serve other functions, particularly for retail and commercial interests. Economists have noted that shopping was once a utilitarian activity to fulfill needs and wants, but today’s shoppers are pursuing places that offer social, memorable experiences. Trees connect to deeply felt preferences and appreciations that people have for nature. The urban forest can be an important part of the vibrant, satisfying places that shoppers enjoy.

ACKNOWLEDGMENT

Partial support for the research about consumer response to business districts was provided by the USDA Forest Service, Urban and Community Forestry Program, on recommendation of the (U.S.) National Urban and Community Forestry Advisory Council. Additional writing support was provided by Tree Fund (ref. # 17-HJ-02).

REFERENCES

Brehm, S. S., Kassin, S. M., & Fein, S. (1999). *Social psychology*. New York, NY: Houghton Mifflin.

- Camacho-Cervantes, M., Schondube, J. E., Castillo, A., & MacGregor-Fors, I. (2014). How do people perceive urban trees? Assessing likes and dislikes in relation to the trees of a city. *Urban Ecosystems*, 17(3), 761–773. doi:10.1007/11252-014-0343-6
- Camerer, C. F., & Lowenstein, G. (2003). Behavioral economics: Past, present, future. In C. F. Camerer, G. Lowenstein, & M. Rabin (Eds.), *Advances in behavioral economics* (pp. 3–51). Princeton, NJ: Princeton University Press.
- Chen, W. Y., & Jim, C. Y. (2008). Assessment and valuation of the ecosystem services provided by urban forests. In M. M. Carreiro, Y. C. Song, & J. Wu (Eds.), *Ecology, planning, and management of urban forests* (pp. 53–83). New York, NY: Springer. doi:10.1007/978-0-387-71425-7_5
- Costanza, R., d'Arge, R., De Groot, R., Farber, S., Grasso, M., Hannon, B., ... Paruelo, J. (1997). The value of the world's ecosystem services and natural capital. *Nature*, 387(6630), 253–260. doi:10.1038/387253a0
- Dilley, J., & Wolf, K. L. (2013). Homeowner interactions with residential trees in urban areas. *Arbiculture & Urban Forestry*, 39(6), 267–277.
- Donovan, G. H., & Butry, D. T. (2010). Trees in the city: Valuing street trees in Portland, Oregon. *Landscape and Urban Planning*, 94(2), 77–83. doi:10.1016/j.landurbplan.2009.07.019
- Donovan, R. J., Rossiter, J. R., Marcolyn, G., & Nesdale, A. (1994). Store atmosphere and purchasing behavior. *Journal of Retailing*, 70(3), 283–294. doi:10.1016/0022-4359(94)90037-X
- Frumkin, H., Bratman, G. N., Breslow, S. J., Cochran, B., Kahn, P. H. Jr, Lawler, J. J., ... Wood, S. A. (2017). Nature contact and human health: A research agenda. *Environmental Health Perspectives*, 125(7), 075001. doi:10.1289/EHP1663 PMID:28796634
- Geuens, M., Brengman, M., & S'Jegers, R. (2001). An exploratory study of grocery shopping motivations. In A. Groeppel-Klien & F.-R. Esch (Eds.), *European advances in consumer research, Volume 5* (pp. 135-140). Provo, UT: Association for Consumer Research.
- Joye, Y., Willems, K., Brengman, M., & Wolf, K. (2010). The effects of urban retail greenery on consumer experience: Reviewing the evidence from a restorative perspective. *Urban Forestry & Urban Greening*, 9(1), 57–64. doi:10.1016/j.ufug.2009.10.001
- Kahneman, D. (2003). Maps of bounded rationality: Psychology for behavioral economics. *The American Economic Review*, 93(5), 1449–1475. doi:10.1257/000282803322655392
- Kaplan, R., & Kaplan, S. (1989). *The experience of nature: A psychological perspective*. New York, NY: Cambridge University Press.
- Kellert, S. R., & Wilson, E. O. (Eds.). (1993). *The biophilia hypothesis*. Washington, D.C.: Island Press.
- Ladhari, R., Souiden, N., & Ladhari, I. (2011). Determinants of loyalty and recommendation: The role of perceived service quality, emotional satisfaction and image. *Journal of Financial Services Marketing*, 16(2), 111–124. doi:10.1057/fsm.2011.10
- Lam, S. Y. (2001). The effects of store environment on shopping behaviors: A critical review. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 28, 190–197.

The Urban Forest and Shopping Environments

- Lambert, C. (2006). The marketplace of perceptions. *Harvard Magazine*, 108(4), 50–60.
- Lewis, D., & Bridger, D. (2005). Market researchers make increasing use of brain imaging. *Advances in Clinical Neuroscience & Rehabilitation: ACNR*, 5(3), 36–37.
- Leyens, J. P., & Fiske, S. T. (1994). Impression formation: From recitals to *symphonie fantastique*. In P. G. Devine, D. L. Hamilton, & T. M. Ostrom (Eds.), *Social cognition: Impact on social psychology*. San Diego, CA: Academic Press.
- Lindquist, J. D. (1975). Meaning of image: A survey of empirical and hypothetical evidence. *Journal of Retailing*, 50(4), 29–38.
- Lohr, V. I., Pearson-Mims, C. H., Tarnai, J., & Dillman, D. (2004). How urban residents rate and rank the benefits and problems associated with trees in cities. *Journal of Arboriculture*, 30(1), 28–35.
- Morin, C. (2011). Neuromarketing: The new science of consumer behavior. *Society*, 48(2), 131–135. doi:10.1007/12115-010-9408-1
- Musso, F. & Druica, E. (Eds.). (2014). Handbook of research on retailer-consumer relationship development. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Nasar, J. L. (1998). *The evaluative image of the city*. Thousand Oaks, CA: Sage.
- Pinnock, O. (2018). Using neuroscience to transform retail. *Forbes*. Retrieved from <https://www.forbes.com/sites/oliviapinnock/2018/06/18/using-neuroscience-to-transform-retail/#92fc1d530055>
- Smith, R. B., & Sherman, E. (1993). Effects of store image and mood on consumer behavior: a theoretical and empirical analysis. In L. McAlister & M. L. Rothschild (Eds.), *Advances in Consumer Research* (Vol. 20). Provo, UT: Association for Consumer Research.
- Stokols, D. (1978). Environmental psychology. *Annual Review of Psychology*, 29(1), 253–259. doi:10.1146/annurev.ps.29.020178.001345 PMID:341781
- Underhill, P. (1999). *Why we buy: the science of shopping*. New York, NY: Simon and Schuster.
- Veryzer, R. W. (1999). A nonconscious processing explanation of consumer response to product design. *Psychology and Marketing*, 16(6), 497–522. doi:10.1002/(SICI)1520-6793(199909)16:6<497::AID-MAR4>3.0.CO;2-Z
- Wolf, K. (2003a). Public response to the urban forest in inner-city business districts. *Journal of Arboriculture*, 29(3), 117–126.
- Wolf, K. L. (2003b). Freeway roadside management: The urban forest beyond the white line. *Journal of Arboriculture*, 29(3), 127–136.
- Wolf, K. L. (2004a). Nature in the retail environment: Comparing consumer and business response to urban forest conditions. *Landscape Journal*, 23(1), 40–51. doi:10.3368/lj.23.1.40
- Wolf, K. L. (2004b). Trees and business district preferences: A case study of Athens, Georgia. *Journal of Arboriculture*, 30(6), 336–346.

- Wolf, K. L. (2005a). Business district streetscapes, trees, and consumer response. *Journal of Forestry*, 103(8), 396–400.
- Wolf, K. L. (2005b). Trees in the small city retail business district: Comparing resident and visitor perceptions. *Journal of Forestry*, 103(8), 390–395.
- Wolf, K. L. (2006). Assessing public response to the freeway roadside: Urban forestry and context sensitive solutions. *Transportation Research Record: Journal of the Transportation Research Board*, (1984), 102–111. doi:10.1177/0361198106198400110
- Wolf, K. L. (2007). The environmental psychology of trees. *International Council of Shopping Centers Research Review*, 14(3), 39–43.
- Wolf, K. L. (2008a). City trees and property values. *Facilities Management Journal*, September/October, 120–124.
- Wolf, K. L. (2008b). Community context and strip mall retail: Public response to the roadside landscape. *Transportation Research Record: Journal of the Transportation Research Board*, 2060(1), 95–103. doi:10.3141/2060-11
- Wolf, K. L. (2009a). Strip malls, city trees, and community values. *Arboriculture & Urban Forestry*, 35(1), 33–40.
- Wolf, K. L. (2009b). Trees mean business: City trees and the retail streetscape. *Main Street News*, 263, 1–9.
- Wolf, K. L. (2013a). Why do we need trees? Let's talk about ecosystem services. *Arborist News*, 22(4), 32–35.
- Wolf, K. L. (2013b). The urban forest. *Communities & Banking*, 24(2), 25–27.
- Wolf, K. L. (2014). City trees and consumer response in retail business districts. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 152–172). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch009
- Wolf, K. L. (2017a). Social aspects of urban forestry and metro nature. In F. Ferrini, C. Konijnendijk van den Bosch, & A. Fini (Eds.), *Handbook of urban forestry* (pp. 65–81). Routledge.
- Wolf, K. L. (2017b). The sanitary to sustainable city: Place, health, and trees. *Arborist News*, 26(4), 40–43.
- Wolf, K. L., Measells, M. K., Grado, S. C., & Robbins, A. S. T. (2015). Economic values of metro nature health benefits: A life course approach. *Urban Forestry & Urban Greening*, 14(3), 694–701. doi:10.1016/j.ufug.2015.06.009
- Wolf, K. L., & Robbins, A. S. T. (2015). Metro nature, environmental health, and economic value. *Environmental Health Perspectives*, 123(5), 390–398. doi:10.1289/ehp.1408216 PMID:25626137
- Wolf, K. L. The Nature Conservancy. (2018). *Cascading benefits: Designing green stormwater infrastructure for human wellness*. Seattle, WA: The Nature Conservancy.

ADDITIONAL READING

Beatley, T. (2010). *Biophilic cities: Integrating nature into urban design and planning*. Washington, D.C.: Island Press.

Donovan, G. H., & Butry, D. T. (2011). The effect of urban trees on the rental price of single-family homes in Portland, Oregon. *Urban Forestry & Urban Greening*, 10(3), 163–168. doi:10.1016/j.ufug.2011.05.007

Jonnes, J. (2017). *Urban forests: A natural history of trees and people in the American cityscape*. New York, NY: Viking.

Kaplan, R., Kaplan, S., & Ryan, R. L. (1998). *With people in mind: Design and management of everyday nature*. Washington, D.C.: Island Press.

Kuo, F. E. (2003). The role of arboriculture in a healthy social ecology. *Journal of Arboriculture*, 29(3), 148–155.

Payton, S., Lindsey, G., Wilson, J., Ottensmann, J. R., & Man, J. (2008). Valuing the benefits of the urban forest: A spatial hedonic approach. *Journal of Environmental Planning and Management*, 51(6), 717–736. doi:10.1080/09640560802423509

Ulrich, R. S. (1986). Human responses to vegetation and landscapes. *Landscape and Urban Planning*, 13, 29–44. doi:10.1016/0169-2046(86)90005-8

Wachter, S. M., & Wong, G. (2008). What is a tree worth? Green-city strategies, signaling and housing prices. *Real Estate Economics*, 36(2), 213–239. doi:10.1111/j.1540-6229.2008.00212.x

Williams, F. (2017). *The nature fix: why nature makes us happier, healthier, and more creative*. New York, NY: W. W. Norton & Company.

Wilson, E. O. (1984). *Biophilia: The human bond with other species*. Cambridge, MA: Harvard University Press.

KEY TERMS AND DEFINITIONS

Behavioral Economics: A sub-discipline that seeks to increase the explanatory and predictive power of economic theory by providing more psychologically plausible foundations from studies of the consumer psyche and irrationality of human decision-making processes.

Biophilia: A hypothesis about the innate and durable human attraction to nature due to an evolutionary history of reliance on landscape for basic needs, now expressed as fascination and aesthetic enjoyment when experiencing nature.

Environmental Psychology: A field of research and practical applications concerning the interplay of humans and physical settings, and the mutual benefits that can result. Settings can include natural environments, built places, and any particular places (such as offices or hospitals) where human function is dependent on physical factors.

Green Infrastructure: Using natural systems and their ecological functions to replace, augment, or supplement more traditional gray infrastructure in urban settings, in order to achieve more cost-effective and sustainable management of air and water quality.

Landscape Preference: A field of study spanning nearly 50 years that demonstrates the general and consistent positive response of humans to certain landscape elements and their arrangements, with large trees and park-like settings being particularly favored.

Nature Atmospheric: An understanding of how trees, gardens, and landscapes, as an ambient feature in retail settings, play a role in shopping environment appeal and consumer behavior.

Urban Forestry: The care and management of trees in urbanized environments (including streets, parks, open spaces, and within all public and private land uses) for aesthetic, environmental, economic, and public health functions and benefits.

Chapter 12

Customer Experience in the Coffee World: Qualitative Research on the US Market

Patrizia de Luca

University of Trieste, Italy

Giovanna Pegan

University of Trieste, Italy

Donata Vianelli

University of Trieste, Italy

ABSTRACT

This chapter contributes to understanding the customer experience of the in-store environment by analyzing the business of coffee shops in the United States (U.S.) market. After a brief overview of the evolution of coffee shops and a short analysis of the management literature on coffee shops, in the last decade, the main findings of the qualitative research are presented. The chapter outlines the features of the U.S. coffee shop landscape and explores American consumers' perception of the coffee shop experience using the ethnographic research method. The results show a complex picture from the offer and the demand perspective that could also contribute to supporting coffee companies in managing customer experience strategy in the large and multicultural North American market.

INTRODUCTION

The world coffee market is constantly evolving in terms of both supply and demand (Boaventura, Abdallà, Araujò, & Arakelian, 2018; de Luca & Pegan, 2014; Morris, 2013; Samoggia & Riedel, 2018). Over time it has gone through several phases, known as “waves of coffee consumption” (Fischer, 2017).

Nowadays the coffee industry is passing through another transformation that is driven by shifting consumer values in a growing connected global landscape, where consumers are used to also deciding

DOI: 10.4018/978-1-7998-1412-2.ch012

to support companies that reflect their values and need for novelty (National Coffee Association [NCA], 2019).

One of the most relevant trends is the growing development of out-of-home consumption, which determines new opportunities and consumption patterns for all food and beverages and therefore also for coffee, both in developed and emerging markets (Gilmore, 2004; IBISWorld, 2013; Wong, 2010). Further, the cultural hybridization created by opening new market perspectives has helped modify the architecture of the spaces dedicated to clients who are more refined and therefore ask for higher quality. As places, ways, and moments of consumption evolve, bars and similar places become aggregation sites. This suggests new ways of considering outdoor consumption. Today, pleasure and leisure play an important role in consumer culture (Belk, Guliz, & Soren, 2003; Hirschman & Holbrook, 1982), and often “consumers enjoy leisure away from home and work in ‘third places’ such as cafés” (Karababa & Ger, 2010, p. 737). In other words, coffee shops have assumed a particular role in affecting sociocultural behavior and the consumption landscape in international markets. Nowadays, they are driving the coffee’s new reality (Agrawal, 2009; Euromonitor International, 2018; Thompson & Arsel, 2004).

Recently, the managerial literature on coffee and coffee shops has emphasized the importance of deepening the coffee shop experience in different contexts to understand its main drivers in creating a delightful coffee experience (Sathish & Venkatesakumar, 2011; Yu & Fang, 2009). As Pine and Gilmore (1998) emphasize, “consumers unquestionably desire experiences, and more and more businesses are responding by explicitly designing and promoting them” (p. 97). The literature recognizes the key role that customer experience plays in determining the competitive success of a company in all industries (Carù & Cova, 2003; Hirschman & Holbrook, 1982; Pine & Gilmore, 1999; Resciniti, 2004; Schmitt, 1999; Verhoef et al., 2009). In particular, creating a memorable customer experience is a strategic objective in the retail business. As several authors have pointed out, to manage the customers’ experience, retailers should understand what the experience actually means to them and which marketing tools could be relevant to influence this experience (Grewal, Baker, Levy, & Voss, 2003; Naylor, Kleiser, Baker, & Yorkston, 2008). According to Verhoef et al. (2009):

The customer experience construct is holistic in nature and involves the customer’s cognitive, affective, emotional, social and physical responses to the retailer. This experience is created not only by those elements which the retailer can control (e.g., service interface, retail atmosphere, assortment, price), but also by elements that are out of the retailer’s control (e.g., influence of others, purpose of shopping) (p. 32).

In this perspective, creating the customer experience could depend on different elements, such as the social environment (i.e., reference group, tribes, and service personnel), service interface (i.e., service personnel and technology support), retail atmosphere (i.e., design, scents, temperature, and music), assortment (i.e., quality, uniqueness, and variety), price (i.e., level and promotions), retail brand, and previous customer experiences in the same or alternative channels. Situation moderators (type of store, location, season, and competition) and consumer moderators (task orientation, goals, socio-demographic aspects, attitudes, and so on) could also affect customer experience (Verhoef et al., 2009). Despite acknowledging the customer experience in retail businesses, some studies have highlighted the risk that management techniques may incur when standardized and unnatural products are offered. This could contrast with the original idea that sees, in the personal dimension, the customer as an active co-creator of the same experience (Gentile, Spiller, & Noci, 2007). In addition, in the managerial coffee shop literature scholars have emphasized the problem of competing brands offering an increasingly similar café experience and

the threat of a “me too” perception (Agrawal, 2009). In summary, several authors have pointed out the scarcity of research on the customer experience and agreed on the need for more studies on this topic (Gentile et al., 2007; Verhoef et al., 2009).

The aim of this chapter is to improve understanding of the customer experience by analyzing the specific context of U.S. coffee shops. After a brief overview of the existing managerial literature on coffee shops, the findings of a qualitative study, focused on American and Italian coffee chains, are presented. In particular, this chapter outlines the features of the U.S. coffee shop landscape and American consumers’ perception of the coffee shop experience by using netnography. This study also contributes to supporting coffee companies in managing their customer experience strategy in the North American market. This research focuses on such a specific product/market for several reasons. Coffee is one of the most consumed beverages worldwide (Morris, 2019; Ponte, 2002). Over the past few years, coffee chains have become increasingly popular among customers who enjoy having their coffee away from home. Coffee shops play a relevant role in portraying the new social and cultural geography of coffee in different countries (Brando, 2013; Thompson & Arsel, 2004; Putranto & Hudrasyah, 2017). Coffee shop chains and independent coffee and snack shops compete with other segments of the hospitality industry such as limited-service restaurants for customers’ eating out budget (Statista, 2013). The American market represents one of the most important markets for coffee consumption also in terms of out-of-home consumption. The U.S. coffee shop market grew to \$45.4 bn in 2018 and increased in volume by 3.8% over the previous 12 months, with growth set to continue (Newhart, 2018). The coffee shop is the leading source of growth in U.S. coffee, with cold beverages doing especially well (NCA, 2019). The U.S. coffee shop market grew to \$45.4 bn in 2018 (Newhart, 2018). In the American market, coffee consumption styles are affected by different cultural influences, such as European coffee culture, in particular Italian espresso culture. As Morris (2013) highlights, “the consumption of Italian-style espresso-based beverages outside the home is widespread, and many of these beverages are drunk in branded coffee shop outlets, based on a format popularized in the United States.” Indeed, Italian coffee culture in the international consumption landscape is acknowledged all over the world (Bertoldi, Giachino, & Marengo, 2012; de Luca & Pegan, 2014), and Italy is considered the archetype of a coffee consuming nation (Kjeldegard & Ostberg, 2007, p. 181).

BACKGROUND

Coffee Shop Origins and Evolution

Coffee shop formats bring together two basic elements: the coffee and the environment (Morris, 2019). Indeed, coffee shops, also known as coffee houses, are commercial places where coffee is the main drink offered, among the available foods and other beverages, especially soft drinks, as well as special snacks. The products are usually consumed locally, but can also be purchased for take-away.

The growth potential of coffee shops derives mainly from their ability to have varied meanings according to the disparate needs of different customers. The coffee shop is first and foremost a point of purchase and consumption, but it can also be a place to meet friends, read, surf the web, take a break, and so on (Broadway, Legg, & Broadway, 2017; de Luca & Pegan, 2014; Kjeldegard & Ostberg, 2007; Waxman, 2008).

The industry includes coffee shops that serve food and drink to customers on the premises. Customers generally order and are served while seated and pay after eating. The sector excludes operators engaged primarily in take-away food services, catering services, the operation of theatre restaurants and the sale of alcoholic beverages for consumption on and off the premises (IBISWorld, 2013).

The coffee shop has attracted a lot of attention in different disciplines, above all when scholars have reflected on the recent and significant success of the international coffee chains. Thus, literature about coffee shops through the centuries and their various international contexts is growing.

Coffee shops were founded in Istanbul in the 16th century and then spread throughout Europe, starting with major cities such as London, Vienna, and Paris. In Italy, the espresso bar has become the dominant model. Espresso coffee has become synonymous with Italy, as have other beverages that use it as a base, such as cappuccino and *caffè latte*. For centuries, coffee shops have occupied the center of urban life, promoting a social and consumer culture that played an important role in the political, financial, scientific, and literary fields, particularly during the 18th century (Calhoun, 2008; Markman, 2006). The phenomenon of coffee shops has spread to northern Europe, where Scandinavia has the highest per capita consumption of coffee (Kjeldgaard & Ostberg, 2007). In the United States, coffee shops were set up on the initiative of Italian-American immigrant communities in major cities such as New York, Boston and San Francisco, where shops quickly spread, particularly on the West Coast on the initiative of non-Italian entrepreneurs. Starbucks, founded in Seattle in 1971, has standardized and spread the culture of coffee throughout the world, particularly the espresso culture. However, its development has slowed down in recent years due to a new counterculture of consumption dominated by an anti-Starbucks discourse (Clark, 2009; Thompson & Arsel, 2004). Coffee culture has recently spread to Asia, particularly China and India, as part of new lifestyle and shopping trends, mainly due the influence of rapidly growing Western chains leading to the establishment of local coffee chains, such as Cafe Coffee Day, India's largest coffee chain (Agrawal, 2009; Brando, 2013; Putranto & Hudrasyah, 2017).

The evolution of coffee and coffee shops can be defined through a series of time periods, the so-called waves, which characterize it, as already mentioned and here schematically highlighted in Table 1.

The first wave, which dates back to the 1960s, was characterized by a mass market with exponential growth in consumption and high product availability. The second wave began in the 1990s, when coffee chains, particularly Starbucks, entered the market with a new range of specialty coffees to respond to consumers' new interest in quality. In this way, coffee transitioned from a basic product to a luxury one. The third wave of coffee developed with small roasters, who through the promotion of specific regions and new production techniques began to offer high-quality local and artisanal foods, including coffee. In this perspective, we arrive at the tasting of coffee, considered much more than a simple drink, as being able to become a vehicle of culture, experience and lifestyle. There is already a fourth wave, characterized by the fusion of specialty coffee products and social awareness. It is based on sourcing high-quality beans in small quantities for a genuinely artisanal coffee experience. It is a fair, organic product, with direct reinvestment to specific farmers and their families. A fifth wave is also appearing, which is characterized by the search for the highest product quality and experiential excellence (District Roasters, 2019). This is in line with the currently recognized approaches to the consumption of this product, namely innovation, experience, health and sustainability, also highlighted by coffee professionals (Beverfood, 2019; NCA, 2019).

In this evolution, regarding the meaningful third wave of coffee, Gold (2008) said, "we are now in the third wave of coffee connoisseurship, where beans are sourced from farms instead of countries, roasting is about bringing out rather than incinerating the unique characteristics of each bean, and the flavor is

Customer Experience in the Coffee World

Table 1. *The Waves of Coffee: a synthetic framework*

Waves of coffee	1 st wave	2 nd wave	3 rd wave	4 th wave	5 th wave
Focus	Traditional coffee culture	Branded chains	Artisan coffee	Science of coffee	Coffee world
Period	1960s	Begins mid-1990s	Begins mid-2000s	Begins 2010s	Begins mid-2010s
Coffee beans	Average quality	Above average quality	High quality	Very high quality	Very high quality
Dominant brand	Retail/supermarket brands	Coffee shop chain brands	Artisan roaster brands	Custom in-house roasting	Smart boutique concepts
Defining characteristics	Functional	Lifestyle	Craft	Science: health and sustainability	Focus
Defining emotion	Refueling	Enjoyment	Love	Obsession	Excellence
Synthesis	Packaged coffee in every house	Specialty coffee culture in branded chains	Coffee shop as artisanal coffee lab	Premium quality coffee everywhere	Coffee shop as excellence coffee lab

Source: (data adapted from Allegra World Coffee Portal, 2019; District Roasters, 2019; Euromonitor International, 2018; NCA, 2019a)

clean and hard and pure.” Nowadays the coffee industry is passing through other transformations that are driven by shifting consumer values in a growing connected global landscape, where consumers are used to deciding also to support companies reflecting their values and need for innovations. Indeed, some factors—from functional ingredients to sustainable and innovative processes—are transforming consumer perceptions and market trends. Accordingly, the last waves of coffee are driven by the following main food market trends (NCA, 2019):

- Healthy and functional foods, that are respectively connected to the foods’ ability to enhance the quality of life, or physical and mental performance, of regular consumers (Dòrea & da Costa, 2005), and to a modified food that is designed to improve health or well-being by improving the benefit over and above the normal nutrients it contains, such as functional coffee;
- Sustainability, a critical issue for the coffee players and consumers—indeed, consumers say they want sustainable products, but often they do not know what this concept means;
- Ready-to-eat/drink, a growing trend in the food & beverage market, particularly meaningful for the coffee sector;
- Single-serve systems—these methods continue to create value for consumers, but they need innovation, also considering new generations of coffee drinkers.

This evolution also reflects the main factors influencing the purchasing and consumption behavior of coffee, recognized in the literature (Samoggia & Riedel, 2018):

- Personal preferences (sensory motive; functional motive; health beliefs; habits, tradition, culture; connoisseurship);
- Coffee attributes (sustainability labeling: organic, fair trade; country of origin; coffee type and intrinsic attributes; extrinsic attributes: brands, packaging);
- Consumption context (location: at home, bar, workplace; occasion: at breakfast, after lunch/dinner; socializing: alone, with family or friends, lifestyle);

- Socio-demographic aspects (age, gender, income, education); and
- Economic attributes (price, promotion).

Today, there are two main business models for coffee shops in a global context. Large standardized chains are widespread at national or global levels with centralized choices at the corporate level and developed through direct investment in proprietary stores and/or through franchising. Independent, locally owned coffee shops often specialize in specific types of coffee (green, fair trade, and *gourmet*) and services. Thanks to differentiation, local coffee shops are able to compete with the largest chains (WiseGeek, 2013). In countries characterized by a traditional coffee culture, we can then recognize a third model, that of traditional neighborhood bars, for which the future evolution is not yet clear, following the new global competitive scenarios, but which will probably find a space in peripheral areas to satisfy especially the less young and more traditional consumption segments (Almagor, 2019).

Different types of coffee shops coexist in markets. They are not easy to distinguish one from the other, because of the natural and mutual influence of different cultural models. For example, in an analysis of the Scandinavian region, Kjeldgaard and Ostberg (2007) highlighted three coffee culture styles in the local market: *Americana*, *Culinaria*, and *Viennese*. *Americana* is strongly influenced by Starbucks' strategic choices. *Culinaria* refers to different kinds of authenticity of the place of origin, where the style of Italian bars and French brasseries is predominant. *Viennese* is linked to the style of historic cafés in central Europe that originated in Vienna in the 19th century. Apart from these main models, which over time have been differently characterized in some areas and countries, other coffee shops were created for specific targets and then spread to a wider public. Internet cafés and maid cafés are examples of this trend. Internet cafés were established to offer Internet and Wi-Fi services to their customers, whereas the maid café is a themed bar established at the beginning of the 21st century in Japan for customers' keen on comic strips and animation. Maid cafés then spread to other target markets and outside national borders. Other popular café formats are common in different international markets, such as the mix offered by Café Coffee Day in India (Agrawal, 2009). Lounge cafés combine the style and luxury of a lounge with the lively environment and comfort of a café. Garden cafés offer customers the joy of being served pots of coffee in a green landscape. Music cafés give customers the choice of playing their favorite songs on digital audio jukeboxes or watching their favorite music videos on video jukeboxes. Book cafés cater to lovers of reading who have the opportunity to live a complete coffee experience. Highway cafés provide travelers a cool and comfortable place to sit and relax with coffee and snacks before hitting the road again.

The coffee shop, considered the third most important place after home and the workplace in a number of countries, is a representative domain of the hospitality industry. Individuals spend a large part of their budget on coffee consumption because coffee shops can be used for diverse purposes (e.g., studying, working, and playing) (Fisher, Landry, & Naumer, 2007; Lee, Moon, & Song, 2018). For example, in 2015, coffee shop-related businesses generated \$225.2 bn in revenue globally and created approximately 1.7 million jobs (NCA, 2016; Waxman, 2006). Coffee shop is central to innovation, discovery and loyalty and around it there are also other businesses, such as internet commerce, foodservice and vending, retail, subscriptions (Euromonitor International, 2018). Given its role as a place service provider, the coffee shop industry continues to develop, as the following data highlight (Euromonitor International, 2018):

- Specialist coffee shops: US \$ 58 billion in 2017, 3,6% CAGR (2017-2022)
- Total Global Coffee Spend (2018): US\$ 180-200 billion (est.)

Customer Experience in the Coffee World

- In 2018, an estimated US\$30 billion was spent through Starbucks coffee shops and Starbucks retail products.

According to an IBIS report (2013), the coffee shop industry is characterized by fair competitiveness and a low barrier to entry. Given these characteristics, it is important that coffee companies strive to retain existing customers and attract new customers. These companies need to develop an in-depth understanding of their customers. (Han, Back, & Barrett, 2009; Han & Jeong, 2013; Jung & Yoon, 2013; Ryu et al., 2008). In particular, customer satisfaction in the marketing context is a critical factor to retain customers and attract new customers by encouraging behavioral intentions that include recommendations, willingness to pay, repurchases, and word of mouth (Chen & Hu, 2010; Lee et al., 2018; Tsaor, 2015).

The Theoretical Framework

New lifestyle and consumption trends can shape different competitive fields and create new key factors in different industries. One of the most relevant trends is the development of out-of-home consumption. In this context, new coffee consumption occasions have emerged outside the home in several developed and emerging markets (Gilmore, 2004; IBISWorld, 2013; Wong, 2010), and the coffee shop has assumed a specific role in affecting the sociocultural and consumption landscape of international markets (Brando, 2013; Thompson & Arsel, 2004; Wong, 2010). In recent years, some literature contributions have analyzed coffee shops from different managerial points of view. Their focus has been analytical case studies and field research in different countries. The case studies have considered leading companies, such as the American Starbucks and the Indian Café Coffee Day and have usually analyzed them from a managerial perspective. Qualitative and/or quantitative research has been conducted in a small number of countries, such as the United States, Scandinavian countries, India, and Taiwan. In particular, emerging markets have become interesting contexts for research, considering their rapid socioeconomic transformations and new trends in consumption culture.

The main managerial studies on coffee shops have analyzed consumption culture, globalization vs. *glocalization*, authenticity, and customer experience. Regarding the first aspect, studies on coffee have dealt with contemporary consumer cultures across the world. The academic discussion in the literature of globalization and *glocalization* has aimed at studying whether consumer cultures are becoming homogenized or whether they are still characterized by a high degree of heterogeneity (Kjeldgaard & Ostberg, 2007; Thompson & Arsel, 2004). In the view of the homogenization perspective supporters, transnational corporations colonize local cultures through global brands (Falk, 1999; Ritzer, 1998). Contrary to this homogenization thesis are anthropological studies that affirm that consumers often adapt the meanings of global brands to their own purposes and fit the global brands into local cultural and social lifestyle models. According to this approach, the relationship between global brands and local cultures produces heterogeneity as global brands take on various localized meanings (Ger & Belk, 1996; Hannerz, 1996).

Generally, these theorists have suggested that local cultures and the forces of globalization are completely interpenetrated. Therefore, the effects of globalization on everyday cultural life are more accurately described as a process of *glocalization* (Robertson, 1995; Wilk, 1995). To theorize these aspects of *glocalization*, Thompson and Arsel (2004) developed the concept of the hegemonic brandscape.

This is a “cultural system of servicescapes that are linked together and structured by discursive, symbolic and competitive relationships to a dominant (market-driving) experiential brand” (Thompson & Arsel, 2004, p. 632). In this way, the hegemonic brandscape drives an experience economy market and,

by functioning as a cultural model that consumers act, think, and feel through, also shapes consumer lifestyles and identities.

As emphasized in the literature on coffee shops, authenticity is another crucial aspect (Gilmore & Pine, 2007). Grayson and Martinec (2004) and Peirce (1998) distinguish between “indexical and iconic authenticity.” The term *authentic* is sometimes used to describe something that is thought not to be a copy or an imitation. An object is deemed authentic when it is believed to be the original or real thing: in this case, the authors use the term *indexical authenticity*. Alternatively, in the case of iconic authenticity, the term authentic is sometimes used to refer to something whose physical manifestation is indexically authentic. Kjeldgaard and Ostberg’s (2007) contribution to the coffee shop field is quite interesting. Using this perspective, they analyzed coffee shops in the Scandinavian market. In the case of coffee shops, the term indexical authenticity implies that the retail outlet has a factual and spatiotemporal link with something else. Indexicality thus distinguishes the real thing from its copies. The authors suggested, for example, that an Italian-style café can achieve indexical authenticity if the coffee is served by immigrants from Italy or if the coffee beans are an Italian brand. Iconic authenticity, however, refers to situations in which the physical manifestation resembles something indexically authentic. In their opinion, a Starbucks coffee shop is perceived as iconically authentic if, in the consumer’s experience, the coffee shop is similar to coffee shops found overseas (Kjeldgaard & Ostberg, 2007, pp. 180–181). In any case, iconic and indexical authenticities are not mutually exclusive, and authenticity is not inherent in an object. Authenticity is better understood as an assessment made by a particular evaluator in a particular context (Grayson & Martinec, 2004). For example, many coffee shops in Stockholm have names such as Sosta, Tintarella di Luna, and Molto. They feature baristas from Italy or at least baristas who are fluent in Italian, to reinforce their Italianness. In this way, they emphasize that they just are, as opposed to other places that are trying to be. “Hence they are mustering a legitimacy rooted in indexical authenticity. Whether they are successful in this endeavor is an entirely different story” (Kjeldgaard & Ostberg, 2007, p. 182).

Finally, as highlighted by various authors, the role of customer experience appears particularly relevant for the coffee shop business (Michelli, 2007; Ponte, 2002; Sathish & Venkatesakumar, 2011; Yu & Fang, 2009). During the last few decades, the customer experience has been the focus of many studies in marketing and management (Carù & Cova, 2003; Holbrook & Hirschman, 1982; Pine & Gilmore, 1999; Schmitt, 1999) and is recognized as a key factor in creating customer value and a fundamental element in the competitive confrontation of any company (Smith & Wheeler, 2002). Different definitions of customer experience have been proposed. Customer experience is the result of a collection of emotions, feelings, and behaviors that arise during the entire decision-making and consumption process through a series of integrated relationships among people, objects, processes, and atmosphere (Pine & Gilmore, 1999). The customer experience is particularly important in the retailing business where the store atmosphere represents a basic multi-sensorial communication vehicle (Andersson & Mossberg, 2004; Donovan & Rossiter, 1982; Grewal, Baker, Levy, & Voss, 2003; Kotler, 1973; Machleit & Eroglu, 2000). However, this experience is created not only by the elements the retailer can control, such as the store atmosphere, assortment, price, and service interface, but also by elements that are outside the retailer’s control (Verhoef et al., 2009, p. 32). Additional elements, most of all situation moderators (type of store, location, consumption culture, competition, and economic climate) and consumer moderators (task orientation, goals, sociodemographic aspects, and attitudes), should be considered in the process of creating the customer experience (Verhoef et al., 2009). Studies have also highlighted the risk that management techniques may incur when standardized and unnatural products are offered, which contrasts

Customer Experience in the Coffee World

the original conception that sees the customer as an active co-creator of the same experience (Gentile, Spiller, & Noci, 2007). To preserve the authentic character of products and services, the offer should be anchored in space and time by linking it with the social or individual values of the historical tradition of a certain territorial panorama. In this regard, some authors have discussed the Mediterranean approach (often opposed to the American one), which is based on several aspects, such as the strong connection with the history and the traditions of the territory, the association with communities or tribes of consumption where feelings and passions are shared, the celebration of rites regarding the products, the attention to symbolic details, and the need for authenticity (Carù & Cova, 2003). From these insights, managerial literature contributions on coffee shops have pointed out important critical factors when the coffee shop experience is designed: the problem of competing brands offering an increasingly similar café experience and the threat of a me too perception (Agrawal, 2009); the relative importance of products, service, and contextual experience depending on different aspects, such as income levels and the frequency of consumption (Yu & Fang, 2009); the need for a closer examination of positive and negative contextual experiences since they are stated by customers as the top liked and disliked items (Yu & Fang, 2009); and a deeper understanding of the nature of drivers and their interdependency and significance in creating delightful customer experiences (Sathish & Venkatesakumar, 2011). Table 2 presents the main studies on coffee shops of the last ten years, classified by author, year, key words, research aim, main findings, geographical area, and method.

RESEARCH IN THE U.S. MARKET ON AMERICAN AND ITALIAN COFFEE SHOPS

Research Purpose and Method

The purpose of this research was to improve understanding of the in-store customer experience in the retail environment, by analyzing the business of coffee shops in the U.S. market, with a specific focus on American and Italian chains. Coffee shops are very relevant in the competitive coffee context because they serve as an innovation hub, becoming a bigger part of how consumers discover, purchase, and taste coffee. For this reason, packaged food and beverage players will continue to invest in coffee shops to have a more direct presence in foodservice. For example, there are several deals between packaged coffee brands and coffee shops, such as Nestlé partnering with Starbucks or Coca-Cola acquiring Costa Coffee. Further, Joh. A. Benckiser Group invest in premium coffee, in coffee shops, through Peets Coffee, Stumptown, Intelligentsia, Caribon (Euromonitor International, 2018).

In particular, this chapter aims to outline the features of the coffee shop landscape in the United States and to analyze consumers' perception of the coffee shop experience within relevant online communities of American coffee consumers, using netnography. This specific research method was used considering that "as value shifts to experiences, the market is becoming a forum for conversation and interactions between consumers, consumers' communities and firms" (Prahalad & Ramaswamy, 2004). These interactions between customer and firm represent the place of value creation. Informed, active, and networked consumers increasingly co-create this value with companies. This knowledge is relevant to support coffee companies in managing their customer experience strategy in the American market.

This research focused on a specific product/ market, coffee shops in the U.S., for several reasons:

Table 2. Main studies on coffee shops of the last ten years

Authors	Key words	Research Objectives/Main Findings	Research Area/Method
Agrawal (2009)	Café chain, Café market in India, Café Coffee Day, Brand positioning, Building distinct brand identity, Specialist coffee chain	The case describes the journey of Café Coffee Day and the beginning of café culture in India. The problem of competing brands offering an increasingly similar café experience and the threat of a “me too” perception are highlighted.	India Case study Qualitative analysis
Yu & Fang (2009)	Quality, Experience economy, Maslow’s theory, One-to-one marketing	Relative impacts of product quality, service quality, and experience quality on customer perceived value and intention to shop in the future, for a coffee shop market. Pine and Gilmore’s framework of an experience economy is not always true. The relative importance of product, service, and experience changes over the income levels and the frequency of consumption.	Taiwan Quantitative and qualitative data. Questionnaire 147 Starbucks coffee Customers
Karababa & Ger (2010)	Coffee house, Ottoman society, consumption culture, leisure consumption	This study supports and extends two broader theoretical claims: 1) Consumption resolves the tension between the individual’s pursuit of pleasure and morality. 2) Market cultures are co-created through discursive negotiations and practices.	Ottoman coffeehouses. Anthropological- historical approach. Leisure consumption among male consumers
Sathish & Venkatesakumar (2011)	Customer experience, Satisfaction, Loyalty, Café Coffee Day, India	The study attempts to find the effects of various dimensions influencing the Customer Experience, thus creating a coffee experience and a sense of satisfaction in visiting a Café Coffee Day store. It develops a conceptual framework for managing the customer experience and an instrument for measuring the experience.	India Quantitative research 200 well-structured questionnaires
Bertoldi, Giachino, & Marengo (2012)	Brand, Coffee market, Cross-cultural studies, Food and drink products, India	The aim is to investigate brand strategies implemented by food and beverage firms going international and to determine how to build the brand strategy for entering emerging markets through acquisitions.	India Case study Lavazza company Qualitative approach
Seaford, Culp, & Brooks (2012)	marketing and branding, Brand equity, Brand positioning, Starbucks	The case of Starbucks is designed for students.	United States Case study
Verma (2013)	Semiotics, socio-cultural pace, product instrumentality, meaning appropriation, imprinted meaning, perceptual space, consumption ritual, brand symbolism	This study attempts to explore the psycho-social role that tea and coffee play in consumers’ lives. How tea and coffee are embedded in consumer psyche and their linkages with other consumption aspects were explored. The study found that tea and coffee have different imprints. Coffee is celebratory and tea is ordinary. Coffee consumption is uncommon and its uncommonness imbues it with a unique mystique associated with a wealthy, refined and intellectually evolved class. Coffee is not a potion for sustenance. A certain mystique is associated with coffee. Coffee is predominantly an outside drink; it derives its utility from social, aesthetic and emotional role.	Critical incident and storytelling method. India
de Luca & Pegan (2014)	Coffee Shop, Netnographic Research, Coffee Communities, Specialty Coffee, Third Wave of Coffee, Coffee Consumption, Experiential Marketing, Coffee Literature	This study outlines the features of the U.S. coffee shop landscape and explores American consumers’ perception of the coffee shop experience. The results show a complex framework from the offer and the demand perspective that could also contribute to supporting coffee companies in managing customer experience strategy in the American market.	Netnography U.S.
Manzo (2015)	Space, Sociability, Coffee, Culture, Ethnomethodology, Qualitative Interviewing	The focus in this piece is on social interaction in independent cafes that are known, and that self-identify, as what coffee connoisseurs term “third-wave” coffeehouses.	Analytic perspective of ethnomethodology.
Putranto & Hudrasyah (2017)	consumer decision journey, service marketing, third wave coffee	The objective is to figure out the consumer decision journey that happens in Bandung’s market regarding in choosing a third wave coffee shop in consumer that age from 15 to 24 years old	Qualitative approach: interview, focus group, and direct observation. Quantitative approach: questionnaire. Bandung’s third wave coffee consumer 15-24 years old.
Lee, Moon & Song (2018)	atmosphere; coffee quality; coffee shop; employee attitude; IT service; loyalty; satisfaction	The aim is to investigate the antecedent attributes of customer satisfaction in the coffee shop business domain. The results showed that the hypothesized antecedent variables were statistically significant to account for satisfaction. In particular, taste was identified as the most influential attribute accounting for satisfaction. Moreover, a significant relationship between “satisfaction” and “loyalty” was identified.	277 observations obtained from data collected using Amazon Mechanical Turk. For the data analysis, confirmatory factor analysis and structural equation modeling were conducted to examine the validity of the measurements and to understand the structural relationship.

Customer Experience in the Coffee World

- The meaningful presence of out-of-home consumption and the role played by coffee shops in depicting the new social and cultural geography of coffee in various international markets (Brando, 2013; NCA, 2019; Statista, 2013; Thompson & Arsel, 2004);
- The role that the American market plays in coffee consumption; indeed, coffee is the most preferred hot beverage in the U.S. (Mordor Intelligence, 2019); and
- The particular relevance of Italian coffee culture in the international consumptionscape (Bertoldi et al., 2012; de Luca & Pegan, 2014; Kjeldgaard & Ostberg, 2007; Morris, 2019; Whitney, 2019).

Regarding the methodology, qualitative research was conducted to combine different data sources and analytical methods (Denzin & Lincoln, 1998) to study the coffee shop phenomenon in more depth. The collection and analytical processes integrated secondary and primary data gathered from specialized publications, company and branch websites, and online communities of American consumers. This research was developed in several phases: a) identification and selection of coffee shops in the American market; b) identification of Italian coffee shop chains already present in the American market; c) arrangement of synthetic sheets with ex-ante coding based on the literature of competitive analysis and customer experience; d) ex-post coding after new relevant information came to light during the qualitative analysis of the data; e) integration of secondary data with ethnographic research on some online communities of American coffee consumers.

Findings and Discussion

The Coffee Shops Landscape in the U.S. Market

In recent years, the phenomenon of coffee shops in the United States has gained relevance, particularly in metropolitan areas such as Seattle, New York, and San Francisco (Altmann, 2007; E-Imports, 2012; New York City Economic Development Corporation, 2013). The general field of coffee and snack shops is divided into different segments, of which coffee shops are the most relevant in the total market, with a 39.8% market share in 2016 (Statista, 2018). The coffee and snack shop industry in the U.S. grows year by year, and estimated revenues exceeded \$32 billion in 2016. Chains dominate the market, and are also prevalent among specialist coffee shops compared to independent shops (Euromonitor International, 2012; IBISWorld, 2013; Small Business Development Center, 2012; Morris 2019).

The coffee shop market in the US is highly concentrated. The first two coffee chains – Starbucks Corporation and Dunkin' Brands – obtained together over 60% of the market share in 2016. Starbucks is the leader, that is the largest coffee house chain in the world and in the U.S., in terms of revenue. In 2015, it generated more than ten times the revenue of its closest global competitor, Costa Coffee (Statista, 2016). In 2018, there were 29,324 Starbucks stores around the world (Statista, 2018). In 2017, the U.S. had the largest number of Starbucks stores in the world by far, with 14,606 locations, followed by China, with 3,521 locations (Statista, 2018). The evolution of the share of the leader chain on the total specialty coffee shops in the U.S., over the time, is clearly highlighted in Table 3.

Recently, however, specialized chains have gone through a critical period with the shutdown of coffee shops caused by the diffused decrease in earnings and therefore of outdoor consumption. However, this trend has been partially counterbalanced by new openings in emerging markets (Euromonitor International, 2012). The presence of local, smaller, independent coffee shops is growing in importance. The “mom-and-pop” coffee shops, gourmet coffee, and the initiatives linked to the particular phenomenon of

Table 3. Specialty coffee shops and Starbucks Outlets: evolution in the U.S. market (1989-2013)

Year	Specialty Coffee Shops	Starbucks Outlets	Share (%)
1989	585	46	7.9
1994	3,600	425	11.8
2000	12,600	2,776	22.0
2013	29,308	11,962	40.8

Source: (Morris, 2019)

third-wave coffee are usually oriented toward niche products (de Luca & Pegan, 2014; Gold, 2008). The consumer, who is becoming more sophisticated and careful about personal health and higher quality, is increasingly interested in select and niche offers (*premium coffee*, *fair trade*, and *organic coffee*) within the entire consumption experience (products, services, and shop environment). This tendency has also been registered by large standardized companies, such as Starbucks and Caribou Coffee. In addition to having expanded their selections, these companies have undertaken initiatives oriented toward projecting coffee shops that, unlike the traditional systems of product offering, reflect a personalized atmosphere. In these coffee shops, consumers have an experience that is similar to those typically offered by local, independent coffee shops.

The competitive framework has been developed through identifying and selecting coffee shops in the United States, considering the relevant chains in the market. Many sources were used to identify and select the coffee shops, including www.thedailymeal.com, www.usatoday.com, www.bloomberg.com, www.franchisehelp.com, and <http://eater.com>. The collected data were classified in summary sheets with an ex-ante coding process based on the literature in terms of competitive analysis and customer experience. Ex-post coding was performed after new relevant information emerged from the qualitative analysis of the data. Some determinant characteristics were considered: country and year of origin, type of growth, number of sale points, presence in foreign markets, assortment, service, atmosphere, local community support, mission, and other distinctive features.

Concerning the American coffee shop market, by examining only American chains with more than five sale points and the main Italian chains in the United States, thirty-three coffee shop brands were analyzed (de Luca & Pegan, 2014) (Table 4). The companies began to enter the U.S. market in the 1960s. These main companies have also an international presence. The growth strategies are based on direct investment and franchising systems; in several cases, the strategies have been combined. In the out-of-home US market, Starbucks, Tim Hortons, Panera Bread, Costa Coffee, Peet's Coffee, Dunkin' Donuts, and Caribou Coffee are the most important players, with a high number of coffee shops (Statista, 2019). The eight Italian companies, initially established as coffee roasters, have gradually integrated with the development of coffee shop chains. The companies' cities of origins are all located in the central and northern part of Italy. In all the cited cases, the growth strategy is based on franchising. However, the number of Italian coffee shops in the U.S. market is very small.

In addition to mapping, analysis of the secondary data, which were collected from different sources (company websites, specialized websites, and specific publications), yielded key points on the programmed positioning of the players in the United States. The three main models of coffee shops identified were the American global model, the American independent model, and the Italian model.

Customer Experience in the Coffee World

Table 4. Main coffee shop chains in the U.S. market and country of origin

Main Coffee Shop Chains in the United States	Country of Origin
Starbucks Corporation, Tim Hortons, Panera Bread, Dunkin' Donuts, Au Bon Pain, Bigby Coffee, Blue Bottle Coffee, Blue State Coffee, Caribou Coffee, The Coffee Bean & Tea Leaf, Coffee Beanery, Costa Coffee, Crazy Mocha Coffee Company, Dunn Bros Coffee, Gimme! Coffee, Intelligentsia Coffee & Tea, It's A Grind Coffee House, Jittery Joe's, McCafé, Peet's Coffee & Tea, PJ's Coffee of New Orleans, Port City Java, Seattle's Best Coffee, SPoT Coffee, Stumptown Coffee Roasters, Tully's Coffee, Chock Full o' Nuts	United States
Espressamente Illy, Èspression Lavazza, Segafredo Zanetti Espresso. Caffè Pascucci, Caffè Vergnano 1882, Lino's Coffee, Mokarabia Coffee Bar, Saquella Espresso Club,	Italy

Source: (data adapted from de Luca & Pegan, 2014)

The American global model consists of big groups with large and widespread market distribution, such as Starbucks and Dunkin' Donuts, or chains inspired by these companies. They are characterized by increased standardization of demand and an atmosphere with a great assortment of products of quality standard that are often certified. Other service features include high logistics (e.g., open 24 hours) and technology (e.g., payment by mobile phone), a strong bond with the local community (initiatives to support specific projects), and participation in philanthropic initiatives that have social or environmental goals. The American independent model is an expression of the commercial initiatives directed to a niche market that is expanding and usually sustains an anti-corporate counter-consumerism culture (Thompson & Arsel, 2004). This model is characterized by small, independent companies and small chains that cater to specific local consumption cultures. These include third-wave coffee members such as Intelligentsia, Blue Bottle Coffee, and Stumptown Coffee Roasters (de Luca & Pegan, 2014).

The Italian model is represented by companies that entered the U.S. market with the aim of diffusing an authentic espresso culture by proposing a multi-sensorial experience in terms of product, service, and atmosphere. Their communication is mainly focused on the authenticity of the made-in-Italy brand with the aim of offering coffee customers an experience of the Italian lifestyle. Italian coffee shop chains want to deliver the uniqueness and exclusivity of Italian style, in terms of not only the high quality of the product but also the in-store environment. Ambient conditions, interior design, and physical and social factors (i.e., friendliness of the baristas) are marketing tools used to create a delightful coffee shop experience for customers (de Luca & Pegan, 2014). Today, the main eight Italian chains present in the U.S. market are characterized by limited distribution coverage.

The Perception of the Coffee Shop Experience in Some American Coffee Communities

To understand the consumer perceptions of the coffee shop experience in the United States, netnographic research was conducted in relevant online communities of American coffee consumers. Netnography, that is ethnography applied to the Web, is a recognized method frequently applied in the latest social and marketing research (Kozinets, 2002, 2010, 2015). This method is used to observe the complex underlying symbolic world of buying behavior and to explain consumers' action-structured paths. The application of netnography to marketing research derives from the recognition that goods have a meaning that goes beyond their immediate function and are used in the production processes of sense, involving communication from single users and from social groups. To guarantee the plurality of the opinions expressed by users, only online communities *created by consumers* with more than 5,000 users were considered, not

those *created for consumers* by the same companies, such as Facebook pages or other social networks. The focus was on discussions that have emerged since 2010. Three forums⁷ were selected. The choice of eliminating some types of communities was determined by the decision not to choose *a priori* consumers who would demonstrate positive behavior toward specific coffee shop chains or coffee brands, such as on Facebook fan pages. The aim was to gather the opinions of forum users that were as spontaneous as possible. We decided not to use a participant nethnographic method, where the researcher figures in the community (Beckmann, 2005). However, to conduct ethical nethnography that preserves the users' anonymity, we decided to eliminate the names of the forums. Further, we decided not to report nicknames and complete original posts, only determinant fragments in the analysis (Kozinets, 2010).

Discussion posts from 2010 until 2018 have been examined. The first results, for the period 2011-2014, have been presented also in a previous study (de Luca & Pegan, 2014). After the first study phase and comprehension of the language of the different forums, the data collected (fragments of posts or posts in their original language) within the object of the research were organized for data publication and to be a source. The collected data were then analyzed to determine findings that were relevant to the market study. With the analysis of short spontaneous stories in the posts, there has been a will to capture several consumption experiences that people had in coffee shops. The data are not generalized because they are based on the opinions of subjects in a restricted and specific category of American consumers, such as coffee lovers, in some cases *baristas*, who love talking about the beverage and about coffee shops in online communities. The collected data express a significant variety of *voices* that are important for better understanding this particular consumption experience and the U.S. coffee shop landscape from a consumer perspective.

In Table 5, a brief overview of the main findings of this nethnographic research is presented. The main concepts that have come to light from this qualitative study of the posts and the principal theoretical categories to which the main features of the analyzed concepts can be related are emphasized. The qualitative analysis of the posts showed several determinants of the holistic customer experience (Verhoef et al., 2009). In particular, the coffee culture, coffee shop models and chains, coffee shop atmosphere (design, furniture, and music), social environment (*baristas*), service interface (customization), assortment (quality of coffee, variety, and uniqueness), seem to be relevant drivers of the coffee shop experience. Further, posts point out the importance of the store environment in influencing the coffee shop customer experience (Donovan & Rossiter, 1982; Naylor et al., 2008).

The new coffee shop trends in the United States are largely inspired by specific coffee consumption cultures and coffee shop models (Tucker, 2011). According to Kjeldgaard and Ostberg (2007), in this study the analysis of the posts pointed out three coffee shop models that affect the customer experience: the American global model of the "Starbuckified" chains, the American independent model of the "third wave coffee," and the Italian model. The phenomenon of "third wave coffee," for example, has modified the perception of coffee from a commodity to an experience (Pine & Gilmore, 1999) just like wine, music, and art. Nevertheless, there is no single definition of the term (*third wave roaster cafe: high-end coffees, compete in barista competition, give coffee classes...a deeper way to approach coffee than before*). However, according to several users, the phenomenon is now diffused (*it is used to distinguish canned mass-market coffee from large chain coffee shops and, in turn, the large chain coffee shops from the independent and micro-chain roasters and retailers ... love it or hate it, it's beyond absurdity to think this term invented by elite coffee bars and is used only by a tiny clique; I appreciate a few things about Starbucks. They provide the convenience of many places where people can meet without the pressure of holding down a restaurant seat or being hurried along. Where they've been the only nearby source*

Customer Experience in the Coffee World

of coffee I've been glad to have the choice of their lighter roasted coffees and access to WIFI. We'll see how they do with espresso, but I think it will be hard for them to match the kinds of cafes and specialty roasters that Home-Barista members enjoy most).

Recognition of the superiority of European and Italian coffee cultures emerged clearly from the posts (*I enjoy the cafes of Italy- the types of pastries and food they offer as well as the quality of the coffee and service. ...I like the Italian style of stand-up bars for a quick espresso....European countries are well known for their exquisite cuisine, fine wines and of course, the best espressos*). The appreciation for Europe's ancient, embedded tradition of espresso coffee should be considered to improve the coffee shop experience in the United States (*we could certainly take lesson from places where coffee& cafes are an important part of their culture. ... I actually love a lot of the design ideas that I see on my trips there*). This leading role is remarkable (*a primary difference between espresso in Italy and espresso in the US is that in Italy you have to work hard to find a bad espresso while in the US you have to work hard to find good espresso*). Some posts expressed the wish that there could be a diffusion of the Italian coffee shop style in the United States for economic purposes as well (*I like the Italian style of stand-up bars for a quick espresso. 90 cents Euro for a shot. Wish more places in the USA were like that*). In some cases, the same consumers are conscious that a consumption culture linked to the country of origin is not always transferable in another market (*I think what works in the European Cafe will not always work here in America and the reverse probably holds true*). This post noted that the *coffee culture has developed on very different lines in America from Italy*. Furthermore, American consumption culture is tied to continuous changes in the market. Regarding the American chains from the discussions in the online communities, a coffee shop landscape emerged that is characterized by the polarization of judgments, more positive toward small chains—particularly “third wave coffee” such as Stumptown Coffee Roasters, Blue Bottle Coffee, and Gimmemore negative about multinational chains such as Starbucks (*Received an early morning email from Starbucks saying that after 43 years of making Starbucks espresso [my words, not theirs], they are introducing a Blonde roast espresso. They say, smooth, with a subtle sweetness, not roasty [their words, not mine]. ... I think this tells me that the small, high quality coffee cafes are starting to erode SB's latte sales and now they are going to fight back...as if “Blonde” was a weapon*).

There is a general appreciation for the first coffee shops that offered their customers an all-around quality coffee experience (*Intelligentsia is the really good artisanal third wave espresso...I like Blue Bottle because they are always very engaged with you*). In opposition, many posts expressed negative opinions about the experience had in big chains such as Starbucks (*everything in wrong...the espresso is awful... the super autos make a flat tasting drink.....Starbucks is to coffee what McDonalds is to casual dining acceptable and readily available but the baseline for quality...I can't even tolerate the smell...all baristas are incompetent...S. is one of the biggest paradoxes in coffee.. the problem is the standardization...S. wants their coffee to taste the same everywhere*). Regarding the Italian coffee brands in the U.S. market, the analysis found a polarization of positive comments and behaviors (*I've tried Illy USA out a couple of times, you may want to look at them and their customer service is superb! Hope this helps!... There's an Illy in the Hard Rock, and a Lavazza somewhere else on the strip...If there's no third wave places, these may be your best bet*). However, on Italian coffee shop chains, analysis of the forums considered only a limited number of explicit quotations that referred to the Illy, Lavazza, and Lino's Coffee chains. In other cases, the judgment was not favorable, indicating the risk that dissatisfaction can create a chain of negative comments, especially if the source is a specialist consumer as well as an opinion leader (*Espressamente Illy at The Palazzo is.....really bad... Lino's is from Italy and is a multinational coffee café, much like an embryonic Starbucks (in more ways than one). [...] The cup had no nose and thin cream.*

The taste was nutty, then bitter, then chocolate. The strength of the flavors was thin, suggesting stale). Even if the quality of the made-in-Italy product is recognized, other elements such as the atmosphere of the specific Italian coffee shop or the service, cannot always meet the target (I tried Espressamente Illy in the Palazzo. It was ok, but the layout of their store is incredibly annoying... The barista attempted a latte art pour but it didn't work out. Couldn't do it under the pressure).

The online discussions emphasize that the coffee shop is perceived as a leisure place where people can relax and spend time alone or in good company. In other words, the analysis reveals a predisposition for small places that have a high-quality product and service and are relaxing (*my favorite coffee shop is a small, family owned shop where they pay attention to providing good [fresh] coffee and excellent customer service, relaxing atmosphere*). According to these posts, this perception appears very common in the market (*If there were two shops with equally good coffee, and one was owned by a giant corporation ... If you don't trust your palate, and you don't really know which is better, I would imagine most people would feel better supporting the smaller shop*).

This conception of the coffee shop experience affects customer expectations of the in-store physical setting. Simple lines, warm colors, and comfortable chairs or couches are preferred to modern and innovative design pieces. A significant component of the atmosphere is the background music (Millman, 1982) because it affects the mood: music should be adapted to the daytime (*there are times in the morning that would benefit from a more silent atmosphere ... at night you can get a great vibe going playing the right stuff at a good level*). Consumers also indicated that music should not disturb customers (*I don't like a lot of distracting noise, and I'm sure many of the customers feel the same ... Little crowd noise should be low volume music*). Even if the different elements of the store atmosphere (Kotler, 1973) seem to represent a relevant influencer of customer experience for other consumers, the quality of this experience is most of all determined by the product: *the coffee should be what people remember*. The coffee shop customer experience should be designed by focusing on the product, because a coffee shop should always convey a passion for coffee. In this perspective, the quality of the coffee is a determinant to delivering a satisfying experience and is the key to success (*Always remember focus on the coffee and work on improving it every day*).

Reception, kindness, and the competence of servers, who are coffee professionals, were expressed as crucial elements of the quality of the delivered service (*every customer should be acknowledged when they walk in and made to feel like they are VIP guests*). A good coffee should always come with good service (*I'd think that the places here that don't do both will eventually fail when people realize they don't need to put up with poor service to get good quality coffee*). One post emphasized that the real competitive challenge is to create a unique service (*Making drinks is easy, making every customers feel welcome and appreciated is the real challenge in a café*). This concept was also confirmed by consumers/professionals who stated that attention to an individual customer is the key factor for successful coffee shops (*It's watching for the customer's mood... Remembering or making the effort to discover their tastes and preferences*).

Further, according to the acknowledgement of the role of the assortment as a determinant of the customer experience (Baker et al., 2002; Huffman & Kahn, 1998; Janakiraman, Meyer, & Morales, 2006), several combinations of food and espresso seem to be appreciated (*Biscotti seems to be a favorite and some find a grilled Nutella sandwich ... Homemade biscuits, muffins*). Someone talks about the importance of adapting to local customer needs as a way of promoting differentiation (*what you offer should be based on local cultural needs ... look around at other neighboring shops and try for something different and unique*). Several consumers emphasize the importance of details in the service, for example, offering

coffee in ceramic cups to *bring out the truest flavor of the coffee*. To solve the problem of take-out coffee, which dominates buying practices in the United States and imposes paper cups, new initiatives are emerging (*the trend now is a rebate or incentive for customers when they brought in their own mugs or cups*). In any case, as suggested in the literature, the social component and the service interface (Baker et al., 2002; Verhoef et al., 2009) are relevant in affecting purchasing behavior and customer experience.

From the brief discussion by consumers, a problem emerges, especially for Italian chains, in the relation between projected and perceived experience (as are sum of the experiential dimensions of the product, service, and atmosphere) that can lead to an unclear competitive positioning (Kotler, 1973; Grewal et al., 2003). In particular, if from the offer side—as previously highlighted—the communication focusing on emphasizing the value of an authentic espresso culture by proposing a multi-sensorial experience, from the consumer perspective the perceived experience sometimes can be badly influenced by managing choices that are incoherent with the programmed positioning.

CONCLUSION

The findings of our qualitative research on coffee shops in the United States have highlighted a complex framework from an offer and demand point of view. Here, we point out observations from a theoretical and managerial perspective.

From a theoretical perspective, the collected data reflected a significant diversity of voices that allow a better understanding of the main drivers of the customer experience in a particular retail environment, such as coffee shops, underlying its holistic nature. In particular, our first findings support the importance of focusing not only on the factors that retailers can control but also on moderators' factors that are out of their control. About the first type of factors, which are under the retailer's control, our results emphasize the role of the product, the service, and the store environment in influencing the coffee shopper experience. In addition, several moderator factors were unveiled, among which we can mention the type of store, the coffee culture consumption, and the competitive scenario. First, the quality of the product, especially its goodness and freshness, represents a fundamental driver of a memorable coffee shop experience for the customer. Different store dimensions, such as ambience, design, and social environment are perceived to be relevant by the U.S. online consumer communities in affecting their experience. In more detail, consumers emphasize furniture, interior design, and music as background characteristics influencing their mood and the experience they lived in a particular coffee shop. In the posts analyzed consumers underline the relevance of the social component of the store environment, interpreted most of all as the competence and kindness of baristas. A customized service is considered a key factor when delivering a rewarding experience to customers. Further, the in-store atmosphere becomes a more relevant marketing tool as the number of competitive outlets increases, when the difference of the product and its price is low and when the products are intended for specific lifestyle groups, such as highly involved coffee lovers in online communities.

From a management perspective, coffee manufacturers and coffee retailers should deeply understand what their customers need and desire in order to design an effective in-store atmosphere and customer experience (Gentile et al., 2007; Kotler, 1973; Lee, Moon, & Song, 2018; Yu & Fang, 2009). Further, they should consider that this experience is variable, because it can be affected by the frequency of consumption of the product, the context, the target, and new market trends (NCA, 2019). This market knowledge could be an essential tool for improving the positioning of coffee brands in the U.S. market.

Table 5. Main topics from nethnographic analysis on perception of coffee shops

Meaningful Posts: some examples	Main Topics	Category of Topics	
<p>“Third wave roaster cafe: high-end coffees, compete in barista competition, give coffee classes...a deeper way to approach coffee than before” I like Everyman and Caffè Bene because they are local for me and I like CounterCulture Coffees.</p>	Third wave of coffee	Coffee consumption culture	
<p>“I like the Italian style of stand-up bars for a quick espresso” “...I would guess that France, Italy and Spain would be great places to research some ideas..European countries are well known for their exquisite cuisine, fine wines and of course, the best espresso(in the world perhaps?) Not to put us down, but to say that we could certainly take a lesson from places where coffee & cafes are an important part of their culture” “I think what works in the European Cafe will not always work here in America and the reverse probably holds true.” “Coffee culture has developed on very different lines in America from Italy”</p>	European/Italian coffee culture European/Italian versus American coffee style/ culture		
<p>“Sturbucks is one of the biggest paradoxes in coffee. The problem is the standardization... Sturbucks wants their coffee to taste the same everywhere” “I think Sturbucks has done a great job of getting North Americans to realize there is more to coffee than Dunkin’ Donuts, etc. As a result, I think they’ve been instrumental in creating a market for this third wave of high-quality espresso we’re experiencing here now” “Intelligentsia is the really good artisanal third wave espresso...I like Blue Bottle because they are always very engaged with you” “What I like about them is that they roast right there on the premises - the roaster is right there as soon as you enter and it is a family owned and operated shop. I like to give a shout out to these small family owned (mom and pop) shops which are slowly disappearing due to the Starbucks / Peets conglomerates that are slowly choking them out.” “I have never really loved Starbucks...I think they brought the idea of a “coffee shop” into the mainstream of American culture and paved the way for many of the third wave places we all love.” “I appreciate a few things about Starbucks. They provide the convenience of many places where people can meet without the pressure of holding down a restaurant seat or being hurried along. Where they’ve been the only nearby source of coffee I’ve been glad to have the choice of their lighter roasted coffees and access to WIFI. We’ll see how they do with espresso, but I think it will be hard for them to match the kinds of cafes and specialty roasters that Home-Barista members enjoy most.” “Received an early morning email from Starbucks saying that after 43 years of making Charbucks espresso (my words, not theirs), they are introducing a Blonde roast espresso. They say, smooth, with a subtle sweetness, not roasty (their words, not mine). ... I think this tells me that the small, high quality coffee cafes are starting to erode SB’s latte sales and now they are going to fight back...as if “Blonde” was a weapon.”</p>	Multinational chains Starbucks model Small chains Artisanal coffee	Coffee shop models	
	<p>“I’ve tried Illy USA out a couple of times, you may want to look at them and their customer service is superb! Hope this helps!...There’s an Illy in the Hard Rock, and a Lavazza somewhere else on the strip...If there’s no third wave places, these may be your best bet”</p>		Italian chains
<p>“Espressamente Illy at The Palazzo is.... really bad... Lino’s is from Italy and is a multinational coffee café, much like an embryonic Starbucks” “I tried Espressamente Illy in the Palazzo. It was ok, but the layout of their store is incredibly annoying...”</p>			
<p>“My favorite coffee shop is a small, family owned shop where they pay attention to providing good (fresh) coffee and excellent customer service, relaxing atmosphere” “If there were two shops with equally good coffee, and one was owned by a giant corporation... If you don’t trust your palate, and you don’t really know which is better, I would imagine most people would feel better supporting the smaller shop” “There are times in the morning that would benefit from a more silent atmosphere ... at night you can get a great vibe going playing the right stuff at a good level” “I’m not so sure it’s the best ever, but it’s wonderful. All of their locations are elegant and well done - the entire St Ambroeus experience is great, although no one will mistake it for a coffee shop”.</p>	Relaxing place Familiar place Comfortable chairs and couches Background music Warm colors Customization	Coffee shop atmosphere	
	<p>“Making drinks is easy, making every customer feel welcome and appreciated is the real challenge in a café” “It’s watching for the customer’s mood... Remembering or making the effort to discover their tastes and preferences” “Every customer should be acknowledged when they walk in and made to feel like they are VIP guests”</p>	Competence Welcome Kindness Cups Differentiation High quality coffee	Service interface and Social environment
	<p>“The coffee should be what people remember” “Always remember focus on the coffee and work on improving it every day” “I’ve seen some interesting combinations of food and espresso... Biscotti seems to be a favorite and some find a grilled nutella sandwich right for the occasion” “What you offer should be based on local cultural needs...look around at other neighboring shops and try for something different and unique”</p>	Freshness and Goodness Assortment Adaptation to local needs	Products and assortment

Source: (data adapted and integrated from de Luca & Pegan, 2014)

Customer Experience in the Coffee World

For Italian coffee shop chains, the U.S. market could present some threats. First, the economic crisis has reduced purchasing power and increased concern about value for money, which is affecting out-of-home consumption. Further, other threats emerge from the American global model that dominates the market and influences consumption culture. However, opportunities for Italian companies could come from the new trends of recent waves of coffee and the American independent model. Indeed, the growing customer interest in high-quality coffee, craftsmanship, innovation, and desire for coffee shop authenticity could increase the value of the made-in-Italy brand and the Italian lifestyle experience. However, the Italian coffee industry needs to improve according to new global trends, such as healthiness, authenticity, sustainability, and innovation. These findings can contribute to improve the competitive path on foreign markets of Italian companies, which are often divided between the search for standardization and the promise of authenticity. According to the authenticity approach in the marketing and management literature (Beverland, 2006; Carù & Cova, 2003; Gilmore & Pine, 2007), Italian companies should reinforce their strengths, focusing on well-established traditions in coffee products and atmosphere. Indeed, the creation of a successful consumption experience needs to ground a specific offer in space and time, reflecting an authentic atmosphere through active co-creation with the customer. However, a problem could arise because of competing brands offering an increasingly similar café experience and the threat of a me too perception (Agrawal, 2009). In these consumption experiences, companies should also pay attention to the social dimension of the atmosphere (relationships among customers and among customers and salespersons) in coffee shops. Italian coffee companies should also overcome weaknesses by keeping their promise of authenticity (i.e., authentic Italian espresso) and coherence in all the different aspects of their offer. In this way, the gap between the quality of the product and the quality of service sometimes perceived by American consumers should be reduced. Even in the U.S. market, which Italian companies entered several years ago, the positive Italian espresso image cannot be taken for granted. The made-in-Italy brand requires constant and accurate monitoring of the market (Bertoli & Resciniti, 2012; de Luca & Pegan, 2014). Competitive success could come, above all, from knowledge of the market and from the ability to build a long-term relationship with customers in international markets.

FUTURE RESEARCH DIRECTIONS

This study pointed out several interesting aspects that should be addressed in future research. First, the perception of American consumers could be investigated in depth through different qualitative research methods, not only through online consumer communities. For example, focus groups or in-depth face-to-face interviews could produce deeper understanding of the coffee shop customer experience, its drivers, and their interdependency. Second, quantitative research could also be developed in the U.S. and other foreign markets, with the aim of improving the analysis of the customer perception in different coffee cultures. Further, in order to enhance the analysis of the coffee shop industry in the offer perspective, in-depth interviews with coffee companies and case studies could be conducted. In particular, focusing on Italian coffee brands, there is a need for a closer examination of the marketing tools the brands use to keep their promise of authenticity, such as in the case of authentic Italian espresso, and coherence in all aspects of their offer strategy, as for the store atmosphere, in the U.S. and other markets all over the world. Indeed, it would be useful to extend the research to other relevant markets for made-in-Italy brands.

REFERENCES

- Agrawal, R. (2009). Threat of a metooperception: A case of Café Coffee Day. *The Marketing Review*, 9(3), 251–271. doi:10.1362/146934709X467811
- Allegra World Coffee Portal. (2019). *What is the 5th wave?* Retrieved from <http://www.allegraceoforum.com/what-is-the-5th-wave/>
- Almagor, O. (2019, Jan. 12). *A look into the future of the Italian coffee scene with professor Morris*. Retrieved from <https://europeancoffeetrip.com/future-of-italian-coffee-with-professor-morris/>
- Altmann, M. (2007). Coffee Shop Industry – A Strategic Analysis. *Scholarly Research Paper Katz-Graduate School of Business Pittsburgh/ USA Doc. N. V111348*. Retrieved from <http://www.grin.com>
- Andersson, T. D., & Mossberg, L. (2004). The dining experience: Do restaurants satisfy customer needs? *Food Service Technology*, 4(4), 171–177. doi:10.1111/j.1471-5740.2004.00105.x
- Baker, J. (1987). The role of the environment in the marketing service: the consumer perspective. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), *The services challenge: integrating for competitive advantage* (pp. 79–84). Chicago, IL: American Marketing Association.
- Beckmann, S. C. & Roy Langer, C. (2005). *Netnography: Rich insights from online research*. Retrieved from http://frontpage.cbs.dk/insights/pdf/670005_beckmann_langer_full_version.pdf
- Belk, R. W., Guliz, G., & Soren, A. (2003). The fire of desire: a multi sited inquiry into consumer passion. *The Journal of Consumer Research*, 30(3), 326–352. doi:10.1086/378613
- Bertoldi, G., Giachino, C., & Marengo, S. (2012). Bringing gourmet coffee to India: Lessons of an Italian firm in an emerging market. *Business Strategy Review*, 33, 32–43. doi:10.1108/02756661211282777
- Beverfood. (2019). *La storia del caffè, un'innovazione continua*. Retrieved from https://www.beverfood.com/la-storia-del-caffe-uninnovazione-continua_zwd_148005/
- Beverland, M. B. (2006). The real thing: branding authenticity in the luxury wine trade. *Journal of Business Research*, 59(2), 251–258. doi:jbusres.2005.04.007 doi:10.1016/j
- Boaventura, P., Abdallà, C., Araujò, C., & Arakelian, J. (2018). Value co-creation in the specialty coffee value chain: The third wave coffee movement. [Journal of Business Management]. *RAE-Revista de Administração de Empresas*, 58(3), 254–266. doi:10.15900034-759020180306
- Brando, C. H. J. (2013). Trends in new coffee consuming markets – Out of home consumption. *P&A International Marketing*. Retrieved from http://www.ico.org/event_pdfs/seminar-consumption/peamar-keting-e.pdf
- Broadway, M., Legg, R., & Broadway, J. (2017). Coffeehouses and the art of social engagement: an analysis of Portland coffeehouses. *Geographical Review*, 108(3), 433–456. doi:10.1111/gere.12253
- Business Monitor International (BMI). (2013). *United States Food & Drink Report 2013*. BMI.
- Calhoun, B. (2008). Shaping the public sphere: English coffeehouses and French salons and the age of the enlightenment. *Colgate Academic Review*, 3, 74–99.

Customer Experience in the Coffee World

Carù, A., & Cova, B. (2003). Revisiting consumption experience: a more humble but complete view of the concept. *Marketing Theory*, 3(2), 267–286. doi:10.1177/14705931030032004

Chen, P., & Hu, H. (2010). How determinant attributes of service quality influence customer-perceived value: An empirical investigation of the Australian coffee outlet industry. *International Journal of Contemporary Hospitality Management*, 22(4), 535–551. doi:10.1108/09596111011042730

Clark, T. (2009). *Starbucks: Il buono e il cattivo del caffè*. Milano, Italy: Egea.

de Luca, P., & Pegan, G. (2014). The Coffee Shop and Customer Experience. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer* (pp. 173–196). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch010

de Luca, P., Vianelli, D., & Marzano, F. C. (2013). Entry strategies and distribution channels of Italian SMEs in the Chinese market. In B. Christiansen., E. Turkina, & N. Williams (Eds.), *Cultural and technological influences on global business*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-3966-9.ch027

Denzin, N. K., & Lincoln, Y. S. (1998). *Collecting and interpreting qualitative materials*. Thousand Oaks, CA: Sage.

District Roasters. (2019). *Fourth Wave Coffee from DISTRICT Roasters*. Retrieved from <https://districtroasters.com/pages/what-is-fourth-wave-coffee>

Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: an environmental psychology approach. *Journal of Retailing*, 58, 34–57.

Dòrea, J., & da Costa, T. (2005, June). Is coffee a functional food? *British Journal of Nutrition*, 93(6), 773–782. doi:10.1079/BJN20051370 PMID:16022745

E-Imports. (2012). *Coffee Statistics*. Retrieved from http://www.e-importz.com/Support/specialty_coffee.htm

Euromonitor International. (2012). *Cafés/Bars in the US*. Retrieved from <http://www.euromonitor.com/>

Euromonitor International. (2013). *Coffee in the US*. Retrieved from <http://www.euromonitor.com/coffee-in-the-us/report>

Euromonitor International. (2018). *Coffee 2018: The new age of coffee everywhere*. Retrieved from https://go.euromonitor.com/webinar-HotDrinks-2018-Coffee_in_2018.html

Falk, R. (1999). *Predatory globalization: critique*. Cambridge, MA: Polity Press.

Fischer, E. (2017). *Quality and inequality. taste, value, and power in the third wave coffee market*. Cologne, France: Max Planck Institute for the Study of Societies.

Gentile, C., Spiller, N., & Noci, G. (2007). How to sustain the customer experience: an overview of experience components that co-create value with the customer. *European Management Journal*, 25(5), 395–410. doi:emj.2007.08.005 doi:10.1016/j

Ger, G., & Belk, R. W. (1996). Cross-cultural differences in materialism. *Journal of Economic Psychology*, 17(1), 55–77. doi:10.1016/0167-4870(95)00035-6

- Gilmore, J. (2004). *Quantitative trends in the North American coffee market 2004*, Datamonitor Inc. Paper presented at the 93rd National Coffee Association Conference. Dana Point, CA.
- Gilmore, J. H., & Pine, B. J. II. (2007). *Authenticity: What consumers really want*. Boston, MA: Harvard Business School Press.
- Gold, J. (2008). *La Mill: The Latest Buzz*. LA Weekly.
- Grayson, K., & Martinec, R. (2004). Consumer perceptions of iconicity and indexicality and their influence on assessments of authentic market offerings. *The Journal of Consumer Research*, 31(2), 296–312. doi:10.1086/422109
- Grewal, D., Baker, J., Levy, M., & Voss, G. B. (2003). The effects of wait expectations and store atmosphere evaluations on patronage intentions in service-intensive retail stores. *Journal of Retailing*, 79(4), 259–268. doi:10.1016/j.jretai.2003.09.006
- Hannerz, U. (1996). *Transnational connections*. New York, NY: Routledge.
- Hirschman, E. C., & Holbrook, M. B. (1982). Hedonic consumption: emerging concepts, methods and propositions. *Journal of Marketing*, 46(3), 92–101. doi:10.1177/002224298204600314
- Huffman, C., & Kahn, B. E. (1998). Variety for sale: mass customization of mass confusion. *Journal of Retailing*, 74(4), 491–513. doi:10.1016/S0022-4359(99)80105-5
- IBISWorld. (2013). Coffee & snack shops in the US. *IBISWorld Industry Report 72221b*. Retrieved from www.ibisworld.com
- Janakiraman, N., Meyer, R. J., & Morales, A. C. (2006). Spillover effects: how consumers respond to unexpected changes in price and quality. *The Journal of Consumer Research*, 33(3), 361–369. doi:10.1086/508440
- Karababa, E., & Ger, G. (2010). Early modern Ottoman coffeehouse culture and the formation of the consumer subject. *The Journal of Consumer Research*, 37(5), 737–760. doi:10.1086/656422
- Kjeldegard, D., & Ostberg, J. (2007). Coffee grounds and the global cup: glocal consumer culture in Scandinavia. *Consumption Markets & Culture*, 10(2), 175–187. doi:10.1080/10253860701256281
- Kotler, P. (1973). Atmospherics as a marketing tool. *Journal of Retailing*, 49, 48–64.
- Kozinets, R. (2002, February). The field behind the screen: Using netnography for marketing research in online communities. *JMR, Journal of Marketing Research*, 39(1), 61–72. doi:10.1509/jmkr.39.1.61.18935
- Kozinets, R. (2010). *Netnography: Doing ethnographic research online*. Thousand Oaks, CA: Sage.
- Kozinets, R. (2015). *Netnography: Redefined*. London, UK: SAGE.
- Lee, W. S., Moon, J., & Song, M. (2018). Attributes of the coffee shop business related to customer satisfaction. *Journal of Foodservice Business Research*, 1–14.
- Machleit, K. A., Eroglu, S., & Powell Mantel, S. (2000). Perceived retail crowding and shopping satisfaction: what modifies this relationship? *Journal of Consumer Psychology*, 9(1), 29–42. doi:10.1207/15327663jcp0901_3

Customer Experience in the Coffee World

Manzo, J. (2014). Machines, people, and social interaction in “third-wave” coffeehouses. *Journal of Arts and Humanities*, 3(8), 1–12.

Manzo, J. (2015). “Third-wave” coffeehouses as venues for sociality: on encounters between employees and customers. *Qualitative Report*, 20(6), 746–761.

Markman, E. (2006). *The coffee house: a cultural history*. London, UK: Weidenfeld and Nicolson.

Michelli, J. (2007). *The Starbucks Experience: 5 principles for turning ordinary into extraordinary*. New York, NY: McGraw Hill.

Millman, R. E. (1982). Using background music to affect the behavior of supermarkets shoppers. *Journal of Marketing*, 46(3), 86–91. doi:10.1177/002224298204600313

Mordor Intelligence. (2019). *United States coffee market - growth, trends and forecasts (2017-2022)*. Retrieved from <https://www.mordorintelligence.com/industry-reports/united-states-coffee-market>

Morris, J. (2012). *Coffee house formats compared*. Paper presented at the CHORD Conference Retailing and Distribution History. Wolverhampton, UK.

Morris, J. (2013). Why Espresso? Explaining changes in European coffee preferences from a production of culture perspective. *European Review of History: Revue europeenne d'histoire*, 20(5), 881-901.

Morris, J. (2019). *Coffee. A Global History*. London, UK: Reaktion Books.

Musso, F. & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8

National Coffee Association [NCA]. (2019, Jan. 30). *Coffee at a crossroad: 3 industry trends to watch in 2019*. Retrieved from <https://nationalcoffee.blog/2019/01/30/coffee-at-a-crossroad-3-industry-trends-to-watch-in-2019>

National Coffee Association U.S.A. [NCAUSA]. (2019, march 19). *Coffee at a Crossroads: National Coffee Association USA*. Retrieved from http://www.ncausa.org/Portals/56/PDFs/Communication/20190309_NCA_News_NCDT_Atlanta.pdf

Naylor, G., Kleiser, S. B., Baker, J., & Yorkston, E. (2008). Using transformational appeals to enhance the retail experience. *Journal of Retailing*, 84(1), 49–57. doi:10.1016/j.jretai.2008.01.001

New York City Economic Department Corporation. (2013). *Coffee and tea in New York City*. Retrieved from <http://www.nycedc.com/blog-entry/coffee-and-tea-new-york-city>

Newhart, B. (2018, Nov. 6). *US coffee shop market grows to \$45.4bn in 2018*. Retrieved from <https://www.beveragedaily.com/Article/2018/11/06/US-coffee-shop-market-grows-to-45.4bn-valuation-in-2018>

Peirce, C. S. (1998). *Collected Papers of Charles Sanders Peirce*. Bristol, UK: Thoemmes.

Pine, J. B. II, & Gilmore, J. H. (1998, July-August). Welcome to the experience economy. *Harvard Business Review*, 97–105. PMID:10181589

Pine, J. B. II, & Gilmore, J. H. (1999). *The experience economy*. Boston, MA: Harvard Business School Press.

- Ponte, S. (2002). The 'latte revolution'? regulation, markets and consumption in the global coffee chain. *World Development*, 30(7), 1099–1122. doi:10.1016/S0305-750X(02)00032-3
- Prahalad, C. K., & Ramaswamy, V. (2004). Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5–14. doi:10.1002/dir.20015
- Putranto, F., & Hudrasyah, H. (2017). Identification of consumer decision journey in choosing third wave coffee in Bandung by youth market segment. *Journal of Business and Management*, 6(1), 88–100.
- Ritzer, G. (1998). *The McDonaldization Thesis*. London, UK: Sage.
- Robertson, R. (1995). Glocalization: time-space and homogeneity-heterogeneity. In M. Featherstone, S. Lash, & R. Robertson (Eds.), *Global Modernities* (pp. 25–44). London, UK: Sage; doi:10.4135/9781446250563.n2
- Samoggia, A., & Riedel, B. (2018). Coffee consumption and purchasing behavior review: Insights for further research. *Appetite*, 129, 70–81. doi:10.1016/j.appet.2018.07.002 PMID:29991442
- Sathish, A. S., & Venkatesakumar, R. (2011). Coffee experience and drivers of satisfaction, loyalty in a coffee outlet – With specially reference to Café Coffee Day. *Journal of Contemporary Management Research*, 5(2), 1–13.
- Schmitt, B. H. (1999). *Experiential Marketing*. New York, NY: The Free Press.
- Seaford, B. C., Culp, R. C., & Brooks, B. W. (2012). Starbucks: maintaining a clear position. *Journal of the International Academy for Case Studies*, 18(3), 39–57.
- Small Business Development Center Network. (2012). *Coffee Shop Business Overview & Trends 2012*. Retrieved from <http://www.sbdnet.org/small-business-research-reports/coffee-shop-2012>
- Smith, S., & Wheeler, J. (2002). *Managing the customer experience: turning customers into advocates*. Harlow, UK: Prentice Hall.
- Statista. (2013). *Market share of the leading coffee chains in the United States in 2011*. Retrieved from <http://www.statista.com/statistics/250166/market-share-of-major-us-coffee-shops>
- Statista. (2016). *Revenue of selected leading coffeehouse chains worldwide in 2015 (in million U.S. dollars)*. Retrieved from <https://www.statista.com/statistics/270091/coffee-house-chains-ranked-by-revenue/>
- Statista. (2018). *Number of Starbucks stores worldwide from 2003 to 2018*. Retrieved from <https://www.statista.com/statistics/266465/number-of-starbucks-stores-worldwide/>
- Statista. (2019). *Statista Coffee United States*. Retrieved from <https://www.statista.com/outlook/30010000/109/coffee/united-states>
- Statistic Brain. (2013). *Coffee Drinking Statistics*. Retrieved from <http://www.statisticbrain.com/coffee-drinking-statistics>
- Thompson, C. J., & Arsel, Z. (2004). The Starbucks brandscape and consumers' (anti- corporate) experiences of glocalization. *The Journal of Consumer Research*, 31(3), 631–643. doi:10.1086/425098

Customer Experience in the Coffee World

Tsaur, S., Luoh, H.-F., & Syue, S.-S. (2015). Positive emotions and behavioral intentions of customers in full-service restaurants: Does aesthetic labor matter? *International Journal of Hospitality Management*, *51*, 115–126. doi:10.1016/j.ijhm.2015.08.015

Tucker, C. (2011). *Coffee culture: local experiences, global connections*. New York, NY: Routledge. doi:10.4324/9780203831243

Verhoef, P. C., Lemon, K. N., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. A. (2009). Customer experience creation: determinants, dynamics and management. *Journal of Retailing*, *85*(1), 31–41. doi:10.1016/j.jretai.2008.11.001

Verma, H. (2013). Coffee and tea: socio-cultural meaning, context and branding. *Asia-Pacific Journal of Management Research and Innovation*, *9*(2), 157–170. doi:10.1177/2319510X13504283

Waxman, L. (2006). The coffee shop: social and physical. *Journal of Interior Design*, *31*(3), 35–53. doi:10.1111/j.1939-1668.2006.tb00530.x

Whitney, C. (2019, Jan. 7). *Why Italian Is the international language of coffee*. Retrieved from <https://recipes.howstuffworks.com/why-italian-is-international-language-coffee.htm>

Wilk, R. (1995). Learning to be local in Belize: global systems of common difference. In D. Miller (Ed.), *Worlds apart: modernity through the prism of the local* (pp. 110–131). London, UK: Routledge.

WiseGeek. (2013). *What is a coffee shop*. Retrieved from <http://www.wise-geek.org/what-is-a-coffee-shop.htm>

Wong, J. (2010). *Aussie café culture accounts for 'biggest growth in coffee AFN March 4*. Retrieved from <http://www.ausfoodnews.com.au/2010/03/04/aussie-cafe-culture-accounts-for-biggest-growth-in-coffee.html>

Yu, H., & Fang, W. (2009). Relative impact from products quality, service quality, and experience quality on customer perceived value and intention to shop for the coffee shop market. *Total Quality Management*, *20*(11), 1273–1285. doi:10.1080/14783360802351587

ADDITIONAL READING

Arnould, E. J., & Thompson, C. J. (2005). Consumer culture theory (CCT), Twenty years of research. *The Journal of Consumer Research*, *31*(4), 868–883. doi:10.1086/426626

Baker, J., Parasuraman, A., Grewal, D., & Voss, G. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing*, *66*(2), 120–141. doi:10.1509/jmkg.66.2.120.18470

Bauman, Z. (1998). *Globalization: The human consequences*. New York: Columbia University Press.

Bertoli, G., & Resciniti, R. (Eds.). (2012). *International Marketing and the Country of Origin Effect*. Cheltenham, UK: Edward Elgar.

- Beverland, M. B. (2009). *Building brand authenticity: 7 habits of iconic brands*. Basingstoke: Palgrave MacMillan. doi:10.1057/9780230250802
- Carù, A., & Cova, B. (2007). *Consuming experience*. Oxon: Routledge.
- Dalli, D., Romani, S., & Gistri, G. (2006). Brand Dislike: Representing the Negative Side of Consumer Preferences. *Advances in Consumer Research*. *Association for Consumer Research (U. S.)*, 33, 87–95.
- de Mooij, M. (2011). *Consumer Behavior and Culture: Consequences for Global Marketing and Advertising*. Thousand Oaks, US: Sage.
- Healy, M., Beverland, M., Oppewal, H., & Sands, S. (2007). Understanding Retail Experiences – The case for Ethnography. *International Journal of Market Research*, 49(6), 751–779. doi:10.1177/147078530704900608
- Huffman, C., Ratneshwar, S., & Mick, D. G. (2000). *The why of consumption: Contemporary perspective on consumer motives*. New York: Routledge.
- Levy, M., & Weitz, B. A. (2006). *Retail Management*. New York: McGraw-Hill College.
- Lonsway, B. (2009). *Making Leisure Work: Architecture and the Experience Economy*. Oxford: Routledge Press.
- Morris, J. (2019). *Coffee. A Global History*. London: Reaktion Books.
- Muradian, R., & Pelupessy, W. (2005). Governing the coffee chain: The role of voluntary regulatory Systems. *World Development*, 33(12), 2029–2044. doi:10.1016/j.worlddev.2005.06.007
- Pendergrast, M. (2010). *Uncommon Grounds: The History of Coffee and How It Transformed Our World*. New York: Basic Books.
- Petermans, A., & Van Cleempoel, K. (2010). Designing a retail store environment for the mature market: An European perspective. *Journal of Interior Design*, 35(2), 21–36. doi:10.1111/j.1939-1668.2009.01036.x
- Satin, M. (2010). *Coffee Talk: The Stimulating Story of the World's Most Popular Brew*. New York: Prometheus Books.
- Sherry, J. F. (1998). *Servicescapes: The concept of place in contemporary markets*. Chicago: NTC Business.
- Thurston, R. W., Morris, J., & Steiman, S. (2013). *Coffee. A Comprehensive Guide to the Bean, the Beverage, and the Industry*. Rowman & Littlefield Publishers.
- Tucker, C. M. (2011). *Coffee culture: local experiences, global connections*. New York: Routledge. doi:10.4324/9780203831243

KEY TERMS AND DEFINITIONS

Coffee Culture: A lifestyle characterized by drinking coffee as a social activity, especially in a coffee shop. The formation of culture around coffee and coffeehouses dates back to 4th century in Turkey and Middle East. Historically coffee shops, or cafés, and related coffee culture have been an important social point in Europe.

Coffee Shop: Establishments where coffee is the main beverage offered although food and other beverages are also available, especially nonalcoholic beverages and specialty snacks.

Customer Experience: A holistic concept that expresses the result of a collection of emotions, feelings, and behaviors that arise during the entire decision-making and consumption process through a series of integrated relationships among people, objects, processes, and atmosphere.

Nethnography: Ethnography applied to the internet. This recognized method is frequently applied in the latest social and marketing research, usually to observe the complex underlying symbolic world of buying behavior and to explain consumers' action-structured paths.

Online Community: A social network of individuals interacting through social media, with the aim of pursuing mutual interests or goals. It potentially crosses geographic and political boundaries.

Qualitative Research: The aim to gather an in-depth understanding of human behavior and the reasons at the basis of such behavior. It investigates above all the why and how of decision making and expresses all the different facets of the considered phenomenon. Thus, smaller focused samples are used instead of large samples. Consequently, qualitative research produces information for specific cases and is not generalizable.

Store Atmosphere: The system of physical and social dimensions of a retail store affecting consumer perception and behavior.

Third Wave of Coffee: Part of the specialty coffee movement. It refers to a current movement to produce high-quality coffee, and consider coffee as an artisanal foodstuff rather than a commodity. The term refers chiefly to the American phenomenon since the 1990s and continuing today. Similar movements exist in some other countries, all over the world.

Chapter 13

Engaging Retail Customers Through Service and Systems Marketing: Insights for Community Pharmacy Stores

Sergio Barile

Sapienza University of Rome, Italy

Marialuisa Saviano

University of Salerno, Italy

ABSTRACT

This chapter highlights the need for and the directions of a rethinking of the approach to Retail Marketing to overcome the limitations of a view that can fail in effectively engaging customers in the relationship with retailers, as they are still excessively focused on the 'structural' elements of the service offering. Many physical stores, in particular, show what can be called the 'paradox' of a Goods-Dominant Logic in the service offering. Among the advancements of service research, Service-Dominant Logic has highlighted the need to take a general service view of market exchange to better engage customers in a value co-creation relational context. To accomplish such a paradigmatic change, systems thinking and the Viable Systems Approach (VSA) provide interpretation tools useful to shift focus on interaction. Essentially, this chapter illustrates the conceptual and practical advantages of the adoption of a Service & Systems Approach to Retail Marketing, providing examples and insights with reference to the case of Community Pharmacy.

DOI: 10.4018/978-1-7998-1412-2.ch013

INTRODUCTION

By focusing on the inner service nature of retailing, in this chapter Authors argue that retail marketing needs to overcome the limitations of a view that still appears excessively focused on the ‘structural’ elements of the service offering. This structural view can fail in making the core potential of service value to emerge from retailer-consumer interaction. A relevant contribution in this respect can be provided by recent proposals of the theoretical context of service marketing, with particular reference to Service-Dominant Logic (SDL) (Lusch & Vargo, 2006; Vargo & Lusch, 2006, 2008; Vargo, Maglio & Akaka, 2008) and Service Science (SS) (Maglio & Spohrer, 2008; Spohrer, Maglio, Bailey & & Gruhl, 2007), integrated within the general perspective of systems thinking through the adoption of the Viable Systems Approach (vSA) (Barile, 2000, 2008, 2009; Golinelli, 2000, 2010; Various Authors, 2011; Barile, Pels, Polese, Saviano, 2012).

Marketing theory has accomplished a series of changes in perspective that have led, first, to a shift in focus from selling goods/products to establishing long lasting relationships with customers and, then, to the enhancement of the dynamic aspects of the market exchange process through the adoption of a true ‘service logic’. This evolution has been theorized as a progress from a Goods-Dominant Logic (GDL) to a Service-Dominant Logic (S-D Logic) in market exchange (Lusch & Vargo, 2006). A key step in this evolution is due to Relationship Marketing (Gummesson, 2002), which had the merit of recognizing the relevance of establishing and maintaining good relationships with customers overcoming the traditional transactional market logic (Golinelli, Barile, Saviano & Polese, 2012).

By adopting the general perspective of the vSA as a set of interpretative schemes, the evolution recalled above appears an expression of the need to overcome the traditional reductionist view of marketing, focused on goods, creating the basis for a general theory of exchange, based on service and focused on interaction. When focus is on goods/products to manufacture/distribute/deliver to customers, attention is reductionistically on their objective and physical features, i.e. how they are made instead of how they *serve* the needs of customers, solving their problems, that is, ‘serving’ a purpose.

This view appears to still dominate also in retailing. Retail, in actual fact, is a service. Nevertheless, almost paradoxically and despite relevant advances, in most cases focus is still on the ‘goods to sell’ instead of the ‘value to deliver’, that is the way retailers serve customers’ needs. Actually, many retailers yet represent the ‘operative marketing’ choice of manufacturers: the traditional fourth “P” (Place) of the manufactures’ marketing mix.

Two main aspects emerge in the light of a Service & Systems view of retailing:

1. The major attention of retailers is devoted to the design and engineering of the store, i.e. the *system’s structure*;
2. Less attention appears dedicated to the cognitive process of the retailer-consumer interaction, i.e. the core of the *service process*.

In fact, the definition and design of the offering system, based on the structural and physical aspects of space management and merchandising, have long caught the greater attention of retailers. As a consequence, what really emerges from interaction is rarely well captured.

The need to focus on the service process goes beyond the experiential marketing view (Schmitt, 1999), directing towards a wider view in which attention is on the interaction process and the overall systemic functioning of the retail enterprise. It has been argued, in this respect, that: “most enterprises, including

retail organizations, are organized to manage compartmentalized tasks and activities and, thus, when a problem occurs the focus is on the local concern and not on fixing the systemic problem” (Lusch, Vargo & O’ Brien, 2007, p. 10).

The vSA has navigated the evolutionary pathway of marketing up to an emerging service *ecosystems* view that explores and exploits the potential of value cocreation in a wider relational (networked) context shifting from the *micro* to the *meso* up the *macro*-level of the system of interactions that emerge from connected actors, far beyond the traditional provider-client dyadic relation (Barile, Lusch, Reynoso, Saviano & Spohrer, 2016). In fact, the relational context created by the retailer-consumer relationship can be viewed as a *value cocreation ecosystem* where (many) actors interact on the basis of a mutual agreement to reciprocate value propositions.

On the basis of this introduction, the chapter starts by recalling recent advancements in service and systems research that Authors are discussing emphasizing key trends in retail marketing. Then, it proceeds by highlighting the implications for retailing of the most important stages of marketing’s evolution in recent decades. Finally, it outlines the key elements of a service & systems marketing approach to retail exemplifying its implications with reference to the case of community pharmacy stores.

BACKGROUND: THE CONTRIBUTION OF SERVICE AND SYSTEMS RESEARCH TO MARKETING AND RETAILING

Since the study of marketing began, marketing scholars have performed several research stages that have progressively broadened the scope of the field, often leading scholars and practitioners to anticipate theoretical advancements relevant to a wider *management* domain.

The Evolution of Service Marketing in the Light of a Service-Dominant Logic

The North-European scholars have significantly contributed to marketing evolution by providing insights on business-to-business (B2B) research and the network perspective (Håkansson & Snehota, 1995), along with the key steps of relationships and service identified by the Nordic School (Grönroos, 1994) and the many-to-many perspective (Gummesson, 2004) that developed from Relationship Marketing (RM) and Customer Relationship Management (CRM) (Barry & Linoff, 1999) utilizing the network properties of marketing and widening the view from the dyadic level of supplier-customer relationship to the whole relational-network view (Gummesson, Mele & Polese, 2009).

In the context of retailing, the relational view of marketing has fostered a change in the store management approach highlighting relevant opportunities for customer retention not only by introducing fidelity cards but also by creating attractive environments through effective store design, servicescape and space management choices (Bitner, 1992).

S-D logic is defined as a mindset that has a unified understanding of market exchange. “The foundational proposition of S-D logic is that organizations, markets, and society are fundamentally concerned with exchange of service—the applications of competences (knowledge and skills) for the benefit of a party. That is, *service is exchanged for service*; all firms are service firms; all markets are centred on the exchange of service, and all economies and societies are service based. Consequently, marketing thought and practice should be grounded in service logic, principles and theories” (S-D Logic, 2019).

The perspective of Service Science widens the scope of the field aiming at abstracting a science from the study of service systems by valorising multidisciplinary approaches to service and integrating them into a transdisciplinary body of knowledge, including Information Technology, Operational Management, Marketing, Human Resource, and Engineering, by calling for collaboration by a broad range of academic institutions and practitioners, giving rise to a potentially wider convergence of thought (Maglio & Spohrer, 2008).

The Evolution of Retail Marketing in the Light of a Systems View

Since retail was first developed as a discipline, there has been a recognized need for a marketing approach aimed at understanding what consumers really want and expect from the stores in which they shop (Fram, 1965; Greenley & Shipley, 1988; Walker, 1975). The relational nature is intrinsic to retailing that has always shown its innovative capability along the whole value chain.

Today, another era for retailing can be witnessed whose trajectories are not fully predictable although new technologies and especially ICT (Information and Communication Technologies) seem to play a key role. One of the major changes that ICT is producing is related to a new relationship between tangibles and intangibles, in particular with reference to the role of ‘physicality’ of goods and objects and their contexts. With the tertiarization of economy, digitalization has progressively made physicality less relevant than information (Reynoso, Barile, Saviano & Spohrer, 2018). However, another trend is apparent that seems to renew the relevance of physicality when incorporating ICT within physical objects, like in the case of IoT (Internet of Things) (Gilchrist, 2016). New consumption patterns emerge as “a function of technological advances associated with novel offerings and capabilities provided by the Internet of things (IoT), artificial intelligence (AI), blockchain technologies, and robotics” (Rafaeli et al., 2017; Grewal, Motyka, & Levy, 2018).

These evolutionary changes strongly impact on retailing and require new competences and expertise to be addressed and managed. For example: the customer’s retail service experience, the use of information technology in supply chain management, store management and market intelligence (Kandampully, 2012b; Kim & Kandampully, 2012), the so-called marketing 2.0, 3.0 (Kotler, Kartajaya & Setiawan, 2010) and now 4.0 (Kotler, Kartajaya, & Setiawan, 2016; Malar, 2019).

Although technical and technological competences are increasingly important (Musso, 2010), there is also a lack of more ‘horizontal’ capabilities. The notion of ‘T-shaped’ professionals, for example, has been conceived and developed in the last years to evidence the growing need of professionals that have both ‘vertical’ expertise in one or more disciplines or systems (specialized knowledge) and ‘horizontal’ capabilities to cross different problematic contexts effectively integrating knowledge resources (Barile, Franco, Nota & Saviano, 2012; Barile, Saviano & Simone, 2014; Saviano, Barile, Spohrer & Caputo, 2017). These horizontal capabilities have systems thinking at the core.

Systems thinking is gaining an increased and renewed interest among scholars and practitioners because it can support a basic understanding of complex phenomena by using more general interpretation schemes (Barile, 2009; Barile, Pels, Polese & Saviano, 2012). A significant step in this direction has been taken recognizing the relevance of the customer *context* to defining the correct offering strategy (Barnes & Wright, 2012) and to implementing the *cocreational* view by considering both the strong interconnections of the employees and customers’ perspectives on achieving loyalty (Keiningham, Aksoy & Williams, 2012).

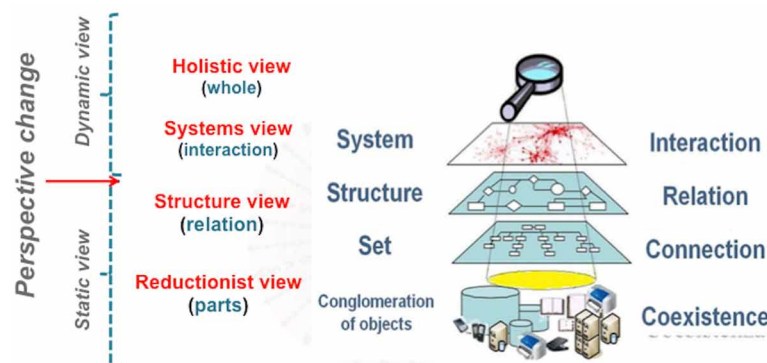
However, it is not only a matter of customer experience and ICT, which of course highlight the relevance of a more holistic view (Verhoef, Lemon, Parasuraman, Roggeveen et al., 2009). It is the way in which the customer’s role in the service process is changing and/or should change (Sorescu, Frambach, Singh, Rangaswamy, Bridges et al., 2011), especially in terms of *engagement*, that must be better understood by focusing on the dynamics of the process of interaction with the retail offering system.

Through the lens of the *vSA*, it is possible to identify key aspects for a deeper rethinking of the retail marketing approach. In recent decades, building on traditional Italian studies that originally suggested a systems approach to business governance, the Italian research community has contributed the *vSA* (Barile, 2009, 2013; Barile, Pels, Polese & Saviano, 2012; Golinelli, 2010; http://en.wikipedia.org/wiki/Viable_systems_approach), which is essentially a methodology for the governance and study of social and business phenomena, rooted in systems thinking and built upon an updated version of the Viable System Model by Stafford Beer (1972). Essentially, according to *vSA*, a viable system is an open system capable of surviving in its context by dynamically establishing harmonic (consonant) relationship with other viable entities with which it needs to interact in order to gain access to resources relevant for its functioning and survival. When consonant relationships are established, a resonant outcome (value) can be achieved during interaction (Barile & Saviano, 2011).

One of the main contributions of the *vSA* lies in overcoming the limits of the traditional analytical approach, taking into account business’s true systemic nature and functioning, along with social phenomena. This advance has been formalized in the ‘structure/system’ general scheme (Barile & Saviano, 2010, 2011). According to this dual perspective, observers and decision makers should distinguish between a *structural view* —a static observation perspective that focuses on parts, functions and relations and is useful for objectively describing a phenomenon— and a *systems view* —a dynamic perspective that focuses on goals, roles and interaction and is necessary to interpret the functioning of a system (Golinelli, Barile, Saviano & Polese, 2012). Thus, a view focused on parts is inadequate to understand the whole, because relevant systemic properties emerge from interaction (Figure 1).

In the context of marketing, as highlighted, the shift from parts to *relations* has been accomplished by relationship marketing, which has established the potential paradigm change and put the focus on relationships. However, the key step forward is the one accomplished by shifting the focus to *interac-*

Figure 1. The shift from a static to a dynamic view of the system
 Source: Barile, 2000, 2009. www.asvsa.org.



tion. This is what S-D Logic has done with its theoretical proposal of a new ‘service-logic’ and *vSA* has generalized through the lens of the structure/system interpretation scheme.

From a *vSA* view, in fact, GDL takes a more general structural approach, and the shift towards S-D Logic essentially means a shift towards a more general systems thinking (Barile & Saviano 2010; Golignelli, Barile, Saviano & Polese, 2012). A service structure represents that which appears from the static observation of a service system. To envision the service system that emerges from a structure, focus should be on *interaction*.

The new service logic addresses the traditional problem of the product/service distinction, also overcoming the limits of a ‘negative’ description of service as a not material, not tangible, not storable, not separable and not standardizable product. In the context of retailing, this view has been characterized by the application of the product marketing mix (4Ps) framework (McCarthy, 1964) to retailing (Chai, 2009; Lovelock & Wirtz, 2004). A significant effort has been necessary to clarify the differences, first, between product and service marketing, and second, between service and retail marketing.

From Products to Relationship to Interaction

Analysing the evolution of the marketing approach in the context of retailing through the lens of the *vSA*, three main evolutionary stages of the marketing approach can be identified by considering the key aspects under focus as follows:

1. A first stage, in which the attention shifts initially from production to products and then to markets and clients with a focus on the parts (the advent of marketing).
2. A second stage, in which the focus shifts to relations (the era of relationship marketing).
3. A third stage, in which the focus shifts to interaction (the current marketing paradigm change).

The first phase of marketing evolution occurs after a long period of paying attention to the production process. The focus is on ‘objects’ to sell and deliver to customers, who are essentially consumers of goods and products. Value is incorporated into the goods through the production process and is ‘destroyed’ by customers through the consumption process. This is the time of one-sided focus on the manufacturing sector, in which distribution is only the ‘fourth’ of the famous Marketing “Ps”, a manufacturer’s operative decision to choose the most efficient channel to get customers. The retail service essentially consists in giving consumers physical access to a variety of products. The retailers’ role is still viewed from the perspective of the manufacturer. The prevalent nature of this commercial service is logistic and the distinction between goods and services is net. Services are viewed as accessories to a product offering and the display of physical goods and visual merchandising are dominant (Figure 2).

When competition begins to grow, companies are forced to accomplish their first relevant shift in focus from the industrial organization of production to the investigation of markets in search of the best competitive conditions. The focus progressively shifts first to the market and later to the client, who becomes the gravitational centre of interest and whose satisfaction is of primary concern. The role of service becomes more relevant and helps to differentiate offerings; scholars begin to re-evaluate the traditional distinction between goods and services and to define a new general approach to marketing.

From a *vSA* perspective, the limits of the traditional reductionist view become apparent, but focus simply shifts from one part of the market relationship to the other, and a transactional logic still dominates (Barile & Saviano, 2012). This is evident in the context of retailing, although the service provider

Figure 2. A self-explanatory representation of Goods-Dominant Logic in Retailing

Source: https://en.wikipedia.org/wiki/Supermarket#/media/File:Fredmeyer_edit_1.jpg



and client are physically connected. What appears clear is that the physical connection between the two is not sufficient to generate an effective interaction.

The second stage of marketing evolution can be identified as the introduction of relationship marketing that has also opened the view to the relevant contribution of network theory (Costabile, 2001; Grandinetti, 2008; Grönroos, 1994; Gummesson & Polese, 2009; Storbacka & Nenonen, 2009). The shift of focus to relationships is the expression of a paradigmatic marketing change in which companies understand that what is relevant is not simply to sell goods to consumers but also, and primarily, to develop and maintain good relationships with them (Andreassen & Olsen, 2012).

In practice, the marketing approach has evolved from one-party centrality (supplier or customer) to two-party centrality (customer-supplier) and to early versions of multiparty centrality (network) (Golinelli, Barile, Saviano & Polese, 2012; Gummesson, Mele & Polese, 2011). In fact, as soon as the relational view disclosed the new approach, it became possible to understand that the relational context that has developed can (and should) be observed at a wider network level.

This need to widen the view appears clear from a *vSA* perspective: the openness in the systemic functioning of social organizations implies a view extended to the whole operative context of the system, considering multiple sets of influences of the various entities (suprasystems) with which the organizations establish relations. In this respect, Gummesson's many-to-many marketing theoretical proposal represents a relevant advance (Gummesson, 2002, 2004).

In this new scenario, which seems to mark a key step in the evolution of marketing, *vSA* highlights an important point: although it may appear that companies begin to definitively understand that goods and products are just means to satisfy needs, often the focus remains on them as objects and the potential benefits of the relationship marketing approach are not well exploited. In such cases, the traditional transactional scheme still dominates, reducing the impact of change. This shift in relations indeed represents a revolutionary change, not simply a way to make business more profitable. It implies a change in a company's value systems and general schemes. In a few words, the relational view should better help to definitively overcome transactional logic. This would imply, for example, that fidelity cards should

not be used simply for keeping a customer linked to the company but for valorising the information that they allow to collect for a better cognitive alignment (Barnes and Wright, 2012; Castaldo, 2001; Chattaraman, 2012).

Moreover, retailers in general, influenced by the physical view of the retail system's structure (assortment, equipment, space, etc.) too often still think in terms of selling goods in a manner that is far from a true service logic. This is what is meant here with *the paradox of a GDL in retailing*. Of course, reference is to less-innovative retail companies. There are many examples of retailers that take a very advanced approach to marketing. Nevertheless, the simple adoption of innovative solutions does not imply overcoming a goods-dominant logic, and the focus may be still be excessively placed on the goods to sell instead that on the service solution to provide.

Shifting focus from the products to sell to the service to provide implies to observe the dynamic process of interaction with the customers. Interaction is well focused by S-D Logic that embraces a general view of service in which the various actors, as resource integrators, interact on the basis of mutual agreement on reciprocal value propositions and generate value in a contextual and dynamic manner (Grönroos, 2011; Kim & Kandampully, 2012; Lusch & Vargo, 2006; Valdani, 2009; Vargo & Lusch, 2006). Value is no longer incorporated into the product to sell or even in the service as a solution but instead *emerges* during the interaction process (Golinelli, Barile, Saviano & Polese, 2012).

Interaction is the key element of a service logic consistent with the systemic functioning of business and social phenomena; it captures the inner rule of market exchange by focusing on its true dynamic nature. From a systems perspective, the change is from a static, structural view to a dynamic, systems view of market exchange.

Retail Service Systems' designers show to be increasingly aware that the design of the retail system's structure is only a necessary condition to obtain a retail *system*. A retail store is designed as a structure, but functions as an open system (Saviano, 2003). This openness implies that not only planned but also emergent interactions may arise, and the implemented system may significantly diverge from the designed one. Emergence, as "the concept of some new phenomenon arising in a system that wasn't in the system's specification to start with" (Standish, 2001: 3) is, indeed, a key issue in complex systems.

Scholars wonder why assortment planning is so difficult for retailers (Mantrala, Levy, Kahn, Fox, et al., 2009). As Mantrala et al. explain, when retailers conduct product assortment planning (PAP), they determine the variety of merchandise, the depth of merchandise, and the service level or the amount of inventory to allocate to each stock-keeping unit. They argued then that "despite longstanding recognition of its importance, no dominant PAP solution exists, and theoretical and decision support models address only some of the factors that complicate assortment planning." (Mantrala, Levy, Kahn, Fox, et al., 2009, p. 71). From a systems perspective, what makes the assortment composition successful is the effective alignment with customers' needs and expectations, which change fast making assortments rapidly obsolete. Hence, retailers adopt solutions to continuously renew the offering trying to exploit emergence as an opportunity for change. Based on these observations, in the next section the key elements of a systems approach to retail service marketing are illustrated.

Key Elements of a Service and Systems Approach to Retailing

The notion of 'retail service marketing', compared to that of 'retail marketing' emphasizes the application of a true 'service logic' to retail; 'true' because it does not consider service as opposed to product, but a general view of market exchange where both traditional products and services provide 'service' value.

In a plenty era of dematerialization, decision makers and practitioners should become more familiar with the view of intangibility as an invisible but relevant dimension of any type of service process even when the object of exchange is a product. In fact, from our perspective, a product can be viewed as “a standardized service process ‘collapsed’ into a physical object’s structure, which needs to be made ‘alive’ through a service system to express its potential value” (Saviano, 2019).

Starting from this definition, retail is viewed as a *service system* whose main function is to create the conditions for value to emerge from a market exchange context both on the side of the manufacturer-retailer relationship and on the side of the retailer-consumer relationship. The physical elements of the service system only represent the ‘visible’ part of the process. The outcome only partially depends upon these elements. There are not tangible elements, such knowledge and, in general, the cognitive and emotional human processes, which have a relevant impact on the system’s outcome; these elements could be disregarded when trapped into a structure-dominant view.

Therefore, focus shifts from the traditional components of a store’s assortment, equipment, space, communication tools, etc., that configure the retail system’s structure, to the retail system’s *service process*. In this shift, the structural aspects represent the necessary but not the sufficient conditions for a service system to emerge. For example, the shift from physical spaces to meaningful places (Brocato, Baker & Voorhees, 2015) somehow incorporates such a view change that makes the cognitive dimensions of interaction more relevant.

The relevance of the cognitive dimensions of the exchange directs to a cognitive and knowledge-based view of the retailer-consumer interaction, where retailing, like any other type of service process, is interpreted as a ‘service system’ in which people, resources and information are organized to participate in a process through which each involved actor achieve his/her own goals. The system, indeed, is viewed by each actor from his/her own perspective. Therefore, the manufacturer will see the system as a means for making profits through selling products; the retailer will see it as a means for making profits through selling a service; and the consumer will see it as a means to satisfy his/her own needs. All of the actors participate in a common process whose outcome should satisfy all expectations to make the whole system successfully survive. Retailers and consumers become *partners* in a shared process so performing *cocreation* (Rodie & Kleine, 2000; Wieland, Polese, Vargo & Lusch, 2012).

Therefore, value is no longer viewed as incorporated into products and goods and transferred through them. Rather, it dynamically emerges from interaction among involved resources and is subjectively evaluated by each interacting actor. In this sense, it is *interactional, subjective, emergent* and *contextual*.

It is worthy noting that cocreation may imply but does not coincide with coproduction (Blasco, Hernandez & Jimenez, 2011). They differ as to the type and degree of participation of the customer in the process. According to Lusch, Vargo and O’ Brien (2007), co-production is not new to retailing and the retailer has considerable control and influence over customer experiences; consider IKEA as an example. Coproduction plays an important role in co-creation of value processes, as it is the main influence on perceived value co-creation, while interaction is the main driver of engagement perception. Thus, the retailer should be a vital participant in the co-creation and co-production of customer experiences.

In essence, the interactional, subjective, emergent and contextual nature of value requires, as underlined, attention to be placed not only on the design of the system’s structure but also, and mainly, on the governance of emerging interaction. It is fundamental to be aware of the fact that according to the retailer’s perspective, it is the structure of the system that is designed, not precisely the system/s that will emerge. Once designed, the retail system structure should be managed and the system dynamics governed in order to achieve the planned goals.

Engaging Retail Customers Through Service and Systems Marketing

As in the general view of *vSA*, the management of the retail structure is relevant to efficiency targets, whereas the governance of the system is more relevant to effectiveness targets (Barile, Saviano, Polese & Di Nauta, 2013), hence, to the selling outcome.

Looking at assortment as a system clearly shows how the perceived positioning of a reference, hence its chance to be sold, changes when inserted in an assortment because it becomes a component of a whole structure, in which it acquires the meanings that emerge from interaction with the other components of the assortment offering system (other references but also sales personnel, equipment and the overall store environment). In this sense, the interaction experience becomes relevant and the concept of experience should be seen as the way in which customers participate in the process and contribute to co-creating its outcome. Although experiential marketing has emphasized the relevance of these aspects, a further step is necessary. The experiential marketing approach, particularly in the context of retailing and from a visual merchandising perspective, has focused attention on environmental elements of the retail context by suggesting designing stores that enhance the customer experience (Schmitt, 1999; Chattaraman, 2012). However, in many cases, even in the case of escaping experiences (Pine & Gilmore, 1999), customers can remain passive in the process and instead of being valorised as actors in the process, are often absorbed into the system, sometimes even losing their behavioural awareness.

Conversely, customers are central actors in the retail service process, and are not simply to be involved in a predefined scenario following scripts as though they were on a stage, as suggested by the experiential paradigm (Pine & Gilmore, 1999). They can concretely cocreate the scenario by actively participating in the process, both behaviorally and, in particular, cognitively. The way in which they should participate in the system is a core aspect of the integrated service & systems view. Accordingly, the focus is on:

- Actors as operant (systemic) resources;
- Goods, equipment, spaces, etc. as operand resources;
- Service as the application of a system's knowledge to the benefit of others;
- Interaction as a knowledge-based process;
- Value as an outcome emerging from a cocreation process.

As highlighted by S-D Logic, with reference to any type of service system, retailers and consumers are both key actors in the retail service system and act as “operant” resources. An operant resource is a resource employed to act on other operand or operant resources. Operand resources are resources upon which an operation or act is performed to produce an effect. (Constantin & Lusch, 1994, p. 144). Considering that service is intended as the application of an operant resource's knowledge and competences to the benefit of others, it appears clear that the value which will emerge from interaction between retailers' offering and consumers will significantly depend on the contribution of the customers' knowledge and competences. In this sense, retailers and consumers can cocreate the value valorising the cognitive and knowledge dimensions of interaction. A good example from the Italian context is provided by Eataly (Montagnini & Sebastiani, 2009), an innovative retail formula that entered the Italian food market in 2007, creatively combining “retailment” and “edutainment” concepts both implying a central role of customers' participation and experience.

Generalizing the view of retailers and consumers as operant resources, the traditional functional view of the retailer, on one hand, and the consumer, on the other hand, appears less relevant compared to the roles they effectively play in the process as ‘resource integrators’ which actively contribute to value creation. This is the essence of the shift from a structure to a systems view: although having specific

functions in the market relationships (one is a retailer, the other one is a consumer), they can play different *roles* according to the kind and degree of participation in the process (Barile, Sancetta & Saviano, 2015).

The systemic implications of participation are often disregarded in actual fact: the outcome of the retail service system process is not the service or the experience or the store itself, as variously stated in the traditional view. The system's outcome is what each interacting actor subjectively derives from the participation in the process. The system in action is not only that of the retailer that delivers the service. It is the system that emerges from the retailer-consumer relationship when they interact. The outcome of such a system cannot be totally prepacked or predefined. Only value propositions can be predefined. This aspect commonly appears as a limit, especially for large corporations whose main concern is achieving efficiency through standardization. Here lies the primary challenge of the emerging retail paradigm: to combine the efficiency of standardization with the effectiveness of differentiation. Given that, according to vSA, different systems can emerge from the same structure, the structure-system interpretation scheme would suggest that it is possible to standardize the basic elements and processes of an operative structure and differentiate the emerging systems. Next, S-D Logic would add that the best way to effectively differentiate the emerging systems is to allow customers to cocreate the process according to their needs: the emerging system will leverage the customers' knowledge resources to make the system not only different but concretely customized. In this sense, as finally suggested by the SS literature, a retailer's offering can be viewed as a "platform" for service, i.e., a structure from which the service system will emerge thanks to interaction with all of the involved actors. Thus, the store should become a service platform designed to facilitate the retailer-consumer interaction (as well as interaction with other involved actors), and to allow value to be cocreated by them. Apple stores are magnificent examples of such systems' structures designed for favouring retailer-consumer interaction. They are excellent, indeed, also in combining processes of interaction (procedures) that are in fact very standardized (even rigid) with the perception of a customer centred interaction process.

Therefore, to understand what makes a retail service system's outcome effective, implies a knowledge of what makes *interaction* effective as a value cocreation process. By building on the definition of service "as the application of specialized competences (operant resources—knowledge and skills), through deeds, processes, and performances for the benefit of another entity or the entity itself" (Vargo & Lusch, 2008, p. 26), great attention should be put on the intangible and less-visible processes of retail service systems, which are essentially of a cognitive nature.

INSIGHTS FOR COMMUNITY PHARMACY STORES

A very interesting context in which the proposed approach can be usefully exemplified is that of pharmacy or drugstore, as called in American English, or community pharmacy, as called in commonwealth English. A pharmacy is a retail store whose offering is centred on the provision of prescription drugs, although ever more extended to other health products categories. A community pharmacy in Italy is defined around the role of pharmacists that are the persons accredited to run a pharmacy. Pharmacists and the pharmacies they run are components of the overall healthcare systems (Fattore & Jommi, 2008). A community pharmacy, however, is also a business and, subsequently, the pharmacist who runs it is also an entrepreneur. This is particularly clear after the reforms approved to promote competition by 'liberalizing' traditionally highly regulated markets, like pharmacies (Garattini, van de Vooren & Curto, 2012). In fact, since 2006, OTC drugs (Over The Counter, i.e. medicines sold directly to a consumer

without a prescription from a healthcare professional) can be sold under the supervision of a pharmacist also in ‘para-pharmacies’ and ‘health corners’ in large-scale retail outlets.

Functions and Roles of Community Pharmacies

With a central position linking healthcare systems to patients, community pharmacies play (or should play) a relevant role in the triadic relationship ‘doctor-patient-pharmacist’ that should create the basis for satisfactory service to community and also for durable business performances. Nevertheless, community pharmacies in Italy are witnessing a time of challenges due not only to the competition from bigger grocery companies but also to a changing scenario for health where new technologies, elderly of population, evolving diseases, need for personalized therapies etc., are among the criticalities that the pharmacist of future must be prepared to face.

According to IQVIA (2018) current trends show an increase of virtual aggregation of pharmacies (12 national chains, which cover around 4,200 pharmacies, and 1,300 pharmacies aggregated through chains managed by international operators); an acceleration of development of property chains; greater concentration of the intermediate distribution of the drug (in the last decade, the top ten distributors of the segment have gone from a market share of 57% to the current 78%); the affirmation of new distribution models, especially online sales.

Envisioning the future role of pharmacists in this fast-changing scenario several commitments of pharmacists and pharmacies can be identified:

1. Ensuring the quality of care and patient safety by (PGEU, 2019):
 - Increasing pharmacy services being an integral part of the primary care team;
 - Integrating innovative and beneficial technological and e-health solutions into professional practice;
 - Showing leadership in personalized drug therapies.
2. Improving public health by:
 - Supporting health screening, drug management, health education and raising public awareness on the issue of health protection, contributing to prevention and disease control; and to environmental protection.
3. Guaranteeing patients access to their drugs and services by:
 - Offering a complete range of medicines available in local pharmacies.
4. Contributing to the sustainability of national health systems by:
 - Providing innovative and effective pharmaceutical services also for reducing the burden on other health services.

Such a promising vision, however, will not automatically derive from declared commitments, as it requires significant changes in the way pharmacies are managed and even conceived in their mission both as healthcare systems’ components and as businesses.

The Retail Marketing Approach of Community Pharmacy

As mentioned, community pharmacies show a double ‘soul’ (Resnik, Ranelli, & Resnik, 2000) as they are both components of the public healthcare systems (the National Health Service - NHS) and private

companies. This double nature and, in particular, the growing awareness to be retail companies have changed over time the way pharmacies are managed and appear now. More specifically, it is evident a process through which pharmacists have started to more truly behave like entrepreneurs. In relation with retail management, they have started to adopt the tools of retail marketing; for example, they generally apply visual merchandising, category management, space management, etc. Many of them also offer promotions through the use of fidelity cards, particularly discounts, samples and rewards; they then organize thematic open days, etc.

In this evolution towards the adoption of a business management approach and, specifically, retail management, however, many pharmacies have ended up flattening their competitive strategy becoming more or less similar from a competitive strategy perspective. In other words, they generally do not show an orientation to build a distinctive competitive advantage in front of both other community pharmacies, or para-pharmacies and large-scale retailers.

Many pharmacies are behaving like many other retail stores whose structure and systems management appear, however, not so distinguishable: they innovated primarily the space structures, i.e. the physical aspects and organization of the stores, becoming often very similar to supermarkets using the space intensively.

Many pharmacies are also intensively using more or less innovative communication tools. Nevertheless, many of them strive to perform satisfactorily especially at financial level with the difficulties on the prescription drugs side somehow partially compensated by selling OTC drugs, nutraceuticals, dietary supplements, cosmetics, and other health products. Hence, assortments are becoming larger progressively including many products different from drugs but generally related to health.

This is undoubtedly a positive trend; however, it is not sufficient to guarantee the expected (and potential) economic performances.

In actual fact, it seems that pharmacists have only partially embraced a true managerial approach, because adopting retail marketing tools, as well as innovating other areas of functional business management, such as logistics, also with the use of ICT (Information and Communication Technologies), means simply adapting and innovating the management of the store structure. However, the main opportunities of differentiate the service emerge from a *systems* store management approach (Saviano, 2013; Barile & Saviano, 2014). The point is that in such pathway towards innovation, the original mission of pharmacies or, better, of pharmacists appears somehow weakened compared to the 'commercial' approach. As a consequence, pharmacies risk losing competition in both their contexts: as retail companies, on the one hand, and as pharmaceutical healthcare service providers, on the other hand.

A Service and Systems Marketing Rethinking of the Role of Community Pharmacy

In front of the new challenge of pharmaceutical networks and chain, independent community pharmacies will hardly be able to compete using discounts, promotions etc., i.e. traditional retail marketing tools. Actually, it is the time for pharmacists to start to deeply rethink their future and more specifically their role by reflecting upon the way they are interpreting the managerial and marketing approach to their retail stores.

Hence a need for a rethinking of the management approach of pharmacies emerges that could start from retracing the original mission of pharmacists and building upon it a durable and distinctive competitive strategy. Going back to the original mission of pharmacists, whose core element remains dispensing

prescription drugs and other medical devices to patients and instructing on their use, it is apparent that its potential of value creation is not simply linked to the ‘logistic’ aspect of providing access to drugs. It is not necessary a big perspective change to recognize that the value (for patient/customers) emerges from providing access to *solutions* to health problems. It is this the basis on which the service is overall evaluated by the patient/customers. Patients could hardly be able to assess the quality or appropriateness neither of a drug prescription nor, although (apparently) potentially more competent in making such evaluation, of other categories of health products sold by pharmacies. Subsequently, the ‘valorisation’ of the healthcare service received (apart from very specific elements of the various steps of the health chain process) is a ‘systemic’ process and based on the final outcome as well as on the all steps leading to that outcome.

Hence, the point becomes what and how value is created by pharmacists for the patients/customers as well as for all the relevant stakeholders. By adopting the integrated service & systems view, it clearly appears that community pharmacists in many cases are not adequately exploiting the only reliable source of value, hence, competitive advantage with respect to both direct and indirect competitors. The traditional mission of pharmacists, appropriately revisited and empowered with the opportunities offered by ICT, in a market context increasingly oriented to demand health solutions and to find them handy, has a great chance to become the key of a renewed competitive advantage. Think for example to the use of 3D Printing in pharmacy; a possible future scenario that envisions a potential industrial revolution of pharmacies (Aquino, Barile, Grasso & Saviano, 2018). Accordingly, and using the notion of service proposed by S-D Logic, the first area of improvement is related to the full *exploitation* of the pharmacists competences not only as providers of access to drugs but also and mainly as providers of health *service*, primarily intended as the use of the pharmacist’s competences to the benefit of customers.

The relevance of this point is paramount: they are the knowledge competences of the pharmacist that makes the value to emerge in the pharmaceutical care relationships first of all with patients/customers and also with the other actors of the healthcare system involved in the process of conceiving, producing and providing solutions to healthcare needs of the community.

This aspect has relevant implications: think about the petition launched in UK to reject remote pharmacist proposals and keep pharmacists present for patients in pharmacies. The petition was launched in 2018 against the possibility of a remote ‘presence’ of the pharmacists in the pharmacies. It was closed in April 2019 with the Government clarifying that there was a misunderstanding of the proposals that it consulted upon between June and September of 2018 and that no formal proposals regarding “remote supervision” or the supervision of the sale or supply of medicines by someone other than a registered pharmacist were received (<https://petition.parliament.uk/petitions/230192>). Analysed from the proposed service systems perspective, this story provides interesting insights: actually, it is not the ‘physical’ presence of the pharmacist in the store that is relevant, but his/her ‘cognitive’ presence. The fact that this presence is remote may not matter at all. Of course, put in these terms the question is not so easy to address, and clearly, the other side emerges of the relevance of the ‘physical’ presence of the pharmacist in the pharmacy if other aspects are considered, still at cognitive level, shifting from a view of knowledge and competences based also on the emotional dimension of the relationship. Obviously, virtual relationship contexts are different from physical ones. Many other considerations can make the opinion to change easily. The point is that the evolution of the virtual world cannot be stopped and in the future we will probably come again in front of the problem. The right (or, better, wise) solution will emerge with the primary aim of making progress a matter of increasing well-being for all. Adequate interpretation schemes will be needed however, to face the complexity of similar decision making (Barile, 2009).

The interpretative proposal of the integrated service & systems framework adds another relevant element looking at service systems as networks of A2A (Actors to Actors) or better A4A (Actors for Actors) relationships (Polese, Quattrociochi, Di Nauta, Moretta Tartaglione, Carrubbo & Antonucci, 2012; Polese, Pels, Tronvoll, Bruni & Carrubbo, 2017) in which each actor becomes a resource integrator and value is always *co-created*, as affirmed by S-D logic.

Hence, the role of pharmacists is a key leverage of an effective competitive strategy. However, the most powerful element that the proposed service & systems view opens up is on the other side of the provider-client relationship, that of the patient/customer. Patients, indeed, play a key role in the health value creation process: their knowledge, behaviour, expectations, perceptions, feelings, etc. are fundamental leverages of value creation. Patients, as any other type of customers, are always central in the value creation process in which they contribute their knowledge variety, like the provider itself. The next section will briefly discuss this important point.

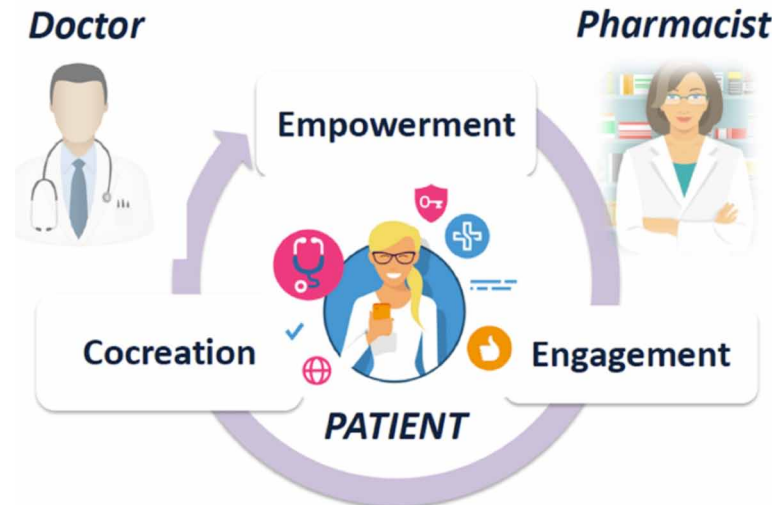
Engaging Customers in Community Pharmacy

There are many evidence of the importance of the *patient engagement* in healthcare (Pomey, Ghadiri, Karazivan, Fernandez & Clavel 2015; Koh, Brach, Harris & Parchman, 2013). The expression “patient engagement” refers to “the process of building the capacity of patients, families, carers, as well as health care providers, to facilitate and support the active involvement of patients in their own care, in order to enhance safety, quality and people-centredness of health care service delivery” (WHO, 2016, p. 3). Of course, the kind of knowledge that patients can contribute to the value cocreation process is not much referred to the notion of competences. It is more a matter of personal experiences and information as well as behaviours that can be very relevant to the effectiveness of the final outcome of the healthcare process. With reference to pharmaceutical care, for example, it has been evidenced that “adding patients to the range of potential reporters of adverse drug reactions (ADRs) may increase spontaneous reporting and contribute to the detection of signals, one of the primary aims of spontaneous reporting systems” (Leone et al., 2013, p. 267). To favour this behaviour, community pharmacies can be relevant in promoting patients reporting of ADRs helping them to recognize ADRs as well as unexpected consequences of a drug therapy.

It should be said that the active role of patients in the healthcare process is not always positive or useful if it is not based on a constructive relationship especially with doctors but also with pharmacists. Consider, for example, the increasing phenomenon of self-help through “Doctor Google” that is the on-line seeking of medical advices; this increasing behaviour can negatively impact the doctor-patient relationship in terms of trust building. The traditional problem of the information asymmetry that characterizes healthcare relationship with patients cannot, in fact, be faced through ‘balancing’ information, like, for example, using the informed consent or promoting self information (Barile, Saviano, & Polese, 2014). Although these possibilities can significantly help both the providers and clients of healthcare service, like it happens more in general, ICT remains a set of tools and it is the way they are used that is important to the outcome. Beyond patient engagement, in the same line, the notion of *patient empowerment* correctly suggests that “patients should be in control of their own care and that behavioural changes and adherence to therapies cannot be achieved unless patients internalize the need for self-change” (McCarley, 2009, p. 409).

Clearly, between patient engagement and patient empowerment there is a circular and potentially virtuous relationship (Figure 3). The point is that both patient engagement and patient empowerment

Figure 3. The virtuous relationship between patient empowerment and engagement
Source: Authors' elaboration.



should not have as an outcome making the patients ‘autonomous’ with respect to the healthcare processes; rather they must be aimed at making them more collaborative and participative.

Unfortunately, this outcome is not the general evidence, like the increasing disputes between doctors and patients witness. In the Italian courts there are 300.000 cases pending against doctors and public and private health structures; with thirty-five thousand new legal actions every year. However, according to the most up-to-date data (Corte del Malato, 2015 and Parliamentary Commission of Inquiry on health errors, 2013) 95% of the disputes ends in an acquittal. An inevitable consequence, however, is the worsening of the relationship.

Hence, nothing can substitute trust in building effective healthcare relationship. Trust is the key of a service & systems marketing approach, especially in ‘front office’ relationship like those that characterize a retail context.

Insights for Community Pharmacy Retail Service

Summarizing, the adoption of a service & systems approach in community pharmacy can leverage the ‘operant resource’ role of both pharmacists and customers in the:

- Relational context defined by the triad doctors-patients-pharmacies;
- Interactional dynamic of the service provision in pharmacy stores.

In particular, adopting an S-D Logic, the resource integration potential clearly appears challenging the traditional information asymmetry problem: the interaction with the customers (patients and/or their families) can be enriched by the active involvement of the patients that can provide important information and/or offer a knowledge cocreation opportunities by being active in the relationship with pharmacists as well as doctors. This approach, apparently already present in the retailer-customer relationship, is not

correctly interpreted, and it actually implies a deeper change. A very good example, already mentioned, is offered by the growing use of fidelity cards: they are generally not so different from those used by grocery stores, as they are essentially based on a reward logic for being loyal. Of course, fidelity cards do not imply loyalty until trust is built. And trust is a cognitive outcome of a positive and satisfactory store interaction experience.

The key role of the relationship between pharmacists and their customers in the loyalty-building path has been demonstrated: “trust in pharmacists is the first driver of satisfaction and a direct and indirect (through satisfaction) driver of trust in pharmacies, which leads to store loyalty. Retail-level levers, such as the store environment, assortment, and communication, influence trust in pharmacies.” (Castaldo, Grosso, Mallarini & Mondone, 2016, p. 699). Actually, S-D Logic and vSA go beyond the use these levers indicating to focus on the contextual and dynamic of interaction between pharmacists and their customers in order to build a durable resource integration context where customers trust their provider on more solid basis derived not only from information exchange, but mainly from reciprocal understanding and values’ cognitive alignment; these elements are, indeed, necessary for really cocreating value in an ecosystems context.

Hence, the application of Service-Dominant Logic in community pharmacy does not mean to ‘add services’ to the offering system. Although representing a relevant step forward, for example, the institution in Italy of the “pharmacy of services” (www.salute.gov) -which allows pharmacies to provide in store health services like hemato-humoral analysis of clinical laboratory, nutritional consultancy, coordination of professionals in the health sector and epidemiology and pharmacovigilance, does not fully express the potential of the adoption of a service logic as intended here. As illustrated, the service logic implies a focus on interaction and the view of service as a cognitive process in which the knowledge resources of the parts are integrated to co-create value.

Many other implications derive from a view capable to shift focus from goods, to relations up to interaction, a view where the true nature of service more easily emerges being to ‘serve’ a need.

CONCLUSION

The purpose of this chapter is to propose a service & systems view of retailing, highlighting its potential interpretative contribution to the advancement of both theoretical and practical approaches to retail marketing. An integrated service & systems framework is proposed for stimulating a rethinking of an approach to retail marketing that still appears to suffer from a view excessively focused on the objective, structural and physical aspects of retailing.

The key points of our view are summarized as follows:

- Those items that are traditionally included in store design and retail service offerings are considered as a set of *operand resources* that configure the *structure* of the service system organized by the retailer;
- Retail service systems are managed by and through active *operand resources*;
- The retail service system’s *structure* includes customers and other actors as operand resources integrators;
- Engagement into the service system is realized through effective *interaction*;
- The retail service system’s value outcome emerges from a *cocreation* process.

These points suggest the deepening of several aspects of what can be called a *Retail Service System* by benefitting from the contribution of both the theoretical and practical perspectives of service and systems thinking that have more or less explicitly common roots in systems theory (Boulding, 1956; von Bertalanffy, 1968). Therefore, scholars and practitioners should better explore and exploit the systems thinking roots of management and marketing, which are often only superficially considered, without deepening their main implications. This is particularly important in the general context of retailing and the specific context of healthcare, especially at the level of the relationship with patients/customers, where developing effective interaction is fundamental to build trusted relations, that is, effective service; and effective interaction is a matter of systems thinking.

REFERENCES

- Andreassen, T. W., & Olsen, L. L. (2012). Customer service: does it matter? In J. Kandampully (Ed.), *Service management: the new paradigm in retailing*. New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_3
- Aquino, R. P., Barile, S., Grasso, A., & Saviano, M. (2018). Envisioning smart and sustainable health-care: 3D Printing technologies for personalized medication. *Futures*, *103*, 35–50. doi:10.1016/j.futures.2018.03.002
- Barile, S. (2009). *Management sistemico vitale*. Torino, Italy: Giappichelli.
- Barile, S., Lusch, R., Reynoso, J., Saviano, M., & Spohrer, J. (2016). Systems, networks, and ecosystems in service research. *Journal of Service Management*, *27*(4), 652–674. doi:10.1108/JOSM-09-2015-0268
- Barile, S., Montella, M., & Saviano, M. (2012). A service-based systems view of cultural heritage. *Journal of Business Market Management*, *5*(2), 106–136.
- Barile, S., Pels, J., Polese, F., & Saviano, M. (2012). An introduction to the viable systems approach and its contribution to marketing. *Journal of Business Market Management*, *5*(2), 54–78.
- Barile, S., & Polese, F. (2010). Linking the viable system and many-to-many network approaches to service-dominant logic and service science. *International Journal of Quality and Service Sciences*, *2*(1), 23–42. doi:10.1108/17566691011026586
- Barile, S., Polese, F., Saviano, M., & Carrubbo, L. (2017). Service innovation in translational medicine. In *Innovating in Practice* (pp. 417–438). Cham, Switzerland: Springer. doi:10.1007/978-3-319-43380-6_18
- Barile, S., & Saviano, M. (2011). Foundations of systems thinking: the structure-system paradigm. In various authors, *Contributions to theoretical and practical advances in management. A Viable Systems Approach (vSA)* (pp. 1–26). Avellino, Italy: International Printing.
- Barile, S., & Saviano, M. (2018). Complexity and sustainability in management: insights from a systems perspective. In *Social dynamics in a systems perspective* (pp. 39–63). Cham, Switzerland: Springer. doi:10.1007/978-3-319-61967-5_3
- Barile, S., Saviano, M., & Polese, F. (2014). Information asymmetry and co-creation in health care services. [AMJ]. *Australasian Marketing Journal*, *22*(3), 205–217. doi:10.1016/j.ausmj.2014.08.008

- Barile, S., Saviano, M., Polese, F., & Di Nauta, P. (2012). Reflections on service systems boundaries: a viable systems perspective. The case of the London Borough of Sutton. *European Journal of Management*, 30(5), 451–465. doi:10.1016/j.emj.2012.05.004
- Barile, S., Saviano, M., & Simone, C. (2015). Service economy, knowledge, and the need for T-shaped innovators. *World Wide Web (Bussum)*, 18(4), 1177–1197. doi:10.1007/11280-014-0305-1
- Barnes, J. G., & Wright, J. W. (2012). A framework for applying customer insight and context to the development of a shopping experience strategy. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 43–65). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_4
- Beer, S. (1972). *Brain of the firm: a development in management cybernetics*. Herder and Herder.
- Berry, M., & Linoff, G. (1999). *Mastering data mining: the art and science of customer relationship management*. New York, NY: John Wiley & Sons.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 5(6), 57–71. doi:10.1177/002224299205600205
- Blasco, L., Hernandez, B., & Jimenez, J. (2011). Co-creation processes and engagement: an empirical approach. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service dominant logic, Network & Systems Theory and Service Science*. Napoli, Italy: Giannini.
- Boulding, K. E. (1956). General systems theory—The skeleton of science. *Management Science*, 2(3), 197–208. doi:10.1287/mnsc.2.3.197
- Brocato, E. D., Baker, J., & Voorhees, C. M. (2015). Creating consumer attachment to retail service firms through sense of place. *Journal of the Academy of Marketing Science*, 43(2), 200–220. doi:10.1007/11747-014-0381-x
- Castaldo, S., Grosso, M., Mallarini, E., & Rindone, M. (2016). The missing path to gain customers loyalty in pharmacy retail: The role of the store in developing satisfaction and trust. *Research in Social & Administrative Pharmacy*, 12(5), 699–712. doi:10.1016/j.sapharm.2015.10.001 PMID:27555108
- Chai, L. G. (2009). A review of marketing mix: 4Ps or more? *International Journal of Marketing Studies*, 1(1), 1–14.
- Chattaraman, V. (2012). Multicultural consumers and the retail service experience. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing*. New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_10
- Constantin, J. A. & Lusch, R. F. (1994). *Understanding resource management: How to deploy your people, products, and processes for maximum productivity*. Paper presented at The Planning Forum, Oxford, OH.
- Fattore, G., & Jommi, C. (2008). The last decade of Italian pharmaceutical policy. *PharmacoEconomics*, 26(1), 5–15. doi:10.2165/00019053-200826010-00002 PMID:18088155
- Fram, E. H. (1965). Application of the marketing concept to retailing. *Journal of Retailing*, 41(2), 19–26.

Engaging Retail Customers Through Service and Systems Marketing

- Garattini, L., van de Vooren, K., & Curto, A. (2012). Will the reform of community pharmacies in Italy be of benefit to patients or the Italian National Health Service? *Drugs & Therapy Perspectives*, 28(11), 23–26.
- Golinelli, G. M. (2010). *Viable Systems Approach (vSA). Governing business dynamics*. Padova, Italy: CEDAM, Kluwer.
- Golinelli, G. M., Barile, S., Saviano, M., & Polese, F. (2012). Perspective shifts in marketing: toward a paradigm change? *Service Science*, 4(2), 121–134. doi:10.1287erv.1120.0015
- Greenley, G. E., & Shipley, D. D. (1988). An empirical overview of marketing by retailing organisations. *Service Industries Journal*, 8(1), 49–66. doi:10.1080/02642068800000005
- Grewal, D. (2018). *Retail marketing management: The 5 Es of retailing*. Sage.
- Grewal, D., & Levy, M. (2009). Emerging issues in retailing research. *Journal of Retailing*, 85(4), 522–526. doi:10.1016/j.jretai.2009.09.007
- Grewal, D., Motyka, S., & Levy, M. (2018). The evolution and future of retailing and retailing education. *Journal of Marketing Education*, 40(1), 85–93. doi:10.1177/0273475318755838
- Grönroos, C. (1994). Quo vadis, marketing? Towards a relationship marketing paradigm. *Journal of Marketing Management*, 10(4), 347–360. doi:10.1080/0267257X.1994.9964283
- Gummesson, E. (2002). *Total relationship marketing*. Oxford, UK: Butterworth-Heinemann.
- Gummesson, E., Mele, C., & Polese, F. (2009). Service science, S-D logic and network theory. Integrating the perspectives for a new research agenda. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory* (pp. 1–6). Napoli, Italy: Giannini.
- Gummesson, E., & Polese, F. (2009). B2B is not an island. *Journal of Business and Industrial Marketing*, 24(5/6), 337–350. doi:10.1108/08858620910966228
- Hartmann, N. N., Wieland, H., & Vargo, S. L. (2018). Converging on a new theoretical foundation for selling. *Journal of Marketing*, 82(2), 1–18. doi:10.1509/jm.16.0268
- IQVIA. (2018). *Medicine use and spending in the U.S.*, April. Retrieved from <https://www.iqvia.com>
- Kandampully, J. (Ed.). (2012a). *Service management: The new paradigm in retailing*. New York, NY: Springer.
- Kandampully, J. (2012b). Service as the new paradigm in retailing. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 1–6). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_1
- Keiningham, T. L., Aksoy, L., & Williams, L. (2012). Why loyalty matters in retailing. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 67–82). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_5

- Kim, M., & Kandampully, J. (2012). The service imperative in the retailing industry. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 7–24). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_2
- Koh, H. K., Brach, C., Harris, L. M., & Parchman, M. L. (2013). A proposed ‘health literate care model’ would constitute a systems approach to improving patients’ engagement in care. *Health Affairs*, 32(2), 357–367. doi:10.1377/hlthaff.2012.1205 PMID:23381529
- Kotler, P., Kartajaya, H., & Setiawan, I. (2010). *Marketing 3.0: from products to customers to the human spirit*. John Wiley & Sons. doi:10.1002/9781118257883
- Kotler, P., Kartajaya, H., & Setiawan, I. (2016). *Marketing 4.0: Moving from traditional to digital*. John Wiley & Sons.
- Leone, R., Moretti, U., D’Incau, P., Conforti, A., Magro, L., Lora, R., & Velo, G. (2013). Effect of pharmacist involvement on patient reporting of adverse drug reactions: First Italian study. *Drug Safety*, 36(4), 267–276. doi:10.1007/40264-013-0028-8 PMID:23475583
- Liu, H., Lobschat, L., & Verhoef, P. C. (2018). Multichannel retailing: a review and research agenda. *Foundations and Trends® in Marketing*, 12(1), 1-79.
- S D Logic. (2019). *What is S-D Logic?* Retrieved from <https://www.sdlogic.net/index.html>
- Lovelock, C., & Wirtz, J. (2004). *Services marketing. people, technology* (V. Strategy, Ed.). New Jersey: Prentice Hall, Pearson.
- Lusch, R. F. & Vargo, S. L. (Eds.). (2006). The service-dominant logic of marketing - dialog, debate, and directions. Armonk, NY: ME Sharpe.
- Maglio, P. P., & Spohrer, J. (2008). Fundamentals of service science. *Journal of the Academy of Marketing Science*, 36(1), 18–20. doi:10.1007/11747-007-0058-9
- Malar, M. S. (2019). Industry 4.0 transforming global retail industry. *Indian Journal of Computer Science*, 4(1), 19–25. doi:10.17010/ijcs/2019/v4/i1/142414
- Mantrala, M. K., Levy, M., Kahn, B. E., Fox, E. J., Gaidarev, P., Dankworth, B., & Shah, D. (2009). Why is assortment planning so difficult for retailers? a framework and research agenda. *Journal of Retailing*, 85(1), 71–83. doi:10.1016/j.jretai.2008.11.006
- Martinelli, E. (2009). Service-dominant logic and retail convergence. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory*. Napoli, Italy: Giannini.
- McCarley, P. (2009). Patient empowerment and motivational interviewing: Engaging patients to self-manage their own care. *Nephrology Nursing Journal*, 36(4). PMID:19715108
- McCarthy, E. J. (1964). *Basic marketing. a managerial approach*. Homewood, IL: Richard D. Irwin.
- Montagnini, F., & Sebastiani, R. (2009). Co-creating value in retailing: the Eataly case. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory* (pp. 1–11). Napoli, Italy: Giannini.

- Musso, F. (2010). Innovation in marketing channels: relationships, technology, channel structure. *Symphonya: Emerging Issues in Management*, 1, 1–19.
- Musso, F. & Druica, E. (Eds.). (2014). Handbook of research on retailer-consumer relationship development. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- PGEU (Pharmaceutical Group of European Union). (2019). [Il Modello di Farmacia per l'Europa. Retrieved from https://www.federfarma.it/Documenti/notizie_speciali/libro_biancoGPUE.aspx]. *Farmacia*, 2030.
- Pine, J., & Gilmore, J. (1999). *The experience economy*. Boston, MA: Harvard Business School Press.
- Polese, F., Pels, J., Tronvoll, B., Bruni, R., & Carrubbo, L. (2017). A4A relationships. *Journal of Service Theory and Practice*, 27(5), 1040–1056. doi:10.1108/JSTP-05-2017-0085
- Polese, F., Quattrocioni, B., Di Nauta, P., Moretta Tartaglione, A., Carrubbo, L., & Antonucci, E. (2012). A2A relations in service context. *Innovative Service Perspective*, 3.
- Pomey, M. P., Ghadiri, D. P., Karazivan, P., Fernandez, N., & Clavel, N. (2015). Patients as partners: A qualitative study of patients' engagement in their health care. *PLoS One*, 10(4). doi:10.1371/journal.pone.0122499 PMID:25856569
- Resnik, D. B., Ranelli, P. L., & Resnik, S. P. (2000). The conflict between ethics and business in community pharmacy: What about patient counseling? *Journal of Business Ethics*, 28(2), 179–186. doi:10.1023/A:1006280300427 PMID:12530432
- Reynoso, J., Barile, S., Saviano, M., & Spohrer, J. (2018). *Service systems, networks, and ecosystems: connecting the dots concisely from a systems perspective. The SAGE handbook of service-dominant logic*. London, UK: Sage.
- Rodie, A. R., & Kleine, S. S. (2000). Customer participation in services production and delivery. In T. A. Swartz & D. Iacobucci (Eds.), *Handbook of services marketing and management*. Thousand Oaks, CA: Sage. doi:10.4135/9781452231327.n10
- Saviano, M. (2003). *Analisi sistemico vitale della distribuzione commerciale*. Torino, Italy: Giappichelli.
- Saviano, M. (2013, June). The Viable Systems Approach (vSA): What it is, what it is not. Doctoral Workshop Tutorial at *The 2013 Naples Forum on Service-Service Dominant Logic, Network & Systems Theory and Service Science: integrating three perspectives for a new service agenda*, June, 18, Ischia, Italy.
- Saviano, M. (2019). Systems thinking and its contribution to service research: The Viable Systems Approach (vSa®). The 2019 Naples Forum on Service, June 4, 2019. doi: 10.13140/RG.2.2.32107.08483
- Saviano, M., Barile, S., Farioli, F., & Orecchini, F. (2019). Strengthening the science–policy–industry interface for progressing toward sustainability: A systems thinking view. *Sustainability Science*, 1–16.
- Saviano, M., Barile, S., Spohrer, J. C., & Caputo, F. (2017). A service research contribution to the global challenge of sustainability. *Journal of Service Theory and Practice*, 27(5), 951–976. doi:10.1108/JSTP-10-2015-0228
- Saviano, M., Bassano, C., Piciocchi, P., Di Nauta, P., & Lettieri, M. (2018). Monitoring viability and sustainability in healthcare organizations. *Sustainability*, 10(10), 3548. doi:10.3390/u10103548

- Saviano, M., Polese, F., Caputo, F., & Walletzký, L. (2017). *The contribution of systems and service research to rethinking higher education programs: a T-shaped model*. *Sinergie*, 104, Sep-Dec.
- Saviano, M., Sciarelli, F., Rinaldi, A., & Alowanou, G. G. (2019). Healthcare and SDGs governance in light of the sustainability helix model: evidence from the African continent. *Sustainability*, 11(4), 1203. doi:10.3390/s11041203
- Scalia, M., Barile, S., Saviano, M., & Farioli, F. (2018). Governance for sustainability: A triple-helix model. *Sustainability Science*, 13(5), 1235–1244. doi:10.1007/11625-018-0567-0
- Schmitt, B. (1999). Experiential marketing. *Journal of Marketing Management*, 15(1-3), 53–67. doi:10.1362/026725799784870496
- Sorescu, A., Frambach, R. T., Singh, J., Rangaswamy, A., & Bridges, C. (2011). Innovations in retail business models. *Journal of Retailing*, 87S(1), S3–S16. doi:10.1016/j.jretai.2011.04.005
- Souiden, N., Ladhari, R., & Chiadmi, N. E. (2018). New trends in retailing and services. *Journal of Retailing and Consumer Services*, 50, September 2019, pp. 286-288.
- Spohrer, J., Maglio, P. P., Bailey, J., & Gruhl, D. (2007). Steps toward a science of service systems. *Computer*, 40(1), 71–77. doi:10.1109/MC.2007.33
- Standish, R. K. (2001). On complexity and emergence. *arXiv preprint nlin/0101006*.
- Taylor, D., Mrazek, M. & Mossialos, E. (2004). Regulating pharmaceutical distribution and retail pharmacy in Europe. *Regulating pharmaceuticals in Europe: striving for efficiency, equity and quality*. Copenhagen, European observatory on health systems and policies, 2004a, 196-121.
- Vargo, S. L., & Lusch, R. F. (2006). Service-dominant logic: What it is, What it is not, What it might be. In R. F. Lusch & S. L. Vargo (Eds.), *The service-dominant logic of marketing: dialog, debate, and directions*. Armonk, NY: M. E. Sharpe.
- Vargo, S. L., & Lusch, R. F. (2008). Why “service”? *Journal of the Academy of Marketing Science*, 36(1), 25–38. doi:10.1007/11747-007-0068-7
- Vargo, S. L., & Lusch, R. F. (Eds.). (2018). *The SAGE handbook of service-dominant logic*. Sage. doi:10.4135/9781526470355
- Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26(3), 145–152. doi:10.1016/j.emj.2008.04.003
- Various Authors. (2011). *Contributions to theoretical and practical advances in management. A viable systems approach (vSA)*. Avellino, Italy: International Printing.
- Verhoef, P. C., Lemon, K. M., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. A. (2009). Customer experience creation: determinants, dynamics and management strategies. *Journal of Retailing*, 85(1), 31–41. doi:10.1016/j.jretai.2008.11.001
- von Bertalanffy, L. (1968). *General system theory. foundations, development, applications*. New York, NY: George Braziller.

Engaging Retail Customers Through Service and Systems Marketing

Walker, W. G. (1975). Marketing research is important in retailing, now, more than ever. *Marketing News*, 14 March, 8(17), 9.

Wieland, H., Polese, F., Vargo, S. L., & Lusch, R. F. (2012). Toward a service (eco)systems perspective on value creation. *International Journal of Service Science, Management, Engineering, and Technology*, 3(3), 12–25. doi:10.4018/jssmet.2012070102

ADDITIONAL READING

Barile, S., & Polese, F. (2011). The Viable Systems Approach and its potential contribution to marketing theory. In *Various Authors, Contributions to theoretical and practical evidences in management. A Viable Systems Approach (vSA)* (pp. 139–173). Avellino, Italy: International Printing. doi:10.2139srn.1919686

Bessom, R. M., Jackson, Jr. & Donald, W. (1975). Service Retailing: A Strategic Marketing Approach. *Journal of Retailing*, 51(2), 75–84.

Grönroos, C. (2011). A service perspective in business relationships: The value creation and marketing interface. *Industrial Marketing Management*, 40(1), 240–247. http://en.wikipedia.org/wiki/Viable_systems_approach and <http://www.freedigitalphotos.net/> <https://en.wikipedia.org/wiki/Supermarket>. doi:10.1016/j.indmarman.2010.06.036

Gummesson, E. (2006). Many-to-Many Marketing as Grand Theory: a Nordic school Contribution. In R. F. Lusch & S. L. Vargo (Eds.), *Toward a Service-Dominant Logic of Marketing-Dialog, Debate, and Directions*. Armonk: ME Sharpe.

Pels, J., & Brodie, R. (2012). Value Co-creation: Using a Viable Systems Approach to Draw Implications from Organizational Theories. *Mercati & Competitività*, 2, 19–38.

<https://petition.parliament.uk/petitions/230192> (Retrieved June, 2019)

www.asvsa.org

www.naplesforumonservice.it

www.salute.gov

Spohrer, J., Golinelli, G. M., Piciocchi, P., & Bassano, C. (2010). An Integrated SS-VSA Analysis of Changing Job Roles. *Service Science*, 2(1), 1–20. doi:10.1287erv.2.1_2.1

Walker, W. G. (1975). Marketing research is important in retailing, now, more than ever. *Marketing News*, 8(17), 9.

Zeithaml, V. A., Parasuraman, A., & Berry, L. L. (1985). Problems and Strategies in Service Marketing. *Journal of Marketing*, 49(2), 33–46. doi:10.1177/002224298504900203

KEY TERMS AND DEFINITIONS

Retail Service Marketing: A theoretical and practical area of marketing that integrates a general service logic in the retail marketing approach.

Service-Dominant Logic: A mindset for a unified understanding of the market exchange and the nature of organizations, markets and society. Its foundational proposition is that organizations, markets, and society are fundamentally concerned with exchange of service intended as the applications of competences (knowledge and skills) for the benefit of a party (<http://sdlogic.net/>).

Service System: A service structure in action finalized to the achievement of a goal (delivering value to other interested entities through service).

Value Cocreation: A view of value as an outcome emerging from an interaction process among several actors in which each of them participates as a resource integrator.

Viable Systems Approach (VSA): A business governance and research methodology rooted in systems thinking and developed on the basis of an updated version of the Stafford Beer's **Viable System Model:** (http://en.wikipedia.org/wiki/Viable_systems_approach). It is adopted and further developed by the ASVSA (Associazione per la ricerca sui Sistemi Vitali) research community (<http://www.asvsa.org/index.php/en/>).

Section 4

Innovation, ICT, and Online Interactions: The Omnichannel Challenges for Retailers

This section is about innovation, which for retailing is primarily on the field of information and communication technologies (ICT) and the related social media development. The characters of ICT innovation are analyzed with reference to the effects of new media on the interaction between retailers and consumers. Multichannelling and omnichannelling emerge as the most relevant consequences of this evolution. Omnichannelling and its implications for marketing, organization, and distribution strategies seems to be the next-decade challenge for all the players involved in the consumer-retailer-producer interaction.

Chapter 14

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Maria-Eugenia Ruiz-Molina

University of Valencia, Spain

Irene Gil-Saura

University of Valencia, Spain

Gloria Berenguer-Contrí

University of Valencia, Spain

ABSTRACT

This chapter explores the relationship between retail innovativeness and the level of technological advancement as well as the ICT solutions implemented by store chains of four retail activities – e.g. grocery, textile, electronics, and furniture and decoration. Innovation may become a source of sustainable competitive advantage in the highly competitive environments where retailers have to operate. In this chapter, retailers and consumers' perceptions are compared in order to assess if retailers' expectations of their efforts in innovation and ICT investment match with consumer perceptions about these decisions. Evidence exists of significant differences in consumer perceptions and behavioral intentions. As a result, differences in consumer behaviour are found between high and low innovators that may be explained by the strong relationship between retail innovativeness and the technology implemented by the store. Notwithstanding, these findings are sensitive to the type of product sold by the store.

DOI: 10.4018/978-1-7998-1412-2.ch014

INTRODUCTION

Retail innovativeness, defined as the extent to which retailers in the local market adopt new merchandising or service ideas (Homburg et al., 2002), is a topic that has received scarce attention in the marketing literature up to date. In particular, innovation in marketing channels has been discussed in reference to specific areas of innovation or to single categories of subjects within channels (Musso, 2010; Musso and Druica, 2014). Most of contributions have focused on innovation in retailing as 'product innovation' for distribution companies (Dawson, 2001; Dupuis, 2000; Castaldo, 2001; Zaefarian et al., 2017), or as innovation in the supply chain (Musso, 2010; Karmeni et al., 2017), while in fact many large retailers are marketing, organizational, and open innovator, seeking to coordinate not only product and process innovation, but also innovation in their value propositions across their value networks (Reynolds, 2014; Hristov & Reynolds, 2015). In this sense, the interest of researchers has focused on technological issues, particularly those relating to information and communication technologies (ICT). However, recently academics have highlighted that a research gap still persists regarding how consumers perceive innovations in retailing (Lin, 2015; Pappu & Quester, 2016) and how retailers respond to the technology challenge (Willems et al., 2017; Pantano et al., 2018). To the best of our knowledge, little attention has been paid to the relationship between retail innovativeness and several ICT implemented by retailers or to the implications of retail innovativeness on consumer behavior.

In highly competitive environments, there may be great pressure for individual retailers to be innovative (Lin et al., 2013) in an attempt to differentiate from competitors, generate value and, ultimately, enhance consumer patronage intentions (Zolfagharian & Paswan, 2009; Lin et al., 2013; Lin, 2016). Empirical strategy research based on contingency theory has suggested that the level of dynamism in the environment created through innovativeness is a key driver of a company's strategic decisions (Miller 1988; Miller & Dröge 1986). Given the classical merchandising orientation of many retailers (Mulhern, 1997; Homburg et al., 2002), one promising way for a firm to innovate is by implementing ICT to enhance their service-oriented business strategy.

Notwithstanding, there may be differences in the importance of ICT for retail innovativeness across retailers depending on the store assortment. In this sense, following Berry and Barnes' (1987) typology, there is a distinction between high-touch retailers, i.e. characterized by a high level of personal contact with customers through personal selling and advice and customized services, and low-touch retailers which emphasize the use of self-service technologies. Since self-service is the sales system in most of the grocery, clothing and footwear retailers, it is expected that some ICT solutions, e.g. self-service technologies, to be used to a greater extent. On the other hand, for durable goods retailers, i.e. electronics/electrical appliances and furniture/decoration, higher customer involvement is expected in the purchase process and sales systems based on customization and personal selling. Thus, it can be understood that according to the type of product distributed by the retailer, there is a different degree of contact between customers and vendors and, thus, there may well be differences in the level of use of retailer technology depending on the type of retail activity.

Therefore, the aims of this paper are, first, to explore the relationship between retail innovativeness and the retailer's level of technological advancement, both from the retailer and the consumer perspective and, second, to test the existence of significant differences in consumer perceptions and behavioral intentions between retailers perceived as high innovators and those considered as low innovators. In order to take into consideration the existence of potential differences due to the retailer's assortment, four types of store chains are analyzed: grocery, textile, electronics and furniture and decoration.

BACKGROUND

In recent decades, the innovation processes in marketing channels have occurred with high intensity and speed, particularly explained by advances in technology that allowed the adoption of more efficient organizational solutions (Musso, 2010; Pantano & Vannucci, 2019). Indeed, innovation has been considered as a key driver in the restructuring of the retail sector (Dawzon, 2005; Helm et al., 2018). Referring to marketing channels, the concept of innovation must be seen as a strategic activity for both industrial and distribution firms to acquire a competitive advantage along the distribution channel, and as a changing process of the economic function of the distribution systems. In this vein, it has been pointed out that one of the main reasons for economic growth in retail companies is the development of resources and capabilities, as well as knowledge and innovation (Beata, 2016). As a result of innovation processes, an increased competitiveness for all firms in the channel has emerged. Technology – in particular, ICT –, social changes and new behavioral patterns of the final demand, have stimulated innovations in retailing.

Following Ryssel et al. (2004: 198), information and communication technology (ICT) is “a term that encompasses all forms of technology utilized to create, capture, manipulate, communicate, exchange, present, and use information in its various forms (business data, voice conversations, still images, motion pictures, multimedia presentations”, etc.). Several authors have reported a positive association between technological development and firm innovation, and even assumed that technology is a dimension of innovation in retail stores (e.g. Reinartz et al., 2011). Previous studies argue that the increase in ICT use influences the willingness of companies to integrate external agents in the business, allowing the development of innovation processes, and facilitating the adaptation of new products to market requirements (Arvanitis et al., 2013). In the relationships with the final consumer, there is a wide catalogue of technological innovations – e.g. checkout technologies, electronic and mobile payment systems, distance selling, self-service technologies, etc. – that have not been uniformly implemented by retailers (Musso and Druica, 2014).

In the field of retailing, in addition to retail innovativeness, branding has been pointed out as an important source of differentiation (Jinfeng & Zhilong, 2009). In particular, it begins to be highlighted the importance of building brand equity linked to the store, thus emerging in the literature the concept of retailer equity (Pappu & Quester, 2006b) or store equity (Hartman & Spiro, 2005). In spite of the wide research on product brand equity, the literature shows a very recent interest for the analysis of the brand equity concept in the field of retailing, being a limited number of contributions aimed at defining the content of this construct (Hartman & Spiro, 2005; Pappu & Quester, 2006a; Jinfeng & Zhilong, 2009, Swoboda et al., 2009; Krom et al., 2015; Pappu & Quester, 2016). These studies are not conclusive about the nature of store brand equity, nor on the variables that contribute to its formation (Jinfeng & Zhilong, 2009; Huang et al., 2016; Pappu & Quester, 2016). According to an extensive literature review conducted, it is examined the influence of retail innovativeness on the store equity dimensions most frequently pointed out by research in this field, i.e. loyalty towards the establishment (Pappu & Quester, 2016; Ruiz-Molina et al., 2017), awareness (Despa, 2014), service quality, product quality and perceived value (Henard and Dacin, 2010; Kunz et al., 2011). In particular, it is proposed to examine the existence of differences between high and low innovative retailers regarding customer perceptions on store brand equity, loyalty towards the establishment, awareness, service quality, product quality, and perceived value. Notwithstanding, further research is required on the relationship between innovation and the variables related to brand equity (Pappu & Quester, 2016; Marcon et al., 2017; Ruiz-Molina et al., 2017).

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Last, regarding the consequents of store equity, behavioral intentions are examined. According to the theory of planned behavior proposed by Ajzen and Fishbein (1980), there is a relationship between beliefs, attitudes and behavioral intentions with respect to an object, so that attitude formation is based on beliefs about an object and that behavioral intentions are derived from attitudes. In the context of retailing, it has been pointed out that behavioral intentions are shaped by store-related information (Grewal et al. 1998). In particular, consumers' beliefs about the physical attractiveness of a store has a high correlation with patronage intentions (Darden et al., 1983; Baker et al., 2002; Mohan et al., 2012). In turn, empirical evidence has been found supporting the importance of behavioral intentions as predictors of behavioral outcomes (Shamma & Hassan, 2009). There are some studies that operationalise behavioral intentions as a one-dimensional construct (Cronin & Taylor, 1992), while others identify several dimensions such as repeat purchase intention and word of mouth (Zeithaml et al., 1996).

RESEARCH QUESTIONS, THEORETICAL FRAMEWORK AND HYPOTHESES

As above mentioned, the aims of this paper are, first, to explore the relationship between retail innovativeness and the retailer's level of technological advancement, both from the retailer and the consumer perspective and, second, to test the existence of significant differences in consumer perceptions and behavioral intentions between retailers perceived as high innovators and those considered as low innovators.

In order to achieve the first objective, we enunciate the following research questions:

1. Does the retailer's level of technological advancement influence retail innovativeness?
2. Which are the ICT solutions most/least influencing consumer perceptions of retail innovativeness?
3. Do consumer and retailer perceptions about the contribution of technology to retail innovation differ?

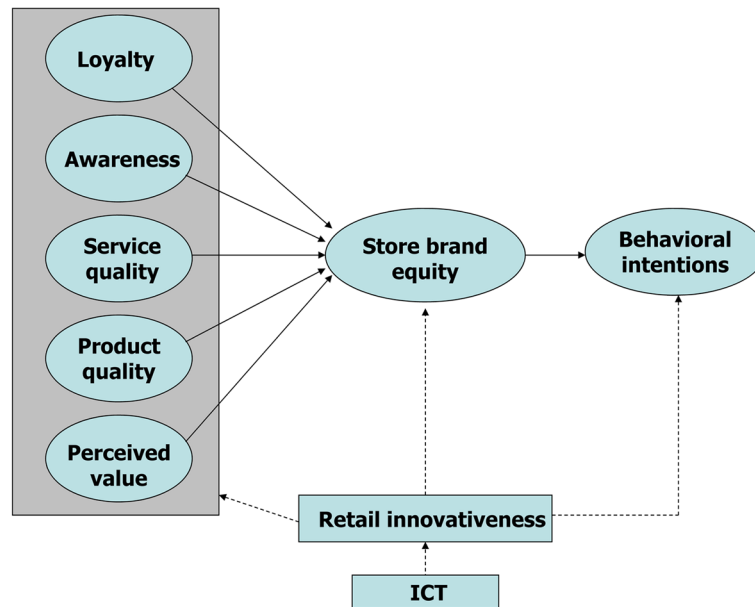
Concerning the second objective, the point of departure is the conceptualization of store equity or retailer equity by Arnett et al. (2003), since it seems to gather the most relevant contributions about the dimensions of store equity. According to these authors, the dimensions of store brand equity or retailer equity are loyalty towards the establishment, awareness, service quality, product quality and perceived value. In addition to this, Arnett et al. (2003) indicate the existence of a significant positive influence of store equity on consumer behavioral intentions towards the store, the latter being understood as the intention to repeat purchase and positive word-of-mouth communications (Oliver, 1993). Other studies have found support for the positive influence of store equity on the intention to recommend the store (Swoboda et al., 2009) and to pay a premium price for the retailer's products (Netemeyer et al., 2004). It is in this theoretical framework that the aim is to explore the influence of ICT on the customer perception of retail innovativeness and testing the existence of significant differences in customer perceptions of store equity and their behavioral intentions towards the store depending on the level of the retailer innovativeness, as depicted in Figure 1.

First, according to Musso (2010), innovation in marketing channels may be analyzed following three different approaches: technological perspective, relational perspective and structural perspective. In the technological perspective, Musso (2010) identifies a series of technology solutions as the most important fronts of technological innovation in the *relationships with the final consumer*, i.e. checkout technologies, dynamic pricing, electronic and mobile payment systems, distance selling, and Self-Service Technologies.

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Figure 1. Theoretical framework

Source: (Gil-Saura et al., 2014)



Similarly, Rowley et al. (2011) identifies four types of innovation are mainly identified, based on their technological vs. non-technological nature. In particular, technological innovation includes product innovation (i.e. improvements or variations in existing products, or the introduction of new products and process innovation) and process innovation (i.e. adoption of a production method that involves changes in equipment, human resources or working methods), whereas non-technological innovations gather organizational innovation (i.e. new strategies and organizational forms), innovation in marketing (i.e. new design, packaging or positioning of products) and relational innovation (i.e. improvement of trust, loyalty and relationship quality between the parties involved).

More recently, Lin (2015) points out four dimensions of retailer innovativeness – i.e. perceived product-related, service-related, promotion-related, and experience-related innovation capabilities-, involving technological and non-technological innovations. Notwithstanding, due to the increasingly massive and dynamic flow of information, it is crucial to develop and implement ICT tools to support the introduction of innovative products and services (Arvanitis et al., 2013; Beata, 2016) and other types of innovation, and it is expected that consumer perception of retail innovativeness will depend on the technology solutions implemented by the store and, thus, it is posited:

Hypothesis One: Perceived ICT advancement is an antecedent of the customer's perception about the retailer innovativeness.

Hypothesis Two: Retailer innovativeness is positively related to the use of the most recent ICT solutions by the retailer.

Innovation involves two main words: trendy and popular (Wang et al., 2008) that are able to create and enhance value for the customers (Aaker, 2007; Pantano & Vannucci, 2019). In this sense, it is expected that the most innovative retailers enjoy superior store brand awareness.

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

In addition to this, according to the relational perspective of innovation in marketing channels pointed out by Musso (2010), innovation can occur in relationships with end-customers through customer care initiatives, i.e., all activities aimed at strengthening the relationship with the end user, such as the use of loyalty cards. In this sense, retail innovativeness is expected to influence consumer perceptions on retailer equity and behavioral intentions.

Following Grewal et al. (2010), retailers try to innovate in order to increase the value of the consumer shopping experience. This can be instrumented through enhancing service quality, since augmenting products with services has been considered as a major way retailers have of gaining differentiation in competitive markets (Homburg et al., 2002).

Regarding product quality, Fuller (2004) classifies product releases, ranking each class according to its degree of innovation, i.e. line extensions, repositioning, new form or new size, new formula for an existing product, new packaging, innovative products and creative products. Retailer's innovativeness has been associated to its capacity to release new products and, in this line, Anselmsson and Johansson (2009) provides evidence about a significant positive relationship between growth in the retailer market share in a category and level of innovativeness in the category. The authors conclude that companies could allocate resources for more creative products although it might mean fewer new product releases.

All these perceptions can positively affect the evaluation of value by consumers (Kim et al., 2014). In this sense, the perception of consumers on the creativity of a firm can cause them to view it positively, thus creating value (Kunz et al., 2011) that may ultimately enhance consumer patronage intentions (Zolfagharian & Paswan, 2009; Lin et al., 2013; Lin, 2016).

All above mentioned allow us to enunciate the following hypotheses:

Hypothesis Three: Retailer brand equity (global assessment as well as its dimensions – loyalty, awareness, service quality, product quality and perceived value-) is better for the most innovative retailers in comparison to the least innovative retailers.

Hypothesis Four: Behavioral intentions are more positive towards the store for the most innovative retailers in comparison to the least innovative retailers.

Last, it has been argued that the diffusion of technology strongly depends on the type of store. In this sense, Pantano and Vannucci (2019) highlight the absence of digital technologies in stores devoted to sweets, souvenirs or accessories, whereas the stores selling footwear, fashion, electronics, department stores and, beauty, health and pharmacy introduced at least two different types of digital technology. Extrapolating these results, we infer that, since self-service is the sales system in most of the grocery, clothing and footwear retailers, it is expected that innovative retailers according to the technological will be more appreciated by the consumers of these industries. On the other hand, for durable goods retailers, i.e. electronics/electrical appliances and furniture/decoration, higher customer involvement is expected in the purchase process and sales systems based on customization and personal selling. Thus, it is understood that according to the type of product distributed by the retailer, there is a different degree of contact between customers and vendors and, thus, there may well be differences in the impact of retail innovativeness depending on the type of retail activity.

Hypothesis Five: The differences in the evaluation of retailer brand equity, behavioral intentions and perceived advancement of the retailer's ICT between the most innovative retailers and the least innovative retailers is higher for low touch retailers in comparison to high touch retailers.

METHODOLOGY

In order to obtain the information needed to achieve the above-mentioned aims, first, a personal survey to consumers is performed. A questionnaire is developed to gather information on consumer perceptions about the variables selected, i.e. retailer's relationship innovativeness, store brand equity, loyalty towards the establishment, awareness, service quality, product quality, perceived value, behavioral intentions, retailer's technology advancement, intensity of use of ICT and customer satisfaction with retailer's technology.

In particular, the items to measure retail innovativeness are adapted from Homburg et al. (2002). Thus, retail innovativeness is considered as the extent to which the retailer's proneness to adopt new merchandising or service ideas, conceptualized as a multi-item construct that refers to the number of innovations adopted, the time of adoption, and the consistency of adoption over time.

The retailer brand equity scale is adapted from Shen (2010), while items for measuring loyalty, awareness and service quality are adapted from Arnett et al. (2003). Product quality and perceived value are measured through the items adapted from Sweeney and Soutar (2001), whereas the items for measuring behavioral intentions are adapted from Shen (2010) and Gelbrich (2011). Last, the level of perceived advancement of the retailer's ICT is measured through the items adapted from Wu et al. (2006), while the catalogue of information and communication technologies is elaborated from Musso (2010) and proposed by the authors. All items are measured in a 7-point Likert scale, ranking from 1 (strongly disagree) to 7 (strongly agree).

The analyses are performed for four retail activities. In particular, the study encompasses two retail sectors of personal consumer goods (grocery and clothing/footwear) and two types of retailers of home durable goods (electronics and electrical appliances, and furniture and decoration). The choice of these four sectors is effected in order to distinguish the potential differences due to retail innovativeness across high-touch and low-touch retailers, according to the Berry and Barnes' (1987) typology. Respondents are asked to assess the items referring to retail chains they have just visited. A total of 13 store brands have been selected because of their product assortment and their position among most prominent retail brands in Europe (Interbrand, 2011) and in the Spanish market (BICE, 2011). Retailing industry in the European Union, and in particular, in Spain, is currently experienced deeply changes due to economic crisis, increasing competition and changing patterns of consumer behavior, partly due to technology evolution (Sánchez Pérez et al., 2011; Maixé-Altés & Balaguer, 2015). In the case of the Spanish retailing industry, the economic recession has deepened the continuous fall in its contribution to the Gross Added Value experienced since the year 2000 (Velarde Fuentes, 2011), that represented 5,29% in 2013 (INE, 2019), inflection point in the economic trend in the Spanish economy, and year of the data collection for this study. This downwards trend together with the increasing competition justifies the interest of analysing the role of retail innovativeness on customer perceptions and behavioral intentions in the Spanish retailing setting.

Regarding the sampling procedure, in order to obtain a representative sample of consumers, a simple random sampling procedure is followed. A total of 820 valid questionnaires were collected at the exit of several stores in a region in Spain in the period January-February 2013. Table 1 shows the main characteristics of the consumer sample.

In order to compare consumers' perceptions about the impact of technology on the retailer innovativeness with the expectations of retail store managers, a personal survey is conducted on a sample of retailers in the same geographical area. The questionnaire includes the same items to measure retail in-

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Table 1. Consumer sample description

CONSUMER CHARACTERISTICS	FreQUENCY	%
Gender		
Male	293	35.7
Female	527	64.3
Age		
18-25 years old	151	18.4
26-35 years old	163	19.9
36-45 years old	184	22.4
46-55 years old	164	20.0
56-65 years old	114	13.9
More than 65 years old	44	5.4
Educational level		
No studies	14	1.7
Primary studies	125	15.2
Secondary studies	286	34.9
University studies	386	47.1
No answer	9	1.1
Labour status		
Student	123	15.0
Housewife	67	8.2
Unemployed	102	12.4
Pensioner	76	9.3
Employer	72	8.8
Employee	380	46.3

Source: (Gil-Saura et al., 2014)

novativeness as for the questionnaire to consumers, adapted from Homburg et al. (2002), to ask retailers to assume their consumers point of view and assess the retailer perceptions about the consumer evaluation of the level of innovativeness of the store. Similarly to the questionnaire oriented to consumers, the level of perceived advancement of the retailer's ICT is measured through the items adapted from Wu et al. (2006), and the catalogue of ICT solutions includes items suggested by Musso (2010) as well as ad-hoc items proposed by the authors. All items are measured in a 7-point Likert scale, ranking from 1 (strongly disagree) to 7 (strongly agree).

Concerning the sample of retailers, data were collected from personal interviews with retail store managers, finally obtaining 361 valid questionnaires. Table 2 shows the main descriptive statistics for the retailer sample.

From the data collected, first, linear regressions are estimated both for the consumer and the retailer samples to assess the existence of causal relationships (Bagozzi, 1980; Creswell, 2009), being the dependent variable retail innovativeness and the independent variables the retailer's level of technological advancement and the customer satisfaction with the retailer's technology, respectively. In addition to

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Table 2. Retailer sample description

Variables	Number	%
Number of stores:		
• grocery	106	29.4
• clothing / footwear	102	28.2
• electronics / electrical appliances	76	21.1
• furniture / wood / decoration.	77	21.3
Length of patronage with the main supplier:		
• 0-5 years	56	15.5
• 6-10 years	84	23.3
• 11-15 years	66	18.3
• 16-20 years	54	15.0
• More than 20 years	101	27.9
Percentage of purchases from the main supplier on total purchases of the product:		
• Less than 20%	79	21.9
• 21%-40%	100	27.7
• 41%-60%	58	16.1
• 61%-80%	53	14.7
• More than 80%	71	19.6
Type of organization		
• Independent store	252	69.8
• Store chain	72	19.9
• Franchised store	24	6.6
• Store integrated in cooperative	8	2.2
• Others	5	1.4

Source: (Authors' proposal)

this, correlations between retail innovativeness and several information and communications technologies are calculated.

Last, differences between the most and the least innovating retailers are tested through ANOVA analysis. The most innovative retailers are those showing mean scores for the retail innovativeness scale higher than the median value (i.e. 4), while low innovators are those scoring less than 4. Retailers showing an average retail innovativeness score of exactly 4 are eliminated in order to avoid potential biases. All analyses are performed for the total sample as well as for each of the four retail activities under consideration – i.e. grocery, textile, electronics and decoration -.

RESULTS

As a previous step to testing our hypotheses, a confirmatory factor analysis was performed that provided acceptable values for the reliability of the scales (measured through the composite reliability and the Cronbach's coefficient alpha for all the constructs), as well as for the extracted variances, being all the standardised factor loadings statistically significant for all the items. All this allows us to confirm the convergent validity of the model (Table 3).

Additionally, correlations between constructs and confidence intervals as described by Anderson and Gerbing (1988) are analyzed. The results of this analysis allow us to confirm the discriminant validity (Table 4).

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Table 3. Confirmatory factor analysis results for the consumer sample

Construct	Item	Standardized factor loading (st. error)	t	Cronbach's α	Composite reliability	Average variance extracted
Loyalty	L1. I consider myself to be loyal to this store.	0.760	-	0.921	0.923	0.750
	L2. When buying this type of product, this store is my first choice.	0.898 (0.041)	28.681*			
	L3. I will not buy from other retailer if I can buy the same item at this store.	0.892 (0.041)	25.094*			
	L4. Even when items are available from other retailers, I tend to buy from this store.	0.906 (0.041)	26.486*			
Awareness	A1. I am aware of [store name] stores.	0.666	-	0.892	0.894	0.681
	A2. I can recognize [store name] stores among other competing stores.	0.847 (0.060)	16.010*			
	A3. Some characteristics of [store name] stores come to mind quickly.	0.915 (0.057)	19.719*			
	A4. I have difficulty in imagining [store name] stores in my mind.	0.853 (0.055)	18.255*			
Service Quality	SQ1. This store provides excellent service to its customers.	0.881	-	0.865	0.865	0.762
	SQ2. This store performs service right the first time.	0.865 (0.036)	28.306*			
Product quality	PQ1. The items in this store have consistent quality.	0.866	-	0.917	0.921	0.797
	PQ2. The items in this store have an acceptable standard of quality.	0.956 (0.029)	37.660*			
	PQ3. The items in this store would perform consistently.	0.852 (0.033)	26.123*			
Perceived value	PV1. The items in this store are reasonably priced.	0.841	-	0.889	0.893	0.678
	PV2. The items in this store offer value for money.	0.845 (0.039)	25.026*			
	PV3. The items in this store are good products for the price.	0.905 (0.042)	26.238*			
	VP4. The items in this store would be economical.	0.687 (0.042)	22.644*			
Retailer brand equity	RE1. I choose this store instead of any other store, even if they are the same	0.905	-	0.968	0.968	0.883
	RE2. Even if another store has the same features as this store, I would prefer to this store.	0.960 (0.024)	45.236*			
	RE3. If there is another store as good as this store, I prefer to this store.	0.957 (0.025)	41.745*			
	RE4. It seems smarter to choose this store.	0.935 (0.027)	40.216*			
Behavioral	B11. I would like to come to this store again.	0.698	-	0.868	0.878	0.605
Intentions	B12. I would like to buy this store, even if the price in this store increases.	0.417 (0.072)	11.161*			
	B13. I would like to recommend this store to a friend/relative.	0.881 (0.084)	17.598*			

continued on following page

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Table 3. Continued

Construct	Item	Standardized factor loading (st. error)	t	Cronbach's α	Composite reliability	Average variance extracted
	BI4. If my friends ask me for advice, I would recommend this retail outlet.	0.936 (0.086)	18.021*			
	BI5. I would advice others to buy this type of product from this retail outlet.	0.844 (0.087)	17.486*			
Perceived advancement of retailer's ICT	T1. This STORE invests in technology. T2. This STORE has the most advanced technology. T3. In comparison to its competitors, this STORE'S technology is more advanced. T4. This STORE considers my opinion as a customer on decisions involving IT coordination and development in order to improve services and to better satisfy my needs as a client.	0.839 0.947 (0.034) 0.908 (0.038) 0.320 (0.046)	- 34.038* 29.473* 8.795*	0.833	0.861	0.632

Chi-square Satorra-Bentler: 1071.82; degrees of freedom: 377; CFI: 0.945; IFI: 0.945; Bentler-Bonett NNFI: 0.937; RMSEA: 0.053.
Source: (Gil-Saura et al., 2014)

Table 4. Means, standard deviations and correlations between constructs

Construct	Mean	St. dev.	Correlations							
			F1	F2	F3	F4	F5	F6	F7	F8
F1. Loyalty	3.998	1.666		0.500 (0.32, 0.68)	0.563 (0.39, -0.73)	0.444 (0.29, 0.60)	0.434 (0.28, 0.59)	0.736 (0.53, 0.94)	0.643 (0.48, 0.80)	0.191 (0.03, 0.36)
F2. Awareness	5.709	1.370			0.475 (0.32, 0.63)	0.409 (0.26, 0.56)	0.317 (0.19, 0.45)	0.408 (0.25, 0.57)	0.424 (0.30, 0.55)	0.192 (0.07, 0.32)
F3. Service quality	5.458	1.335				0.623 (0.46, 0.79)	0.517 (0.36, -0.68)	0.548 (0.38, 0.72)	0.630 (0.48, -0.78)	0.376 (0.22, -0.53)
F4. Product quality	5.560	1.245					0.454 (0.31, 0.60)	0.434 (0.28, 0.58)	0.547 (0.41, 0.68)	0.409 (0.26, 0.56)
F5. Perceived value	4.999	1.385						0.408 (0.26, 0.56)	0.513 (0.39, 0.64)	0.140 (0.00, 0.28)
F6. Retailer brand equity	4.187	1.644							0.644 (0.49, 0.80)	0.255 (0.09, 0.42)
F7. Behavioral intentions	4.556	1.629								0.344 (0.22, 0.47)
F8. Perceived advancement of retailer's ICT	3.886	1.675								

Source: (Gil-Saura et al., 2014)

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Once checked the reliability and validity of the scales used in this research, in order to achieve the first aim of this paper, the relationship between retailer's innovativeness and retailer's level of technological advancement as well as customer satisfaction with the retailer's technology are explored. Since the correlation between customer perceptions about retailer's level of technological advancement and satisfaction with the retailer's technology is very strong (i.e. 0.627), two regressions are calculated separately to avoid multicollinearity. Estimations are calculated for the total sample and for each retail activity (Table 5).

In general, for the consumer sample, there are significant positive correlations between retail innovativeness and customer perceptions about the level of advancement of the retailer's ICT solutions ($p < 0.01$). The positive and significant influence of perceived advancement of retailer's ICT and retail innovativeness is observed for the total sample of consumers as well as for each retail activity separately. Therefore, store innovativeness and technology implemented seems to be closely related. Thus, there is support for Hypotheses 1 and 2.

Notwithstanding, the relationships are stronger and the goodness-of-fit measures (e.g. determinant coefficients) for the linear regression models are better for the retailer sample than for consumer sample. In particular, for all retail activities together, perceived advancement of retailer's ICT is explaining 65.2% of perceived retail innovativeness for retailers, but only 15.9% for consumers. This finding may be explained by the overestimation of retailers about the impact of ICT on retailer innovation by consumers. In other words, the influence of the retailers' investment in technology is not so relevant for consumers to explain their perceptions about the retailers' innovativeness as retailers believe. Therefore, other actions or activities developed by retailers may be more relevant to generate positive perceptions about retailers innovativeness than the technologies implemented in the store. Differences can be observed across retail activities. In this sense, electronics retailer perceptions about the influence of technology on retailer innovativeness are more similar to those of their consumers in comparison to other retail activities, such as furniture and decoration, where technology explains 77.5% of innovativeness for retailers but only 6.7% for consumers.

Even if the technology implemented by the retailer is not fully explaining the consumer perceptions about the retailer's innovativeness, a positive and significant relation is found between these constructs. Thus, in order to identify the store technologies most related with the consumer's perception of the retailer's innovativeness (defined as the retailer's proneness to adopt new merchandising or service ideas -number of innovations adopted, time of adoption, and consistency of adoption over time), correlations

Table 5. Linear regression estimations of retail innovativeness on perceived ICT advancement

Variables	Total	Grocery	Clothing/footw.	Electronics	Furnit./deco.
<i>Consumer sample</i>	N=820	N=300	N=180	N=180	N=160
Constant	2.29 ^a	2.01 ^a	3.21 ^a	2.51 ^a	4.10 ^a
Perceived advancement of retailer's ICT	0.50 ^a	0.44 ^a	0.26 ^b	0.45 ^a	0.27 ^a
R ²	0.159 ^a	0.130 ^a	0.036 ^b	0.083 ^a	0.067 ^a
<i>Retailer sample</i>	N=361	N=106	N=102	N=76	N=77
Constant	0.32 ^b	0.23	0.34	0.81	0.35
Perceived advancement of retailer's ICT	0.82 ^a	0.81 ^a	0.82 ^a	0.73 ^a	0.85 ^a
R ²	0.652 ^a	0.681 ^a	0.679 ^a	0.333 ^a	0.775 ^a

^{a, b, c}Statistically significant at 1%, 5% and 10%, respectively.

Source: (Authors' proposal)

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Table 6. Correlations between retail innovativeness and retailer's use of ICT solutions. Consumer and retailer perceptions

Consumer sample					
Items	Total N=820	Grocery N=300	Clothing/footw. N=180	Electronics N=180	Furnit./deco. N=160
1. Retailer card payment	0.12 ^a	0.11 ^b	0.15 ^c	-0.01	0.13 ^c
2. Mobile payment	0.18 ^a	0.15 ^b	0.11	0.25 ^a	0.13 ^c
3. Web site	0.32 ^a	0.26 ^a	0.22 ^a	0.30 ^a	0.27 ^a
4. Self-service technologies	0.05	0.13 ^b	-0.05	0.07	0.13
5. Multimedia kiosks	0.30 ^a	0.20 ^a	0.17 ^b	0.19 ^b	0.27 ^a
6. In-store wi-fi	0.26 ^a	0.22 ^a	0.18 ^b	0.17 ^b	0.09
7. Mobile apps	0.27 ^a	0.25 ^a	0.20 ^a	0.19 ^a	0.22 ^a
8. Loyalty program	0.18 ^a	0.20 ^a	0.30 ^a	0.06 ^a	0.15 ^c
9. Activity in social media (Facebook, Twitter, blogs)	0.28 ^a	0.26 ^a	0.26 ^a	0.19 ^b	0.22 ^a
Retailer sample					
Items	Total N=361	Grocery N=106	Clothing/footw. N=102	Electronics N=76	Furnit./deco. N=77
1. Retailer card payment	0.24 ^a	0.15	0.36 ^a	-0.07	0.28 ^b
2. Mobile payment	0.26 ^a	0.12	0.29 ^a	0.31 ^a	0.28 ^b
3. Web site	0.45 ^a	0.51 ^a	0.39 ^a	0.31 ^a	0.31 ^a
4. Self-service technologies	0.23 ^a	0.07	0.23 ^b	0.33 ^a	0.08
5. Multimedia kiosks	0.40 ^a	0.12	0.29 ^a	0.55 ^a	0.31 ^a
6. In-store wi-fi	0.31 ^a	0.15	0.26 ^a	0.20 ^c	0.41 ^a
7. Mobile apps	0.29 ^a	0.27 ^a	0.39 ^a	0.29 ^b	0.23 ^c
8. Loyalty program	0.31 ^a	0.34 ^a	0.34 ^a	0.22 ^c	0.18
9. Activity in social media (Facebook, Twitter, blogs)	0.52 ^a	0.59 ^a	0.51 ^a	0.37 ^a	0.49 ^a

^{a, b, c}Statistically significant at 1%, 5% and 10%, respectively.

Source: (Authors' proposal)

are calculated between retail innovativeness scores and the store intensity of use of several ICT solutions (Table 6).

Regarding consumers' perceptions, for the total sample, the highest correlations with retail innovativeness are observed for the retailer's website, followed by multimedia kiosks, activity in social media and mobile apps, being all of them positive and significant at $p < 0.01$. In contrast, self-service technologies do not hold any significant linear relationship with retail innovativeness.

Having a look at correlations for each retail industry and technology, the retailer's website and mobile apps hold significant positive relationships with retail innovativeness for all groups regardless product assortment ($p < 0.01$).

However, the relationship between retailer's technology and innovativeness seems to be strongly influenced by product assortment. In particular, self-service technologies are positively and significantly

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

related with retail innovativeness for grocery stores ($p < 0.05$), whereas no linear relationship is found for the rest of activity sectors.

In addition to this, while all ICT solutions are positively and significantly correlated to retail innovativeness for grocery retailers, only some of them seem to be relevant for the rest of store chains. Furthermore, the relative importance of each technology differs across retail activities. In the case of grocery store chains, store brand website is the ICT most related to retail innovativeness, followed by activity in social media ($p < 0.01$).

For apparel retailers, retailer's loyalty program and activity in social media are the ICT solutions that contribute to retail innovativeness perception at a greater extent. In contrast, the use of mobile payment, and self-service technologies, is not significantly associated with the perceived retail innovativeness for this group of stores.

Regarding stores selling electronics, on one side, technologies strongly linked to retail innovativeness are retailer's website and mobile payment. On the other side, retailer card payment and self-service technologies, do not hold any significant relationship with retail innovativeness.

Last, for furniture and decoration retailers, retail innovativeness is mainly related to some solutions such as the retailer's website and multimedia kiosks. However, other ICT applications such as self-service technologies and in-store wi-fi are not significantly related to retail innovativeness in this industry.

Concerning the retailers' point of view, for the global sample of retail stores, all correlations between retail innovativeness and the technological solutions implemented by the store are positive, significant ($p < 0.01$) and higher than those correlations for each technology for the consumer sample. Again, retailers are more optimistic about the impact of the use of technology by the store on consumer perceptions about retailer innovativeness than actual consumer perceptions. Therefore, retailers may have overestimated the positive outcome of their ICT investment on the consumer perceptions about the retail store. In particular, the strongest relations with retail innovativeness are found for activity in social media, followed by the retailer website and multimedia kiosks, in the sense that, according to the retailers' opinion, these technological developments are strongly improving the perceptions of consumers regarding the innovativeness of the store chain. Retailer perceptions about the most influencing technologies (i.e. social media, website and kiosks) are coincident with those actually affecting consumer perceptions about the store innovativeness.

Notwithstanding, these general comments are not valid for all types of retailers. For instance, grocery retailers overestimate the contribution of the retailer activity in social media and its own website to create an image of innovative store in the mind of consumers, while neglect other ICT solutions (e.g. multimedia kiosks, self-service technologies, in-store wi-fi) that actually influence significantly consumers' perceptions about the retail innovativeness. Similarly, apparel and electronics retailers seem to assume that self-service technologies may improve significantly consumer perceptions about the level of innovation of the store, but correlations for the consumer sample are not significant. These findings provide evidence about the need for retailers to conduct a market research to get to know their consumers' perceptions for prioritizing store investment in ICT solutions.

Second, in order to test the existence of differences in consumer behavior between low innovators and high innovators, retailers are divided in two groups according to the consumer perception of the retailer's innovativeness. The median value of retailer's innovativeness is 4, and those retailers scoring less than 4 have been classified as "low innovators" while retailers scoring more than 4 are considered as "high innovators" (retailers scoring exactly the median value are excluded from the study in order to avoid potential biases). Mean values are calculated for both groups regarding consumer attitudes

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

and behavioral intentions. Differences between low and high innovators are tested through an ANOVA analysis. Results are shown in Table 7.

High innovators show higher scores than low innovators in all variables. These differences are significant for all variables at $p < 0.05$. Thus, retailers perceived as high innovators are also considered as more technologically advanced than low innovators. In addition to this, high innovators enjoy higher levels of customer loyalty and awareness. Their service and product are considered of superior quality in comparison to low innovators. All in all, retailer brand equity shows significantly higher scores for the most innovative retailers, and consumer behavioral intentions are more favourable towards these retailers in comparison to low innovators.

Table 7. Mean values and ANOVA test for low and high innovators. Total sample

Construct	Low innovators N=285 (42.2%)	High innovators N=391 (57.8%)	F	p-value
Perceived advancement of retailer's ICT	3.32	4.35	105.6	0.000
Loyalty	3.83	4.23	9.8	0.002
Awareness	5.53	5.90	17.2	0.000
Service quality	5.21	5.67	21.8	0.000
Product quality	5.24	5.82	42.4	0.000
Perceived value	4.84	5.07	5.97	0.015
Retailer brand equity	3.90	4.46	21.4	0.000
Behavioral intentions	4.28	4.82	29.2	0.000

Source: (Gil-Saura et al., 2014)

Table 8. Mean values and ANOVA test for low and high innovators. Grocery and clothing/footwear

Construct	Grocery				Clothing/footwear			
	Low innovators N=150 (61.5%)	High innovators N=94 (38.5%)	F	p-value	Low innovators N=64 (46.4%)	High innovators N=74 (53.6%)	F	p-value
Perceived advancement of retailer's ICT	2.94	3.90	32.0	0.000	3.23	3.54	2.5	0.116
Loyalty	3.85	4.13	1.5	0.216	3.57	3.77	0.6	0.458
Awareness	5.51	5.98	9.2	0.003	5.44	5.89	5.2	0.024
Service quality	5.08	5.77	14.6	0.000	5.03	5.45	4.0	0.048
Product quality	5.13	6.00	30.0	0.000	5.05	5.11	0.1	0.778
Perceived value	4.99	5.61	17.4	0.000	4.76	5.07	2.5	0.114
Retailer brand equity	3.72	4.28	6.5	0.011	3.90	4.09	0.6	0.454
Behavioral intentions	4.14	4.87	17.1	0.000	4.33	4.49	0.5	0.492

Source: (Gil-Saura et al., 2014)

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

In order to take into consideration the existence of different patterns due to the retailer's assortment, four types of store chains are analyzed: grocery, textile, electronics and furniture and decoration. Table 8 shows mean values and the results of the ANOVA analysis for grocery and clothing/footwear retailers.

For both grocery and apparel retailers, high innovators show higher scores than low innovators. Notwithstanding, different patterns are observed in these types of retail chains regarding the significance of differences between high and low innovators. Regarding grocery retailers, high innovators show significantly higher assessments for all constructs excepting loyalty. Thus, ICT of highly innovative retailers are perceived as more advanced than those of low innovators, and consumer awareness and perceptions about retailer's service quality, product quality, value, retailer brand equity and behavioral intentions are significantly better for high innovators in comparison to low innovators.

On the other side, for apparel stores, differences between low and high innovators are only significant at $p < 0.05$ for consumer awareness and service quality. Therefore, retail innovativeness for fashion store chains seems to be related only to retailer brand notoriety.

Similarly, mean values and ANOVA tests are calculated for electronics and furniture/decoration retailers (Table 9).

Again, high innovators show significantly higher scores than low innovators for all constructs. Notwithstanding, differences are only significant for some constructs, not being exactly the same for electronics and furniture/decoration retailers. In particular, for electronics store chains, significant differences are observed between low and high innovators regarding the consumer's perception of advancement of the retailer's ICT solutions ($p < 0.01$). In this sense, ICT implemented by highly innovative retailers are perceived as more advanced than those used by low innovators. In addition to this, product quality of high innovators is significantly higher in comparison to low innovators ($p < 0.05$). Differences between the two groups of electronics retailers are only significant at $p < 0.10$ for retailer brand equity.

Last, for stores selling furniture and decoration items, ICT implemented by highly innovative retailers are perceived as significantly more advanced than those of low innovators ($p < 0.01$). Differences between

Table 9. Mean values and ANOVA test for low and high innovators. Electronics and furniture/decoration

Construct	Electronics				Furniture/decoration			
	Low innovators N=55 (36.2%)	High innovators N=97 (63.8%)	F	p-value	Low innovators N=16 (11.3%)	High innovators N=126 (88.7%)	F	p-value
Perceived advancement of retailer's ICT	4.38	5.01	12.7	0.001	3.67	4.63	10.7	0.001
Loyalty	3.97	4.35	1.9	0.164	4.25	4.49	0.4	0.553
Awareness	5.62	5.74	0.4	0.514	5.72	5.96	0.7	0.422
Service quality	5.58	5.65	0.2	0.694	5.81	5.71	0.1	0.747
Product quality	5.62	6.00	6.3	0.013	5.82	5.96	0.4	0.549
Perceived value	4.51	4.47	0.04	0.845	4.89	5.13	0.5	0.476
Retailer brand equity	4.21	4.66	2.9	0.088	4.45	4.67	0.3	0.589
Behavioral intentions	4.57	4.68	0.3	0.562	4.50	5.10	3.4	0.066

Source: (Gil-Saura et al., 2014)

highly and poorly innovative home furnishing retailers are also significant for behavioral intentions ($p < 0.10$), but not for the rest of constructs. Therefore, only find partial support to Hypotheses 3 and 4 is found, since the existence of differences between high and low innovators in consumer attitudes and behavioral intentions seems to be strongly related to the product assortment commercialized by the store.

SOLUTIONS AND RECOMMENDATIONS

The retailers' efforts to invest in technology seem to be strongly related to retail innovativeness. In general, retail innovativeness strongly depends on the customer perception of the retailer's level of technological advancement as well as the customer satisfaction with the retailer's technology. Notwithstanding, the expectations of retailers about the influence of the store technology on customer perception of retail innovativeness are higher than the actual effect of the retailer ICT solutions on customer perceptions about how innovative the store is. This finding could be explained in the sense that many consumers are using – and therefore, they are not appreciating – some technology solutions implemented by the store; instead of the store investment in technology, perceptions about the retailer innovativeness are based on its fresh and creative practices, its original products or design, or the store atmosphere, in the line of Lin et al. (2013).

Furthermore, for some retail activities such as apparel and electronics, there are no significant differences in consumer behavioral intentions towards the retailer between highly innovative retailers and low innovators. Variety seeking or deal proneness could explain this differentiated behaviour in comparison to other retail industries. A question that may arise here is whether investing in ICT and projecting an image of innovative retailers might be worth the effort for these store chains.

In spite of these issues, given the intense competition in the retail industry as well as the entry of new incumbents due to the trend of retail internationalization, it can be inferred that retail innovativeness is an important issue and ICT may constitute a useful tool to build an image of innovative store. But it is not the only one... Technology should be adapted to the type of retail store, and decisions on investment in ICT solutions should be taken bearing in mind the type of product assortment and the customer profile. Retailers should conduct market research in order to identify the most valuable ICT solutions from the point of view of their customers in order to prioritize the investment in some technologies instead of others. Innovation decisions of retailers should be understood in a more global strategy where the market reaction in terms of brand equity is only one of the variables to be taken into consideration. Retailers may obtain from innovation more advantages than those that customers are able to appreciate.

FUTURE RESEARCH DIRECTIONS

The findings of this study are expected to pave the way for future investigations that can be conducted to capture the extent and effects of the changes that occur, as a result of innovation. In this sense, the present paper has tested the existence of significant differences in consumer behaviour between low and high innovators, as well as linear relationships between retail innovativeness and consumer perceptions of retailer's ICT. Further research should explore the sense of these relationships and check the causality of retail innovativeness on several constructs related to customer attitudes and behavioral intentions, as well as customer perceptions of the retailer's ICT investments.

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Notwithstanding, future studies should overcome some of the methodological limitations of the present research. In this sense, even if using a single item for measuring customer satisfaction is not uncommon in services marketing literature (e.g. Mittal & Gera, 2013), further research should develop a multi-item scale for measuring satisfaction with the retailer's technology.

Moreover, due to the increasing popularity of some ICT solutions in retailing and, in particular, mobile apps (Shankar et al., 2016), such as QR codes (Okazaki et al., 2013), further refinement is required in the catalogue of technology solutions in future studies. The need of further research is also suggested on the use of social media as a source of knowledge to enhance innovation (Carlson et al., 2018; De Oliveira et al., 2019).

In addition to this, since there is a great concern in the literature discussing the Technology Acceptance Model about the existence of cultural differences in technology usage and its potential impact on purchase intentions (Pookulangara & Koesler, 2011), the results obtained could be partly country-specific and, therefore, this study should be replicated in other geographical settings.

Last, technology leapfrogging in many developing countries is expected to ameliorate the digital divide with the most developed countries. This study could be also replicated for these emerging economies, thus providing relevant managerial implications for international retailers. Notwithstanding, in marketing channels of these countries where the informal economy still represents an important weight in the retailing industry, legal, privacy and ethical issues may arise and should be taken into consideration.

CONCLUSION

The present study addresses the comparison between consumer and retailer perceptions on the level of innovativeness and technological advancement. Firstly, the analyses performed aim to provide evidence about the influence of retail innovativeness on consumer behaviour as well as to enable us to identify the information and communication technologies most influencing customer perceptions about retailer's innovativeness in each retail activity – i.e. grocery, textile, electronics and decoration.

Regarding the relationship between retail innovativeness and consumer behavior, store brand equity and its dimensions (i.e. loyalty, awareness, service quality, product quality and perceived value) are significantly higher for highly innovative retailers in comparison to low innovators only for grocery stores. Behavioral intentions towards the retailer are more positive for highly innovative retailers only for grocery and home furnishing retailers, while no significant differences are found between high and low innovators for apparel and electronics retailers. Thus, grocery and home furnishing retailers should make an effort to convey an image of innovative retailer to create brand equity and improve the consumer behavioral intentions towards the retailer.

In order to build an image of highly innovative retailer, while some ICT solutions –e.g. credit/debit card payment, the retailer's website and mobile apps- seem to be commonly related to store innovativeness, other technologies are quite product-specific. In this sense, each retailer should define its priorities depending on its product assortment. In particular, for grocery retailers, video surveillance is the ICT most related to retail innovativeness, while for apparel store chains, retailer's loyalty program, activity in social media and piped music to create a store atmosphere are those solutions showing the highest correlations with retail innovativeness. Technologies related to the Internet and mobile communications, such as retailer's website and m-payment are those that show the strongest correlations with retail innovativeness for electronics store chains, whereas for furniture and decoration retailers, those ICT solu-

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

tions that help to create an innovative image of the store are those that contribute to enhance the hedonic experience of the customer in the store, such as photoelectric cells, piped music and multimedia kiosks.

Therefore, customer purchase motivations and needs play an important influence in the relative relevance of each ICT solution depending on the type of retail activity. Thus, the concept of “retail innovativeness” may be understood in a different way by consumers in different types of stores, and retailers should be aware of these differences in order to create an image that reinforces their retailer store equity.

Concerning retailers, the association between technological advancement and innovativeness is much stronger than for consumers, being these results observed for each retail activity and each type of technological solution under analysis. However, the relative importance of some ICT solutions to contribute to innovativeness differs across retail activity, so that the type of technology seems to be highly industry-specific.

In reply to our initial question (i.e. “Are retailers’ perceptions of their innovativeness and technology similar to those of consumers?”), the results obtained allow us to conclude that retailer perceptions about the contribution of technology to retail innovation differ from consumers perceptions in the sense that, even if the association between innovation and ICT is significant and positive both for consumers and retailers, the latter tend to overestimate the impact of technology on retailer innovation. Thus, the influence of the retailers’ investment in technology is not so relevant for consumers to explain their perceptions about the retailers’ innovativeness, since other innovative practices (e.g. new products and services in the retailer’s assortment) may be more salient attributes for consumers to evaluate the retailer’s degree of innovativeness.

MANAGERIAL IMPLICATIONS

As above mentioned, in the current hypercompetitive environment, retail innovativeness may be a key factor in the retail store differentiation strategy and technology may help retail managers to build an image of innovative store. In this sense, Zalando, Apple and Clinique have been cited as examples of retailers that have been able to innovate, inspiring the market with new ideas and new touch points, taking advantage of technology to make life easier for their consumers (Manasseh et al., 2012; Pantano & Vannucci, 2019). Similarly, it has been pointed out that customers often appreciate not only the functional benefits of a physical store but also the overall experience it offers, distinguishing those retailers with unusual and exciting store atmospherics that add value to their shopping experience (Grewal et al., 2010; Pantano & Vannucci, 2019).

Some examples of these retailers identified as innovators are Starbucks or Amazon Go store, or hypermarket chains such as Carrefour or Metro, that have implemented self-scanning devices and check-out systems enabling the consumer to pay without a cashier and thus saving time in their routinary purchases (Kraft & Mantrala, 2010; Polacco & Backes, 2018).

The main problem with being known as an innovative retailer is that it forces the store managers to continuously implement new fresh and exciting ideas, since otherwise consumers may start to view the retailer as old-fashioned. Moreover, in view of the retailers’ overestimation of the benefits of technology, store managers should take into account consumer perceptions of each specific ICT solution before investing to implement a technological development in the store that may not have the expected positive impact on consumers’ perceptions.

ACKNOWLEDGMENT

This research was supported by the financed by Spanish Ministry of Economy and Competitiveness [grant number ECO2016-76553-R].

REFERENCES

- Aaker, D. A. (2007). Innovation: Brand it or lose it. *California Management Review*, 50(1), 8–24. doi:10.2307/41166414
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modelling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411–423. doi:10.1037/0033-2909.103.3.411
- Anselmsson, J., & Johansson, U. (2009). Retailer brands and the impact on innovativeness in the grocery market. *Journal of Marketing Management*, 25(1-2), 75–95. doi:10.1362/026725709X410043
- Arnett, D. B., Laverie, D. A., & Meiers, A. (2003). Developing parsimonious retailer equity indexes using partial least squares analysis: A method and applications. *Journal of Retailing*, 79(3), 161–170. doi:10.1016/S0022-4359(03)00036-8
- Arvanitis, S., Loukis, E., & Diamantopoulou, V. (2013). The effect of soft ICT capital on innovation performance of Greek firms. *Journal of Enterprise Information Management*, 26(6), 679–701. doi:10.1108/JEIM-07-2013-0048
- Bagozzi, R. P. (1980). *Causal models in marketing*. New York, NY: Wiley.
- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing*, 66(2), 120–141. doi:10.1509/jmkg.66.2.120.18470
- Beata, R. (2016). Information and communication technologies as a source of marketing innovations in retail—trends. *Journal of Economics & Management*, 23, 45–53.
- Berry, L. L. & Barnes, J. A. (1987). Retail positioning strategies in the USA. In G. Johnson (Ed.), *Business strategy and retailing* (107-115). Chichester, UK: John Wiley & Sons.
- BICE – Boletín Información Comercial Española. (2011). *La distribución comercial en España en 2010. Boletín Económico de ICE*, 3015. Retrieved from <http://www.revistasice.com/es-ES/BICE/Paginas/ultimo-boletin.aspx?numero=3015>
- Carlson, J., Rahman, M., Voola, R., & De Vries, N. (2018). Customer engagement behaviours in social media: Capturing innovation opportunities. *Journal of Services Marketing*, 32(1), 83–94. doi:10.1108/JSM-02-2017-0059
- Castaldo, S. (Ed.). (2001). *Retailing & innovazione*. Milano, Italy: Egea.
- Creswell, J. W. (2009). *Research design: Qualitative, quantitative, and mixed methods approaches*. Sage (Atlanta, Ga.).

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Cronin, J. J. Jr, & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55–68. doi:10.1177/002224299205600304

Darden, W. R., Erdem, O., & Darden, D. K. (1983). A comparison and test of three causal models of patronage intentions. In W. R. Darden & R. F. Lusch (Eds.), *Patronage behavior and retail management*. New York, NY: North-Holland.

Dawson, J. (2005). New cultures, new strategies, new formats and new relationships in European retailing: Some implications for Asia. *Journal of Global Marketing*, 18(1-2), 73–97. doi:10.1300/J042v18n01_05

Dawson, J. A. (2001). Is there a new commerce in Europe? *International Review of Retail, Distribution and Consumer Research*, 11(3), 287–299. doi:10.1080/713770598

De Oliveira, R. T., Indulska, M., Steen, J., & Verreyne, M. L. (in press). Towards a framework for innovation in retailing through social media. *Journal of Retailing and Consumer Services*.

Despa, M. L. (2014). Evolution and trends regarding the concepts of innovation and invention. *Informações Econômicas*, 18(1), 139–151. doi:10.12948/issn14531305/18.1.2014.13

Dupuis, M. (2000, July). *Retail innovation: towards a framework of analysis*. Paper presented at the EAERCD Conference on Retail Innovation, ESADE, Barcelona, Spain.

Gelbrich, K. (2011). I have paid less than you! the emotional and behavioral consequences of advantaged price inequality. *Journal of Retailing*, 87(2), 207–224. doi:10.1016/j.jretai.2011.03.003

Gil Saura, I., Ruiz Molina, M. E., & Berenguer Contrí, G. (2014). Retail innovativeness: importance of ICT and impact on consumer behaviour. In F. Musso & E. Druica (Eds.), *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 384–403). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch021

Grewal, D., Krishnan, R., Baker, J., & Borin, N. (1998). The effect of store name, brand name and price discounts on consumers' evaluations and purchase intentions. *Journal of Retailing*, 74(3), 331–352. doi:10.1016/S0022-4359(99)80099-2

Grewal, D., Krishnan, R., Levy, M., & Munger, J. (2010). Retail success and key drivers. In *Retailing in the 21st Century* (pp. 15–30). Berlin, Germany: Springer. doi:10.1007/978-3-540-72003-4_2

Hartman, K. B., & Spiro, R. L. (2005). Recapturing store image in customer-based store equity: A construct conceptualization. *Journal of Business Research*, 58(8), 1112–1120. doi:10.1016/j.jbusres.2004.01.008

Helm, S., Kim, S. H., & Van Riper, S. (2018). (in press). Navigating the 'retail apocalypse': A framework of consumer evaluations of the new retail landscape. *Journal of Retailing and Consumer Services*. doi:10.1016/j.jretconser.2018.09.015

Henard, D. H., & Dacin, P. A. (2010). Reputation for product innovation: Its impact on consumers. *Journal of Product Innovation Management*, 27(3), 321–335. doi:10.1111/j.1540-5885.2010.00719.x

Homburg, C., Hoyer, W. D., & Fassnacht, M. (2002). Service orientation of a retailer's business strategy: dimensions, antecedents, and performance outcomes. *Journal of Marketing*, 66(4), 86–101. doi:10.1509/jmkg.66.4.86.18511

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Hristov, L., & Reynolds, J. (2015). Perceptions and practices of innovation in retailing: Challenges of definition and measurement. *International Journal of Retail & Distribution Management*, 43(2), 126–147. doi:10.1108/IJRDM-09-2012-0079

Huang, J., Li, Y., & Yen, M. (2016). The relationship between green innovation and business performance—the mediating effect of brand image. *Xing Xiao Ping Lun*, 13(1), 89–118.

INE – Instituto Nacional de Estadística. (2019). INEbase / Economy / National Accounts / Spanish National Accounts. Base 2010 / Detailed results. Retrieved from http://www.ine.es/en/daco/daco42/cne10/dacocne_resultados_en.htm

Interbrand. (2011). *Best global brands*. Retrieved from <http://www.interbrand.com/es/best-global-brands/Best-Global-Brands-2011.aspx>

Jinfeng, W., & Zhilong, T. (2009). The impact of selected store image dimensions on retailer equity: Evidence from 10 Chinese hypermarkets. *Journal of Retailing and Consumer Services*, 16(6), 486–494. doi:10.1016/j.jretconser.2009.08.002

Karmeni, K., Hamadi, A., Mesri, L., & Mimoun, M. S. B. (2017). The impact of innovation on store managers' job satisfaction: Evidence from Tunisian retailing. *Management & Avenir*, 93(3), 103–119. doi:10.3917/mav.093.0103

Kim, Y. K., Lee, M. Y., & Park, S. H. (2014). Shopping value orientation: Conceptualization and measurement. *Journal of Business Research*, 67(1), 2884–2890. doi:10.1016/j.jbusres.2012.06.006

Krafft, M., & Mantrala, M. K. (Eds.). (2010). *Retailing in the 21st century: current and future trends*. Springer. doi:10.1007/978-3-540-72003-4

Krom, I. (2015). Global online entrepreneurship and the impact of innovation on brands. *Emerging Markets Journal*, 5(2), 90–101. doi:10.5195/EMAJ.2015.90

Kunz, W., Schmitt, B., & Meyer, A. (2011). How does perceived firm innovativeness affect the consumer? *Journal of Business Research*, 64(8), 816–822. doi:10.1016/j.jbusres.2010.10.005

Lin, C. Y. (2015). Conceptualizing and measuring consumer perceptions of retailer innovativeness in Taiwan. *Journal of Retailing and Consumer Services*, 24, 33–41. doi:10.1016/j.jretconser.2015.01.009

Lin, C. Y. (2016). Perceived convenience retailer innovativeness: How does it affect consumers? *Management Decision*, 54(4), 946–964. doi:10.1108/MD-08-2015-0363

Lin, C. Y., Marshall, D., & Dawson, J. (2013). How does perceived convenience retailer innovativeness create value for the customer? *International Journal of Business and Economics*, 12(2), 171–179.

Maixé-Altés, J. C., & Balaguer, R. C. (2015). Structural change in peripheral European markets Spanish grocery retailing, 1950–2007. *Journal of Macromarketing*, 35(4), 448–465. doi:10.1177/0276146715571966

Manasseh, T., Müller-Sarmiento, P., Reuter, H., von Faber-Castell, C., & Pallua, C. (2012). Customer inspiration—a key lever for growth in European retail. *Marketing Review St. Gallen*, 29(5), 16–21. doi:10.13651/1621-012-0159-9

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

- Marcon, A., de Medeiros, J. F., & Ribeiro, J. L. D. (2017). Innovation and environmentally sustainable economy: Identifying the best practices developed by multinationals in Brazil. *Journal of Cleaner Production*, *160*, 83–97. doi:10.1016/j.jclepro.2017.02.101
- Miller, D. (1988). Relating Porter's business strategies to environment and structure: analysis and performance implications. *Academy of Management Journal*, *31*(2), 280–308.
- Miller, D., & Dröge, C. (1986). Psychological and traditional determinants of structure. *Administrative Science Quarterly*, *31*(4), 539–560. doi:10.2307/2392963
- Mittal, S., & Gera, R. (2013). Relationship between service quality dimensions and behavioural intentions: An SEM study of public sector retail banking customers in India. *Journal of Services Research*, *12*(2), 147–171.
- Mohan, G., Sivakumaran, B., & Sharma, P. (2012). Store environment's impact on variety seeking behavior. *Journal of Retailing and Consumer Services*, *19*(4), 419–428. doi:10.1016/j.jretconser.2012.04.003
- Mulhern, F. J. (1997). Retail marketing: from distribution to integration. *International Journal of Research in Marketing*, *14*(2), 103–124. doi:10.1016/S0167-8116(96)00031-6
- Musso, F. (2010). *Innovation in marketing channels. emerging issues in management*, *1*. Retrieved from <http://www.unimib.it/upload/gestioneFiles/Symphonya/lasteng/f20101/mussoeng12010.pdf>
- Musso, F. & Druica, E. (Eds.). (2014). Handbook of research on retailer-consumer relationship development. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of Business Research*, *57*(2), 209–224. doi:10.1016/S0148-2963(01)00303-4
- Okazaki, S., Navarro, A., & Campo, S. (2013). Media integration of QR code: A preliminary exploration. *Journal of Electronic Commerce Research*, *14*(2), 137–148.
- Oliver, R. L. (1993). Cognitive, affective, attribute bases of the satisfaction response. *The Journal of Consumer Research*, *20*(3), 418–430. doi:10.1086/209358
- Oliver, R. L. (1997). *Satisfaction: A behavioral perspective on the consumer*. New York, NY: McGraw-Hill.
- Pantano, E., Priporas, C. V., & Stylos, N. (2018). Knowledge push curve (KPC) in retailing: Evidence from patented innovations analysis affecting retailers' competitiveness. *Journal of Retailing and Consumer Services*, *44*, 150–160. doi:10.1016/j.jretconser.2018.06.004
- Pantano, E., & Vannucci, V. (2019). Who is innovating? An exploratory research of digital technologies diffusion in retail industry. *Journal of Retailing and Consumer Services*, *49*, 297–304. doi:10.1016/j.jretconser.2019.01.019
- Pappu, R., & Quester, P. (2006a). A consumer-based method for retailer equity measurement: Results of an empirical study. *Journal of Retailing and Consumer Services*, *13*(5), 317–329. doi:10.1016/j.jretconser.2005.10.002

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Pappu, R., & Quester, P. (2006b). Does customer satisfaction lead to improved brand equity? An empirical examination of two categories of retail brands. *Journal of Product and Brand Management*, 15(1), 4–14. doi:10.1108/10610420610650837

Pappu, R., & Quester, P. G. (2016). How does brand innovativeness affect brand loyalty? *European Journal of Marketing*, 50(1/2), 2–28. doi:10.1108/EJM-01-2014-0020

Polacco, A., & Backes, K. (2018). The Amazon go concept: Implications, applications, and sustainability. *Journal of Business and Management*, 24(1).

Reinartz, W., Dellaert, B., Krafft, M., Kumar, V., & Varadarajan, R. (2011). Retailing innovations in a globalizing retail market environment. *Journal of Retailing*, 87, S53–S66. doi:10.1016/j.jretai.2011.04.009

Reynolds, R. (2014). Final report from the expert group on retail sector innovation. European Commission. Retrieved from http://ec.europa.eu/research/innovation-union/pdf/Report_from_EG_on_Retail_Sector_Innovation_A4_FINAL_2.pdf

Rowley, J., Baregheh, A., & Sambrook, S. (2011). Towards an innovation-type mapping tool. *Management Decision*, 49(1), 73–86. doi:10.1108/00251741111094446

Ruiz-Molina, M. E., Gil-Saura, I., & Servera-Francés, D. (2017). Innovation as a key to strengthen the effect of relationship benefits on loyalty in retailing. *Journal of Services Marketing*, 31(2), 131–141. doi:10.1108/JSM-12-2015-0387

Ryssel, R., Ritter, T., & Gemunden, H. G. (2004). The impact of information technology deployment on trust, commitment and value creation in business relationships. *Journal of Business and Industrial Marketing*, 19(3), 197–207. doi:10.1108/08858620410531333

Sánchez Pérez, M., Estrella Ramón, A. M., Ruiz Real, J. L., & García Ramírez, A. (2011). Retailing in Europe: Situation and trends. *Revista de Estudios Empresariales*, segunda época, 2, 67-95.

Shankar, V., Kleijnen, M., Ramanathan, S., Rizley, R., Holland, S., & Morrissey, S. (2016). Mobile shopper marketing: Key issues, current insights, and future research avenues. *Journal of Interactive Marketing*, 34, 37–48. doi:10.1016/j.intmar.2016.03.002

Shen, P. (2010). A study on the multi-dimensional relationship between consumer shopping value and retailer brand equity. In *Marketing Science Innovations and Economic Development - Proceedings of 2010 Summit International Marketing Science and Management Technology Conference* (128-132). Retrieved from <http://www.seiofbluemountain.com/upload/product/201008/2010shcyx02a9.pdf>

Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77(2), 203–220. doi:10.1016/S0022-4359(01)00041-0

Swoboda, B., Haelsig, F., Schramm-Klein, H., & Morschett, D. (2009). Moderating role of involvement in building a retail brand. *International Journal of Retail & Distribution Management*, 37(11), 952–974. doi:10.1108/09590550910999370

Velarde Fuertes, J. (2011). Problemática actual de la distribución comercial española (un estado de la cuestión). *ICADE. Revista cuatrimestral de las Facultades de Derecho y Ciencias Económicas y Empresariales*, No. 83-84, 393-411.

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Wang, H., Wei, Y., & Yu, C. (2008). Global brand equity model: Combining customer-based with product-market outcome approaches. *Journal of Product and Brand Management*, 17(5), 305–316. doi:10.1108/10610420810896068

Willems, K., Smolders, A., Brengman, M., Luyten, K., & Schöning, J. (2017). The path-to purchase is paved with digital opportunities: An inventory of shopper-oriented retail technologies. *Technological Forecasting and Social Change*, 124, 228–242. doi:10.1016/j.techfore.2016.10.066

Wu, F., Yenyurt, S., Kim, D., & Cavusgil, S. T. (2006). The impact of information technology on supply chain capabilities and firm performance: A resource-based view. *Industrial Marketing Management*, 35(4), 493–504. doi:10.1016/j.indmarman.2005.05.003

Zaefarian, G., Forkmann, S., Mitrega, M., & Henneberg, S. C. (2017). A capability perspective on relationship ending and its impact on product innovation success and firm performance. *Long Range Planning*, 50(2), 184–199. doi:10.1016/j.lrp.2015.12.023

Zolfagharian, M. A., & Paswan, A. (2009). Perceived service innovativeness, consumer trait innovativeness and patronage intention. *Journal of Retailing and Consumer Services*, 16(2), 155–162. doi:10.1016/j.jretconser.2008.11.007

ADDITIONAL READING

Ailawadi, K. L., & Keller, K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing*, 80(4), 331–342. doi:10.1016/j.jretai.2004.10.008

Beata, R. (2016). Information and communication technologies as a source of marketing innovations in retail trends. *Journal of Economics and Management*, 23, 43–53.

Beristain, J. J., & Zorrilla, P. (2011). The relationship between store image and store brand equity: A conceptual framework and evidence from hypermarkets. *Journal of Retailing and Consumer Services*, 18(6), 562–574. doi:10.1016/j.jretconser.2011.08.005

Botschen, G., & Wegerer, P. K. (2017). Brand-driven retail format innovation: A conceptual framework. *International Journal of Retail & Distribution Management*, 45(7/8), 874–891. doi:10.1108/IJRDM-10-2016-0181

Chebat, J., El Hedhli, K., & Sirgy, M. J. (2009). How does shopper-based mall equity generate mall loyalty? A conceptual model and empirical evidence. *Journal of Retailing and Consumer Services*, 16(1), 50–60. doi:10.1016/j.jretconser.2008.08.003

Dotzel, T., Shankar, V., & Berry, L. L. (2013). Service innovativeness and firm value. *JMR, Journal of Marketing Research*, 50(2), 259–276. doi:10.1509/jmr.10.0426

Drejer, I. (2004). Identifying innovation in surveys of services: A Schumpeterian perspective. *Research Policy*, 33(3), 551–562. doi:10.1016/j.respol.2003.07.004

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

- El Hedhli, K., & Chebat, J. (2009). Developing and validating a psychometric shopper-based mall equity measure. *Journal of Business Research*, 62(6), 581–587. doi:10.1016/j.jbusres.2008.05.016
- Fleck, N., & Nabec, L. (2010). L'enseigne: Un capital pour le distributeur. *Management & Avenir*, 38(8), 14–32. doi:10.3917/mav.038.0014
- Fuller, G. W. (2004). *New Food Product Development – From Concept to Marketplace* (2nd ed.). Florida: CRC Press B. C. doi:10.1201/9781420058208
- Ganesan, S., George, M., Jap, S., Palmatier, R. W., & Weitz, B. (2009). Supply Chain Management and Retailer Performance: Emerging Trends, Issues, and Implications for Research and Practice. *Journal of Retailing*, 85(1), 84–94. doi:10.1016/j.jretai.2008.12.001
- Grewal, D., Ailawadi, K. L., Gauri, D., Hall, K., Kopalle, P., & Robertson, J. R. (2011). Innovations in retail pricing and promotions. *Journal of Retailing*, 87, S43–S52. doi:10.1016/j.jretai.2011.04.008
- Grewal, D., Levy, M., & Kumar, V. (2009). Customer Experience Management in Retailing: An Organizing Framework. *Journal of Retailing*, 85(1), 1–14. doi:10.1016/j.jretai.2009.01.001
- Hsiao, J.-M. M. (2010). Building Competitive Advantage Through Innovative Reverse Logistics Capabilities. *Operations and Supply Chain Management*, 3(2), 70–82.
- Hu, Y., & Zhao, S. (2010). A Case Study of Online Retail Innovation System On Alibaba Taobao. In IEEE Computer Society, *2010 International Conference on E-Business and E-Government* (224–227). Washington, DC: IEEE Computer Society. 10.1109/ICEE.2010.64
- Jara, M. (2009). Le capital-marque des marques de distributeurs: Une approche conceptuelle différenciée. *Revue Française du Marketing*, 221(1/5), 47–61.
- Jara, M., & Cliquet, G. (2012). Retail brand equity: Conceptualization and measurement. *Journal of Retailing and Consumer Services*, 19(1), 140–149. doi:10.1016/j.jretconser.2011.11.003
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(January), 1–22. doi:10.1177/002224299305700101
- Kruger, H., & Fourie, L. C. H. (2003). An investigation into the uniformity and non-uniformity of online/offline retail brand building in South Africa. *South African Journal of Business Management*, 34(4), 27–34. doi:10.4102ajbm.v34i4.689
- Laczniak, R. N., DeCarlo, T. E., & Motley, C. M. (1996). Retail equity perceptions and consumers' processing of negative word-of-mouth communication. *Journal of Marketing Theory and Practice*, 4(4), 37–48. doi:10.1080/10696679.1996.11501737
- Martenson, R. (2007). Corporate brand image, satisfaction and store loyalty. A study of the store as a brand, store brands and manufacturer brands. *International Journal of Retail & Distribution Management*, 35(7), 544–555. doi:10.1108/09590550710755921
- Musso, F. (2012). Technology in Marketing Channels: Present and Future Drivers of Innovation. [IJABE]. *International Journal of Applied Behavioral Economics*, 1(2), 41–51. doi:10.4018/ijabe.2012040104

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of Business Research*, 57(2), 209–224. doi:10.1016/S0148-2963(01)00303-4

Pappu, R., & Quester, P. G. (2008). Does brand equity vary between department stores and clothing stores? Results of an empirical investigation. *Journal of Product and Brand Management*, 17(7), 425–435. doi:10.1108/10610420810916335

Pappu, R., Quester, P. G., & Cooksey, R. W. (2005). Consumer-based brand equity: Improving the measurement – empirical evidence. *Journal of Product and Brand Management*, 14(3), 143–154. doi:10.1108/10610420510601012

Shamma, H. M., & Hassan, S. S. (2009). Customer and non-customer perspectives for examining corporate reputation. *Journal of Product and Brand Management*, 18(5), 326–337. doi:10.1108/10610420910981800

UNIDO. (2002). Innovation and learning in global value chains. In *Industrial Development Reports 2002/2003* (105-115). Retrieved August 3, 2013, from http://www.unido.org/fileadmin/user_media/Publications/Research_and_statistics/Branch_publications/Research_and_Policy/Files/Reports/Flagship_Reports/IDR/Industrial%20Development%20Report%202002-2003.pdf

Willems, K., & Swinnen, G. (2008). From successful differentiation in retailing to store equity. In Kooij, Dorien (Ed.) *Proceedings of the PhD Research in Business Economics and Management Conference 2008*. The Netherlands Organization for Researchers in Business Economics and Management (NOBEM). Retrieved August 3, 2013, from <http://doclib.uhasselt.be/dspace/bitstream/1942/9447/1/PREBEM%20abstract%20.pdf>

Witell, L., Anderson, L., Brodie, R. J., Colurcio, M., Edvardsson, B., Kristensson, P., ... Wallin Andreassen, T. (2015). Exploring dualities of service innovation: Implications for service research. *Journal of Services Marketing*, 29(6/7), 436–441. doi:10.1108/JSM-01-2015-0051

Zeithaml, V., Berry, L. L., & Parasuraman, A. (1996). The Behavioral Consequences of Service Quality. *Journal of Marketing*, 60(April), 31–46. doi:10.2307/1251929

Are Retailers' Perceptions of Their Innovativeness and Technology Similar to Those of Consumers?

Zhang, X. M., Shen, N. L., & Mao, X. P. (2011). Model of Collaborative Knowledge Innovation with Distributor Participation in Supply Chain. *Advanced Materials Research*, 201-203, 773–778. doi:10.4028/www.scientific.net/AMR.201-203.773

KEY TERMS AND DEFINITIONS

Awareness: In the context of retailing, retailer brand awareness is the extent to which a retailer's name is familiar to consumers.

Behavioral Intentions: In the context of retailing, this concept can be defined as the consumer willingness to develop some categories of behaviors such as referrals, price sensitivity, repurchase, complaining behavior, loyalty and word of mouth (Zeithaml et al., 1996).

Information and Communication Technologies: Solutions used to create, record, manipulate, communicate, exchange, present, and use information – e.g. data, conversations, images, videos, etc.

Loyalty: Following Oliver (1997; p. 392), retailer loyalty consists on “a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, despite situational influences and marketing efforts having the potential to cause switching behavior”.

Perceived Value: “Consumers’ overall assessment of the utility of a product based on perceptions of what is received and what is given” (Zeithaml, 1988, p. 14).

Retailer Brand Equity: Hartman and Spiro (2005, p. 1114) define store equity as “the differential effect of store knowledge on customer response to the marketing of the store”. Furthermore, Jinfeng and Zhilong (2009, p. 487) refer to retailer equity as “the incremental utility or value added to a retailer by its brand name”, stressing an essential task of establishing the brand being identified and generating a differential response.


Retailer Product and Service Quality: Retailer perceived quality is defined as consumer's judgment about a retailer's overall excellence or superiority on the perception of goods and services (Pappu and Quester, 2006a,b).

Retail Innovativeness: According to the definition of Homburg et al. (2002), it is the degree to which retailers in the local market adopt new merchandising or service ideas.

Chapter 15

Retailing 4.0 and Technology– Driven Innovation: A Literature Review

Fabio Musso

 <https://orcid.org/0000-0002-5189-2956>

Carlo Bo University of Urbino, Italy

Roxana Adam

National Institute of Statistics, Romania

ABSTRACT

The chapter analyzes the contribution of technology for boosting innovation within the retail industry. The study focuses on the main areas of innovation for retailers, both in the relationships with suppliers and the final demand. With reference to vertical relationships (for supplying activities), the key innovation areas are those of technology-based interaction tools, joint management of supplying activities, and E-sourcing. In the relations with consumers, technology is stimulating innovation on checkout technologies, dynamic in-store pricing, electronic and mobile payments, augmented reality, artificial intelligence-supported devices, and self-service technologies.

INTRODUCTION

After the web revolution, a process of reviewing the traditional models of organizing distribution systems and retailing has begun, with new emerging issues, in addition to those of disintermediation / reintermediation in the relationships between manufacturers, retailers and consumers. Also marketing channels have changed dramatically in the last two decades, due to the advent of the ongoing digitalization, affecting many manufacturers and retailers' business models (Sorescu, Frambach, Singh, Rangaswamy, & Bridges, 2011). Actually, the picture is complex, with blurred boundaries between different channel roles. After the diffusion of mobile devices, social media, and the integration of new channels in online

DOI: 10.4018/978-1-7998-1412-2.ch015

Retailing 4.0 and Technology-Driven Innovation

and offline environments, the retailing landscape continues to change, moving from a multichannel to an omnichannel retailing distribution (Rigby, 2011).

Channels are interchangeably and seamlessly used during the search and purchase process and it is difficult or virtually impossible for companies to control this usage. Whereas in the multichannel phase research shopping gained some attention, in the omnichannel phase showrooming is becoming an important issue. Shoppers now frequently search for information in the store and simultaneously search on their mobile device to get more information about offers and may find more attractive prices. The opposite of showrooming also occurs, which is now referred to as webrooming, where shoppers seek information online and buy offline (Verhoef et al., 2015). Thus, consumer switching across channels and devices such as desktops, tablets and smartphones are all part of the shoppers' omni-channel experience and companies need to consider this to provide a seamless interaction.

This development is affecting competitive strategies of both retailers and manufacturers and is breaking down old barriers such as geography and consumer ignorance. In addition, logistics started to change dramatically, breaking the classic patterns where logistic actors played a functional role in bringing efficiency to a process where a large number of producers offered goods to a myriad of consumers. Nowadays, logistics solutions adopted by larger e-commerce marketplaces are making possible a return to a direct producer-consumer relationship developed at the global level.

Implications are relevant, including the way in which consumers buying behavior is changing, and the different role that retailers are intended to assume. In the next years, most of the theories on distribution systems and the role of business actors at the production, distribution and service levels will have to be rewritten. In such a change, innovation seems to be the key perspective in the light of which trying to interpret the future of retailing.

TECHNOLOGICAL INNOVATION IN RETAILING

Innovation in retailing has been divided into technology-based innovation and market-based innovation (Castaldo, 2001; Cardinali, 2005; Musso, 2010; 2012a), with the latter linked to demand-driven factors, which are related to variations in the characteristics and behaviors of customers that companies seek to comply with (Kaufman-Scarborough & Forsythe, 2009), and competitive factors, as a result of differentiation strategies of retailers for responding to changes in the final demand.

Within retailing companies, innovation has been classified into four fundamental categories (Dupuis, 2000; Whysall, 2000):

1. Innovation in the store concept, mainly referred to front office structures, organization and activities;
2. Innovation in channel relationships (back office), which mainly concern logistics and information flows;
3. Organizational innovation, aiming at improving the management of the corporate network and the overall supply chain;
4. Structural innovations, which concern the way in which the previous categories can be recombined according to an innovative trading concept.

Horizontal to the above-mentioned areas of innovation is technology, which favored the emergence of new forms of distribution, offering new and additional services to customers (Musso, 1997; 2012b).

In recent years, thanks to the opportunities offered by technology, innovation in retailing occurred with higher intensity and speed. In most cases, innovation involved channel partners, upstream and downstream of the network they belong to, extending its influence to all the vertical relationships in which retailers are partners. In a context of strong emphasis on competition in the retail sector, both at the horizontal level (between retailers) and the vertical level (between manufacturers and retailers), technology influenced the relationships between companies, at the vertical level, and between companies and the final demand, as follows:

1. Innovation in vertical relationships between companies.
 - Technology based interaction tools.
 - Joint management of supplying activities.
 - E-procurement, E-sourcing.
2. Innovation in relationships with consumers.
 - Checkout technologies.
 - Dynamic in-store pricing.
 - Electronic and mobile payments.
 - Augmented Reality (AR)
 - Device as a Customer (DaaC)
 - Self-service technologies.

Innovation in Vertical Relationships

Technology Based Interaction Tools

The first innovation field in the relationships between firms is that of *technology based interaction tools*, that is, all the techniques that allow, through the use of information and communication technology (ICT), to speed up vertical relationships and make them more efficient, without interruptions and with stock reduction.

Thanks to the advances in the Supply Chain Management (SCM), the purchasing function and logistics functions, which are the basic components of retailers' procurement, have gradually been integrated within a unique perspective, also thanks to new data processing and communication tools. The timely availability of a detailed information and the possibility to properly manage it, allowed a higher level of measuring, accounting and predicting all the supply chain-related events and decisions, improving supply chain performance (Tummala, Phillips, & Johnson, 2006).

It is technological innovation that facilitates the integration of structures, physical flows, and information within the same distribution channel, providing the technological platform of SCM (Closs & Xu, 2000; Porter, 2001). Currently, global SCM is becoming a strategic objective for many retailers.

The concept of SCM is becoming fully recognized as a common process to manage innovation and coordination among firms' networks, according to the Efficient Consumer Response (ECR) principles. The two key elements of ECR aim, firstly, at ensuring the flow of goods without stock breakings and, secondly, at regulating the information flow between actors within the channel through Internet based communication systems. ECR allows the development of the supply chain as a whole, eliminating non value-added functions. The key elements of ECR are efficient replenishment, efficient assortment, efficient product introduction and efficient promotion. These are the means with which to face the major

Retailing 4.0 and Technology-Driven Innovation

problems in retail stores, namely out-of-stocks and over-stocks (Kotzab, 1999). To fully adopt ECR, a company should change operations, starting from the strategic level and continuing to marketing, logistics and financial functions (Kaipia & Tanskanen, 2003).

One of the pillars of an efficient SCM is logistics, which involves both physical and information flows by improving the transportation network, the logistics centers management, the non-compliance managing processes, and by establishing web-based communication infrastructures.

To lower costs of stock management, handling and transports, several organizational solutions have been developed, aimed at making the logistic cycle faster and without errors. These solutions can be developed via third party operators or by the use of transit logistic facilities, according to the cross docking technique. Cross-docking is the practice of unloading materials from an incoming semi-trailer truck or rail car, and loading these materials directly into outbound trucks, trailers, or rail cars, with little or no storage in between. Cross-docking can be managed according to the logic of the multi-vendor platform (platform common to several manufacturers) or multi-retailer (platform common to several retailers).

The most recent fields in logistic innovation for material movements, both inside and outside warehouses, are Radio-Frequency Identification (RFID), Global Positioning System (GPS) tracking, and the Internet of Things (IoT).

RFID is the use of an object (typically referred to as an RFID tag) applied to a product, or a package, for the purpose of identification and tracking using radio waves. RFID is also used in inventory systems, with relevant potential reductions in out-of-stocks (Hardgrave, Miles, & Mitchell, 2009). Other benefits of using RFID include the reduction of labour costs, the simplification of business processes, and the reduction of inventory inaccuracies.

GPS tracking systems employ satellites and sensors mounted on trucks which digitally sample the GPS satellite signals and records them in a data buffer. The digital samples are then transmitted, at a rate lower than that at which the GPS satellite signals were sampled, over a data telemetry link, interleaved with other telemetry data from the sensor. The GPS data is processed in a data processing workstation where the position and velocity of the sensor, at the time the data was sampled, is computed. The data buffer in the sensor is periodically refreshed, and the workstation periodically computes the new position and velocity of the sensor (Delmonteil & Rancourt, 2017; Alho et al., 2018).

IoT is based on networks of sensors and wireless devices that can be remotely accessed through the internet or private networks (Pelino & Gillett, 2016). It is now being adopted across multiple vertical market segments for consumer applications and SCM (Vermesan et al., 2011). We IoT plays a key role in bridging supply and demand, acting as a countermeasure to the widening gap between information on products that best match consumers' needs and retailers stock availability (Caro & Sadr, 2019).

Joint Management of Supplying Activities

The second area of innovation in vertical relationships between retailers and suppliers is the *joint management of supplying activities*, through techniques such as Vendor Management Inventory (VMI), Collaborative Planning Forecasting and Replenishment (CPFR) and Vendor Managed Category Management (VMCM).

Vendor Management Inventory includes assortments decisions, activities for reducing stock-outs, and the use of indicators to control and improve joint processes. VMI is an operating model in which the supplier takes responsibility for the inventory of its customer. In a VMI-partnership the supplier makes the main inventory replenishment decisions for the customer. The supplier, which may be a manufacturer,

reseller or a distributor, monitors the buyer's inventory levels and makes supply decisions regarding order quantities, shipping and timing (Waller, Johnson, & Davis, 1999). In VMI, the supplier is able to smooth the peaks and valleys in the goods' flow, therefore keeping smaller buffers of capacity and inventory. Usually, in VMI the frequency of shipments is increased (Kaipia & Tanskanen, 2003). Retailers' buyers need not monitor the supplier performance by the service level provided by the supplier. The only meaningful service level is from the retailer to its customers. The supplier's performance is measured by this service level and by the inventory level at the retailer. Successful VMI implementations in retailing can be found in the apparel industry. However, VMI has not gained large acceptance in the grocery supply chain (Musso, 2012).

In addition to VMI, a with a higher degree of integration and marked implications for marketing, both in the end-customer analysis, and the establishment of retail marketing policies (e.g., category management, promotions inside outlets, and shelf space management) are methodologies such as *Collaborative Planning Forecasting and Replenishment* (CPFR) and *Vendor Managed Category Management* (VMCM) (Kaipia & Tanskanen, 2003).

Collaborative Planning Forecasting and Replenishment is a methodology for the joint purchasing management between retailers and their suppliers. It consists of jointly making sales forecasts and procurement schemes, and includes all activities that pertain to the management of assortments, such as promotions and the introduction of new products. The CPFR encourages the sharing of market information and collaborative planning for the establishment and management of optimal assortments. The CPFR is suitable for those product categories that require a high level of promotional activity and are characterized by significant fluctuations in demand.

Vendor Managed Category Management is a concept for retail demand fulfilment, that combines the ideas of VMI, Category Management and outsourcing. The more frequent application for VMCM is on non-core product categories because the benefits of outsourcing are most obvious: for a retailer, it is expensive to maintain knowledge and skills to manage a minor product category, and the outsourcing risk is at its lowest in a non-core category (Kaipia & Tanskanen, 2003).

E-Procurement, E-Sourcing

An additional area of technological innovation in vertical relationships between retailers and suppliers is that of the management of supplies via the Internet, including e-procurement and e-sourcing. It is an area that horizontally involves all the previously considered levels of integration.

E-procurement covers every possible e-solution adopted, to improve the flexibility and speed of the supply chain, especially the inter and intra-company synchronization. Therefore, e-procurement encompasses all phases of back-end and front-end activities, that are digitized and shared with suppliers (Risso, 2009). E-sourcing is an evolution of e-procurement. It includes all stages of the purchase made via the Internet, including the search for new suppliers, their qualification and certification, up to the negotiation. Specifically, the e-sourcing processes can be identified in five fundamental phases: needs analysis, suppliers research, suppliers qualification, offer request, and negotiation (Nabhani, Uhl, Kauf, & Shokri, 2018).

Tools for the management of e-procurement and e-sourcing are the electronic marketplaces (e-marketplaces), i.e., electronic platforms facilitating activities related to the transactions and interactions among firms. E-marketplaces involve a large number of users, so as to reach the critical mass (McDuffie & Helper 2003). In the experience of large retailers, to facilitate the achievement of such a critical mass,

Retailing 4.0 and Technology-Driven Innovation

and above all, improve the performance of the platform, multi-retailer based vertical e-marketplaces are privileged.

Among the rules for trading on-line adopted in e-marketplaces are reverse auctions (e-reverse auctions), where the buyer requires a good/service, and providers compete for the contract in a downward price game, changing the relationship from bilateral (one-to-one) to multilateral (one-to-many) (Losch & Lambert, 2007).

Innovation in Relationships With Consumers

Checkout Technologies

Checkout technologies are applied to locations where a retail transaction occurs. A checkout refers to a Point of Sale (POS) terminal or more generally to the hardware and software used for checkouts, the equivalent of an electronic cash register. The development of technology is towards web-based POS software that can be run on any device with an Internet connection, without additional software installations or manual updates required (Musso, 2005; 2012a). The benefits of POS technology are in the possibility to better manage inventory, by combining sales data with the amount and cost of the purchases. This enables the firm to analyze the profitability of individual products and manage inventory more accurately and quickly. Moreover, with data on the rate of rotation and the productivity of goods sold, it is possible to optimize product display in the store through the use of specific space management software.

It has been several years since innovative technologies were being experimented in order to make checkout procedures faster and more time saving for personnel (Ostrom, Bitner, & Meuter, 2016; Demoulin & Djelassi, 2016). The adoption of self-scanning systems, which are currently the most used trials in progress, seems to be only an intermediate solution compared to technologies based on radio frequency transmissions. The spread of these technologies, however, requires that manufacturers apply Radio-Frequency Identification (RFID) tags to all individual products. RFID tag data capacity is large enough that each individual tag will have a unique code, while current bar codes are limited to a single type code for a particular product. The uniqueness of RFID tags means that a product may be tracked as it moves from location to location, finally ending up in the consumer's hands (Parthiban & Seet, 2019). This may help to combat theft and other forms of product loss. This may also help companies to cope with quality deficiencies and resulting recall campaigns, and also contributes to concern about tracking and profiling of consumers after the sale.

Dynamic In-Store Pricing

In addition to check-out technologies, dynamic in-store pricing (Wohlert, Mendoza & Pratt, 2015) with the use of electronic shelf label (ESL) systems can be adopted (Park & Jang, 2016). ESL systems allow price changes depending on time of day and levels of customer traffic in the store. An ESL system consists of a local wireless communication network and electronic labels (small LCD screens). The system obtains information from the store scanner database, and broadcasts it to the shelf labels. The system continuously monitors the ESLs to ensure that they are present and that they display the correct information (Bergen, Levy, Ray, Rubin, & Zeliger (2008).

ESL systems yield 100% accuracy because the cash register prices are identical to the prices displayed on the ESLs as both are linked to the same database. According to Zbaracki, Ritson, Levy, Dutta, &

Bergen (2004), ESL systems are costly to purchase (system price, installation cost, training to employees to use the system) and maintain (continuous upgrade of software and hardware, labels battery replacement, labels replacement after tampering).

Electronic and Mobile Payments

Electronic and mobile payment systems can be observed in the virtual realm as well as in the real world. As regards electronic payments, the extensive use of credit and debit cards for proximity purchases has already demonstrated the possibility of considerably reducing the volume of cash-based transactions (Teo, Tan, Ooi, Hew, & Yew, 2015), offering convenience and speed (Oliveira, Thomas, Baptista, & Campos, 2016).

On the other hand, mobile payments for goods, services, and bills, take advantage of wireless and other communication technologies (Dahlberg, Mallat, Ondrus, & Zmijewska, 2008). More recent advances are in Near-Field Communication (NFC) mobile payment apps, which enables mobile devices to make in-store or point of sale payments using mobile wallets and NFC technology (de Luna, Montoro-Ríos, & Liébana-Cabanillas, 2018). The mobile devices identify each other and communicate within the nearby appliances, without the need for an internet access. The NFC chip transmits the cardholder's info wireless, and the cardholder is able to make the payment from the eligible bank via debit or credit card in the app with the mobile phone. The NFC mobile payments have been adopted by retailers being compatible with the same POS terminals that accept contactless payments for large types of cards (Tan, Ooi, Chong, & Hew, 2014).

Mobile payments are suitable for proximity and micro-payments, and offer transfer of secure information between devices, from single transactions to environments with high volume of payments, such as large retailers (Leong, Hew, Tan, & Ooi, 2013). Several successful mobile payment systems have initially been launched in order to enhance the convenience of micro-payments for local daily expenditures (Ondrus & Pigneur, 2006; 2007). These solutions have initially been adopted by various quick-service oriented industries such as public transportation, tollbooths, gas stations, fast-food restaurants, retail vending machines and ski resort ticketing.

Actually, research on mobile payment adoption is still under explored if compared to related fields of research like e-commerce and mobile banking and is considered in its infancy (Slade, Williams, & Dwivedi, 2013; Slade, Williams, Dwivedi, & Piercy, 2014), but the number of studies on this topic increased in last years (Dahlberg, Guo, & Ondrus, 2015).

Another innovation, yet not so widespread in retail sector, is the biometric-enabled payment card, which allows the user to authenticate a payment with a simple touch of the finger. Retailers (e.g. Auchan, Carrefour) are trying to spread it more and more in European countries. The biometrics is associated with privacy risk, but these privacy issues are covered by legislation (for example the processing of sensitive data is prohibited under EU jurisdiction) (Breebaart, Yang, Buhan-Dulman, & Busch, 2009).

Augmented Reality (AR)

A further area of technological innovation in relationships with consumers is that of Augmented Reality (AR). AR represents an innovative media format that integrates virtual information into a user's perception of the realworld (Rauschnabel, Felix & Hinsch, 2019). AR technology "involves devices, such as smartphones, tablets, or headsets, which impose a virtual overlay over the physical world. Depending on

the device, this virtual overlay provides the user with minimal (e.g. smartphones), partial (e.g. Google Glass) or total (e.g. Oculus Rift) immersion in AR” (van Esch et al., 2019).

AR is linked to online shopping, and represents a way for contrasting webrooming (browse on-line and buy products in traditional stores) and return rates (Dacko, 2016; Hilken et al., 2018). This is due to the lack of direct product experiences when shopping online, since online presentations lack the sensory information which is usually provided when shopping in a physical store (Hilken, de Ruyter, Chylinski, Mahr & Keeling, 2017; Overmars and Poels, 2015). AR allows bridging the gap between offline and online shopping by enabling consumers to virtually try products on their own face or surroundings (e.g., make-up, furniture, sunglasses) (Smink, Frowijn, van Reijmersdal, van Noort, Neijens, 2019), and it presents many differences compared to existing media formats, particularly the fact that AR integrates virtual content in a user’s perception of the real world, whereas traditional media typically present content separately from reality (Rauschnabel et al., 2019).

Olsson, Lagerstam, Karkkainen, & Vaananen-Vainio-Mattila (2013) analyzed mobile AR apps in the context of shopping centers. They reported that consumers associate them with several cognitive and emotional benefits. Moreover, Rauschnabel (2018) pointed out that fundamental human needs (e.g., need for belonging, social connection) can be addressed through AR technologies, and likewise, Rauschnabel, He, & Ro (2018), as well as Fiore, Jin, & Kim (2005) found that AR glasses provide utilitarian and symbolic benefits, also increasing consumers’ hedonic value and emotional pleasure. As Bulearca & Tamarjan (2010) reported, AR can also increase customer satisfaction and loyalty, repeat purchases, and positive WOM.

However, consumers’ uptake appears to be slow in terms of using AR in the retail environment (van Esch et al., 2019).

Device as a Customer (DaaC)

Device as a Customer (DaaC) is a direct consequence of Artificial Intelligence (AI) applications, and will probably represent one of the most challenging trends for retail marketing.

In the near future devices will be able to make buying decisions on behalf of their owners, putting retailers in front of non-human customers. From washing machines being able to order detergents, to refrigerators that will restock autonomously, the relationship consumer-retailer will change dramatically (Ghosh, 2017). In an Internet of Things (IoT) environment, devices will take into account preferences of their owners when shopping, such as price sensitivity, preferences for premium or locally produced goods, or level of urgency (Kowalkiewicz, Rosemann and Dootson, 2017). Retailers will have to cope with machines’ choices, and will have to find the way to influence their set of preferences driven by business algorithms and without being influenced by any form of emotions. For Instance, washing machines will be in charge of ordering their own washing powder when they know it is running out, completely disengaging consumers from the process (Kowalkiewicz et al., 2017).

Existing systems operate within close environments, such as Alexa which buys only Amazon-sold products, or cars manufacturers whose automatic reorder systems only buy original components and spare parts. In the future, regulatory interventions will have to guarantee equitable access for other providers. This will create a new market in which retailers will have to operate.

Amazon already started to develop this market, selling self-replenishing devices, as part of Amazon Dash Replenishment program, which include printers, washing machines and blood glucose monitors, making it possible to build and sell products that self-replenish using the service. Similarly, IBM started

a partnership with VISA using the IBM Watson artificial intelligence software (Wheelwright, 2017) for the same purpose. “A fitness watch might also want to keep track of how many miles you’ve logged on your running shoes – and then prompt you to order new ones with a personalized recommendation, informed by all the information about you that’s been recorded by the fitness watch (such as your running style, speed and typical distance)” (Wheelwright, 2017). Differently from Amazon Dash Replenishment, this program will operate in an open ecosystem, not restricting purchases to a specific store.

The development of DaaC systems will put in question the role of behavioral economics, which will have to review its coordinates in a market where robots and their algorithms will participate (or even dominate) in consumer purchasing decisions. The DaaC models will give life to a completely new model called Business-to-Thing (B2T) management (Oberländer, Röglinger, Rosemann, & Kees, 2018).

Self-Service Technologies

A further face of technological innovation for retailers in dealing with consumers is that of Self-Service Technology (SST), based on interacting technologies, like vending machines and multimedia kiosks. With consumers wanting quick and convenient access to competitively priced products, the vending industry has seen a great deal of growth over the last ten years.

Vending machines are continually updating with the latest technologies, as well as the variety of products that are being sold. One of the newest vending innovations is telemetry. The advent of reliable, affordable wireless technology has made telemetry practical and provided the medium through which cashless payments can be authenticated. Machines equipped with telemetry can transmit sales and inventory data to a route truck so that the driver knows exactly what products to bring in for restocking. Or the data can be transmitted to a remote headquarters for use in scheduling a route stop, detecting component failure or verifying collection information (Musso, 2012).

Responsive pricing policies (Courty & Pagliero, 2008) in vending machines are also made possible by technology, e.g., in the case of soft drinks vending machines that are programmed with pricing schemes that vary prices based on consumers’ desire at that moment, depending on outside temperature. New energy technology is also making its way to vending machines in the form of hydrogen fuel-cell machines that run off the grid.

Multimedia kiosks, sometimes described as interactive kiosks or public access kiosks, are computer workstations that are designed to provide public access to digital information and e-transactions. Kiosk technology supports public access applications with a highly visible housing for the workstation, and interfaces that are easy to use and often based on touch screens.

In retailing and other business environments such as travel, entertainment, advertising, property marketing and building, information kiosks are being used to provide information and services directly to customers.

Kiosks are typically located in a store, or in a shopping center or mall, or in other public environments such as railway stations, motorway service stations and airports. Yet, whilst web-based e-business has been the subject of much media and academic attention, kiosks are an unobtrusive addition to the landscape of traditional retail outlets (Rowley & Slack, 2003). In such applications, kiosks represent an innovation in in-store communication and promotion, since they can provide customers with a richness of product information, including, for instance: related products, stock levels and availability, recipes, special offers, and personalized product design.

Retailing 4.0 and Technology-Driven Innovation

Multi-media kiosks have been considered as the marketing organisation's opportunity to regain control over the ultimate stage (the point-of-purchase decision) in the marketing cycle (Norris, 1994).

3D Printing

3D printing has been introduced for manufacturing prototype models of products to assess functionality, fit, and look, but rapidly they started to be used in a number of applications, from consumer goods to bio-tech solutions. This industry is expanding as the type and number of materials compatible with 3D printing are expanded, from plastics, ceramics, steel, aluminum, food, and biotissues (Olson, 2013). The future of 3D printing involves materials which have the capability to transform their shape and structure in response to external stimuli such as water or temperature (Tibbits, 2014).

As a consequence of 3D printing, technology allows consumers to customize products on-demand, providing specifically to their needs, and reducing waiting time for production and shipping of products.

The advantages of scale economies will remain in several products, thus preserving a competitive advantage for the products available in stores or e-commerce sites. However, other products will be more suitable for domestic-scale 3D printing, at the moment technology will become available and price-competitive. As a result, some category of retailers will be at risk of obsolescence.

The advantages of economies of scale will remain in different products, thus preserving a competitive advantage for products available in the store or on. However, other products will be more suitable for 3D printing on a domestic scale as the technology will become available and competitive on price, and some categories of retailers will be at risk of obsolescence.

Since consumers need a reason to continue their relationship with retailers, the latter should consider the opportunities coming from make-your-own-product approaches (Kowalkiewicz et al., 2017). On the one hand, consumers will be seeking raw materials used in the 3D printing process; on the other hand, opportunities will come for a new retail channel, with a retailer-branded 3D printer in every home. Similarly to computer software, designs or recipes for home-created products, even designs and projects for 3D printed products will become a product themselves, that customers will pay for. Retailers planning strategically should explore opportunities to become the first entrants in this new market.

CONCLUSION

This study was aimed at contributing to a vision of technological innovation in retailing. In the last decade the role of retailers has changed as a consequence of new technologies, above all Internet, which allowed the development of multi and omni-channelling. The innovation areas suggested in this work provide a reference point for in depth studying, at the empirical level, innovation processes that arise from the adoption of new technologies, both in the relationships with the retailers' supply chain, and with the end-customer.

An issue requiring a more thorough discussion is that of the time horizon that should be taken as a reference for innovation analysis. The problem does not arise in studying what happened, but what will happen. Fast developing technologies are opening new views to great changes in the habits and modes of consumption, purchasing activities, the interaction between companies, and time management of consumers. These changes will require retail companies to search for new organizational models, new management of channel relationships, as well as new models of communication.

Facing this, the problem of discriminating between a medium period viewpoint, assuming the current state of the technology “with existing plants,” and a long-term period view, with very more advanced technologies, arises. This difference, with most companies that are often linked to a short-middle term perspective, is of particular importance for addressing strategic choices, both of manufacturers and retailers.

The managerial implications arising from this work mainly concern two aspects. The first refers to the need to assess the potential of innovation taking into account the involvement of the supply chain partners. Pursuing an innovative strategy without extending to the whole supply partners, and without assessing the ability of suppliers comply with it in advance, risks reducing its potential considerably.

The second aspect refers to the time horizon to be considered for innovation investments, in the relationship between investment costs and the corresponding achievable results. This relationship requires an analytical approach capable of allowing a correct assessment of the economic value of the investment with respect to the market results that will be affected by it, therefore in relation to the overall marketing strategy that must be planned, consistently to chronologically fixed scenarios.

REFERENCES

- Alho, A. R., You, L., Lu, F., Cheah, L., Zhao, F., & Ben-Akiva, M. (2018). Next-generation freight vehicle surveys: Supplementing truck GPS tracking with a driver activity survey. In *2018 21st International Conference on Intelligent Transportation Systems (ITSC)* (pp. 2974-2979). IEEE, November.
- Bergen, M., Levy, D., Ray, S., Rubin, P. H., & Zeliger, B. (2008). When little things mean a lot: on the inefficiency of item pricing laws. *The Journal of Law & Economics*, *51*(2), 209–250. doi:10.1086/589660
- Breebaart, J., Yang, B., Buhan-Dulman, I., & Busch, C. (2009). Biometric template protection. *Datenschutz und Datensicherheit-DuD*, *33*(5), 299–304. doi:10.1007/11623-009-0089-0
- Bulearca, M., & Tamarjan, D. (2010). Augmented reality: A sustainable marketing tool? *Global Business Management Research: International Journal*, *2*, 237–252.
- Cardinali, M. G. (2005). *Nuove traiettorie dell'innovazione nel retailing*. Milano, Italy: Egea.
- Caro, F., & Sadr, R. (2019). The internet of things (IoT) in retail: Bridging supply and demand. *Business Horizons*, *62*(1), 47–54. doi:10.1016/j.bushor.2018.08.002
- Castaldo, S. (Ed.). (2001). *Retailing & innovazione*. Milano, Italy: Egea.
- Closs, D. J., & Xu, K. (2000). Logistics information technology practice in manufacturing and merchandising firms – An international benchmarking study versus world class logistics firms. *International Journal of Physical Distribution & Logistics Management*, *30*(10), 869–886. doi:10.1108/09600030010351264
- Courty, P., & Pagliero, M. (2008). Responsive pricing. *Economic Theory*, *34*(2), 235–259. doi:10.1007/00199-006-0173-8
- Dacko, S. G. (2016). Enabling smart retail settings via mobile augmented reality shopping apps. *Technological Forecasting and Social Change*, *124*, 243–256. doi:10.1016/j.techfore.2016.09.032
- Dahlberg, T., Guo, J., & Ondrus, J. (2015). A critical review of mobile payment research. *Electronic Commerce Research and Applications*, *14*(5), 265–284. doi:10.1016/j.elerap.2015.07.006

Retailing 4.0 and Technology-Driven Innovation

- Dahlberg, T., Mallat, N., Ondrus, J., & Zmijewska, A. (2008). Past, present and future of mobile payments research: A literature review. *Electronic Commerce Research and Applications*, 7(2), 165–181. doi:10.1016/j.elerap.2007.02.001
- de Luna, I. R., Montoro-Ríos, F., & Liébana-Cabanillas, F. J. (2018). New perspectives on payment systems: near field communication (NFC) payments through mobile phones. In *Mobile commerce: concepts, methodologies, tools, and applications* (pp. 1487–1507). Hershey, PA: IGI Global. doi:10.4018/978-1-5225-2599-8.ch070
- Delmonteil, F. X., & Rancourt, M. È. (2017). The role of satellite technologies in relief logistics. *Journal of Humanitarian Logistics and Supply Chain Management*, 7(1), 57–78. doi:10.1108/JHLSCM-07-2016-0031
- Demoulin, N. T., & Djelassi, S. (2016). An integrated model of self-service technology (SST) usage in a retail context. *International Journal of Retail & Distribution Management*, 44(5), 540–559. doi:10.1108/IJRDM-08-2015-0122
- Dupuis, M. (2000). *Retail innovation: towards a framework of analysis*. Paper presented at the International EAERCD Conference on Retail Innovation, Barcelona, Spain, ESADE, July, 13-14.
- Fiore, A. M., Jin, H., & Kim, J. (2005). For fun and profit: Hedonic value from image interactivity and responses toward an online store. *Psychology and Marketing*, 22(8), 669–694. doi:10.1002/mar.20079
- Ghosh, S. (2017). *The future of retail marketing as it adapts to always-on consumers*. Retrieved from <http://www.campaignlive.co.uk/article/future-retail-marketing-adapts-always-on-consumers/1421014>
- Hardgrave, B. C., Miles, R. B., & Mitchell, Y. (2009). *Item-Level RFID for Apparel: The Bloomingdale's RFID Initiative*, Working Paper n. ITRI-WP147-0809, Information Technology Research Institute, University of Arkansas.
- Hilken, T., de Ruyter, K., Chylinski, M., Mahr, D., & Keeling, D. I. (2017). Augmenting the eye of the beholder: Exploring the strategic potential of augmented reality to enhance online service experiences. *Journal of the Academy of Marketing Science*, 45(6), 1–22. doi:10.1007/11747-017-0541-x
- Hilken, T., Heller, J., Chylinski, M., Keeling, D. I., Mahr, D., & de Ruyter, K. (2018). Making omnichannel an augmented reality: The current and future state of the art. *J. Res. Interact. Mark*, 12(4), 509–523. doi:10.1108/JRIM-01-2018-0023
- Kaipia, R., & Tanskanen, K. (2003). Vendor managed category management – an outsourcing solution in retailing. *Journal of Purchasing and Supply Management*, 4(9), 165–175. doi:10.1016/S1478-4092(03)00009-8
- Kaufman-Scarborough, C., & Forsythe, S. (2009). Current issues in retailing: Relationships and emerging opportunities. *Journal of Business Research*, 62(5), 517–520. doi:10.1016/j.jbusres.2008.06.010
- Kotzab, H. (1999). Improving supply chain performance by efficient consumer response? A critical comparison of existing ECR approaches. *Journal of Business and Industrial Marketing*, 14(5/6), 364–377. doi:10.1108/08858629910290111

- Kowalkiewicz, M., Rosemann, M., & Dootson, P. (2017). *Retail 5.0: Check-Out the Future*. PwC Chair in Digital Economy. Retrieved at <https://chairdigitaleconomy.com.au/wp-content/uploads/2018/04/Retail-5.0-Check-out-the-Future.pdf>
- Leong, L.-Y., Hew, T.-S., Tan, G. W.-H., & Ooi, K.-B. (2013). Predicting the determinants of the NFC-enabled mobile credit card acceptance: A neural networks approach. *Expert Systems with Applications*, *40*(14), 5604–5620. doi:10.1016/j.eswa.2013.04.018
- Losch, A., & Lambert, J. S. (2007). E-reverse auctions revisited: An analysis of context, buyer-supplier relations and information behavior. *The Journal of Supply Chain Management*, *43*(4), 47–63. doi:10.1111/j.1745-493X.2007.00040.x
- Musso, F. (1997). *The changing role of trade co-operation in regional economies: a case study*. Paper presented at the 37th European Regional Science Association Congress, Roma, Università degli Studi di Roma “Tor Vergata”, August 26-29.
- Musso, F. (2005). *L'impresa commerciale minore in Italia*. Padova, Italy: Cedam.
- Musso, F. (2010). Innovation in marketing channels: relationships, technology, channel structure. *Symphony: Emerging Issues in Management*, *1*, 23–42.
- Musso, F. (2012a). Technology in marketing channels: present and future drivers of innovation. *International Journal of Applied Behavioral Economics*, *1*(2), 41–51. doi:10.4018/ijabe.2012040104
- Musso, F. (2012b). Prospettive di analisi per l'innovazione nei canali di marketing. *Mercati e competitività*, *3*, 85-106. doi . doi:0.3280/MC2012-003005
- Musso, F., & Druica, E. (Eds.). (2014). *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8
- Nabhani, F., Uhl, C., Kauf, F., & Shokri, A. (2018). Supply chain process optimisation via the management of variance. *Journal of Management Analytics*, *5*(2), 136–153. doi:10.1080/23270012.2018.1424571
- Norris, S. (1994). Flash points. *Marketing Week*, *1*(July), 47–48.
- Oberländer, A. M., Röglinger, M., Rosemann, M., & Kees, A. (2018). Conceptualizing business-to-thing interactions—A sociomaterial perspective on the Internet of Things. *European Journal of Information Systems*, *27*(4), 486–502. doi:10.1080/0960085X.2017.1387714
- Oliveira, T., Thomas, M., Baptista, G., & Campos, F. (2016). Mobile payment: Understanding the determinants of customer adoption and intention to recommend the technology. *Computers in Human Behavior*, *61*, 404–414. doi:10.1016/j.chb.2016.03.030
- Olson, R. (2013). 3D printing: A boon or a bane. *The Environmental Forum (Washington, D.C.)*, *30*(6), 34–38.
- Olsson, T., Lagerstam, E., Karkkainen, T., & Vaananen-Vainio-Mattila, K. (2013). Expected user experience of mobile augmented reality services: A user study in the context of shopping centres. *Personal and Ubiquitous Computing*, *17*(2), 287–304. doi:10.100700779-011-0494-x

Retailing 4.0 and Technology-Driven Innovation

- Ondrus, J., & Pigneur, Y. (2006). Towards a holistic analysis of mobile payments: A multiple perspectives approach. *Electronic Commerce Research and Applications*, 5(3), 246–257. doi:10.1016/j.elerap.2005.09.003
- Ondrus, J., & Pigneur, Y. (2007). An assessment of NFC for future mobile payment systems. In *Proceedings International conference on the management of Mobile business (ICMB 2007)*. IEEE. 10.1109/ICMB.2007.9
- Ostrom, A. L., Bitner, M. J., & Meuter, M. L. (2016). Self-service technologies. In *E-service: new directions in theory and practice* (pp. 57–76). London, UK: Routledge.
- Park, J. S., & Jang, B. J. (2016). Electronic shelf label system employing a visible light identification link. In *2016 IEEE Radio and Wireless Symposium (RWS)* (pp. 219–222). IEEE. 10.1109/RWS.2016.7444409
- Parthiban, P., & Seet, B. C. (2019). Scalable near-field fed far-field UHF RFID reader antenna for retail checkout counters. In *Proceedings 2019 IEEE International Conference on RFID (RFID)* (pp. 1–6). IEEE. 10.1109/RFID.2019.8719097
- Pelino, M., & Gillett, F. E. (2016). *The Internet of Things heat map*. Cambridge, MA: Forrester Research.
- Porter, M. E. (2001). Strategy and the internet. *Harvard Business Review*, 79(3), 62–78. PMID:11246925
- Radziwill, N., & DuPlain, R. (2009). A model for business innovation in the Web 2.0 world. In M. D. Lytras, E. Damiani, & P. Ordóñez de Pablos (Eds.), *Web 2.0. The business model*. Springer. doi:10.1007/978-0-387-85895-1_5
- Rauschnabel, P. A. (2018). Virtually enhancing the real world with holograms: An exploration of expected gratifications of using augmented reality smart glasses. *Psychology and Marketing*, 35(8), 557–572. doi:10.1002/mar.21106
- Rauschnabel, P. A., Felix, R., & Hinsch, C. (2019). Augmented reality marketing: How mobile AR-apps can improve brands through inspiration. *Journal of Retailing and Consumer Services*, 49, 43–53. doi:10.1016/j.jretconser.2019.03.004
- Rauschnabel, P. A., He, J., & Ro, Y. K. (2018). Antecedents to the adoption of augmented reality smart glasses: A closer look at privacy risks. *Journal of Business Research*, 92, 374–384. doi:10.1016/j.jbusres.2018.08.008
- Rigby, D. (2011). The future of shopping. *Harvard Business Review*, 89(12), 65–76.
- Risso, M. (2009). *Strategie di approvvigionamento della grande distribuzione e relazioni con i fornitori*. Torino, Italy: Giappichelli.
- Rowley, J. & Slack, F. (2003). *Kiosks in retailing: the quiet revolution*. Communication and Computing Research Centre papers, Sheffield Hallam University. Retrieved at http://digitalcommons.shu.ac.uk/ccrc_papers/2
- Slade, E., Williams, M., Dwivedi, Y., & Piercy, N. (2014). Exploring consumer adoption of proximity mobile payments. *Journal of Strategic Marketing*, 1–15.

- Slade, E. L., Williams, M. D., & Dwivedi, Y. K. (2013). Extending UTAUT2 to explore consumer adoption of mobile payments. In *Proceedings of the UK academy for information systems conference*, Oxford, UK.
- Smink, A. R., Frowijn, S., van Reijmersdal, E. A., van Noort, G., & Neijens, P. C. (2019). Try online before you buy: How does shopping with augmented reality affect brand responses and personal data disclosure. *Electronic Commerce Research and Applications*, 35(May–June).
- Sorescu, A., Frambach, R. T., Singh, J., Rangaswamy, A., & Bridges, C. (2011). Innovations in Retail Business Models. *Journal of Retailing*, 87, S3–S16. doi:10.1016/j.jretai.2011.04.005
- Tan, G., Ooi, K.-B., Chong, S.-C., & Hew, S.-C. (2014). NFC mobile credit card: The next frontier of mobile payment? *Telematics and Informatics*, 31(2), 292–307. doi:10.1016/j.tele.2013.06.002
- Teo, A.-C., Tan, G. W.-H., Ooi, K.-B., Hew, T.-S., & Yew, K.-T. (2015). The effects of convenience and speed in m-payment. *Industrial Management & Data Systems*, 115(2), 311–331. doi:10.1108/IMDS-08-2014-0231
- Tibbits, S. (2014). 4D printing: Multi-material shape change. *Architectural Design*, 84(1), 116–121. doi:10.1002/ad.1710
- Tummala, V. M. R., Phillips, C. L. M., & Johnson, M. (2006). Assessing supply chain management success factors: A case study. *Supply Chain Management*, 11(2), 179–192. doi:10.1108/13598540610652573
- van Esch, P., Arli, D., Gheshlaghi, M. H., Andonopoulos, V., von der Heide, T., & Northey, G. (2019). Anthropomorphism and augmented reality in the retail environment. *Journal of Retailing and Consumer Services*, 49, 35–42. doi:10.1016/j.jretconser.2019.03.002
- Verhoef, P. C., Kannan, P. K., & Inman, J. J. (2015). From multi-channel retailing to omni-channel retailing: introduction to the special issue on multi-channel retailing. *Journal of Retailing*, 91(2), 174–181. doi:10.1016/j.jretai.2015.02.005
- Waller, M., Johnson, M. E., & Davis, T. (1999). Vendor-managed inventory in the retail supply chain. *Journal of Business Logistics*, 20(1).
- Wheelwright, G. (2017). *Cash or Watson? IBM and VISA bringing AI-based purchasing to cars, running shoes and other objects*. Retrieved from <http://www.geekwire.com/2017/cash-watson-ibm-visa-bringing-ai-based-purchasing-cars-running-shoesobjects>
- Whysall, P. (2000). *Towards an understanding of our understanding on retail innovation*. Paper presented at the *International EAERCD Conference on Retail Innovation*, ESADE, Barcelona, Spain, July, 13-14.
- Wohlert, R., Mendoza, J., & Pratt, J. H. (2015). *U.S. Patent Application No. 14/267,542*.
- Zbaracki, M., Ritson, M., Levy, D., Dutta, S., & Bergen, M. (2004). Managerial and customer costs of price adjustment: direct evidence from industrial markets. *The Review of Economics and Statistics*, 86(2), 514–533. doi:10.1162/003465304323031085

ADDITIONAL READING

- Bell, D. R., Gallino, S., & Moreno, A. (2014). How to win in an omnichannel world. *MIT Sloan Management Review*, 56(1), 45–53.
- Krotov, V. (2017). The Internet of Things and new business opportunities. *Business Horizons*, 60(6), 831–841. doi:10.1016/j.bushor.2017.07.009
- Mou, S., Robb, D. J., & DeHoratius, N. (2018). Retail store operations: Literature review and research directions. *European Journal of Operational Research*, 265(2), 399–422. doi:10.1016/j.ejor.2017.07.003
- Musso, F. (2018). Deconstructing of marketing channels and growth of multichannelling. In search of a new model for distribution systems. In S. Brondoni (Ed.), *Competitive Business Management. A Global Perspective* (pp. 125–136). New York: Routledge; doi:10.4324/9780429439841
- Parris, S., Spisak, A., Lepetit, L., Marjanovic, S., Gunashekar, S., & Jones, M. M. (2015). *The digital catapult and productivity: A framework for productivity growth from sharing closed data* (Research Report RR-1284-DC). Cambridge, UK: RAND Europe.
- Pelino, M., & Gillett, F. E. (2016). *The Internet of Things heat map*. Cambridge, MA: Forrester Research.
- Perdikaki, O., Kesavan, S., & Swaminathan, J. M. (2012). Effect of traffic on sales and conversion rates. *Manufacturing & Service Operations Management: M & SOM*, 14(1), 145–162. doi:10.1287/msom.1110.0356
- Rese, A., Baier, D., Geyer-Schulz, A., & Schreiber, S. (2017). How augmented reality apps are accepted by consumers: A comparative analysis using scales and opinions. *Technological Forecasting and Social Change*, 124, 306–319. doi:10.1016/j.techfore.2016.10.010
- Verhoef, P., Kannan, P. K., & Inman, J. (2015). From multi-channel retailing to omni-channel retailing? *Journal of Retailing*, 91(2), 174–181. doi:10.1016/j.jretai.2015.02.005
- Yim, M. Y. C., Chu, S. C., & Sauer, P. L. (2017). Is augmented reality technology an effective tool for e-commerce? An interactivity and vividness perspective. *Journal of Interactive Marketing*, 39, 89–103. doi:10.1016/j.intmar.2017.04.001

KEY TERMS AND DEFINITIONS

Augmented Reality (AR): Media format that integrates virtual information into a user's perception of the real world. AR involves devices (smartphones, tablets, headsets, eyeglasses) which impose a virtual overlay over the physical world.

Cross-Docking: The practice of unloading materials from an incoming semi-trailer truck or rail car, and loading these materials directly into outbound trucks, trailers, or rail cars, with little or no storage in between.

Electronic Shelf Label (ESL) System: Used by retailers for displaying product pricing on shelves. The product pricing are automatically updated whenever a price is changed from a central control server. Typically, electronic display modules are attached to the front edge of retail shelving.

Internet of Things (IoT): A system of interrelated computing devices, mechanical and digital machines, objects, animals or people that are provided with unique identifiers (UIDs) and the ability to transfer data over a network without requiring human-to-human or human-to-computer interaction.

Multimedia Kiosk: A computer terminal featuring specialized hardware and software that provides access to information and applications for communication, commerce, entertainment, or education. Multimedia kiosks are typically placed in high foot traffic settings such as shops, hotel lobbies or airports. Integration of technology allows kiosks to perform a wide range of functions, evolving into self-service kiosks. Customised components such as coin hoppers, bill acceptors, card readers and printers enable kiosks to meet the owner's specialised needs.

Near-Field Communication (NFC): A set of communication protocols that enable two electronic devices, one of which is usually a portable device such as a smartphone, to establish communication by bringing them within 4 cm (1 1/2 in) of each other. NFC devices are used in contactless payment systems, similar to those used in credit cards and electronic ticket smart cards and allow mobile payment to replace or supplement these systems.

Radio-Frequency Identification (RFID): The use of an object (typically referred to as an RFID tag) applied to a product, or a package, for the purpose of identification and tracking using radio waves.

Vending Machine: An automated machine that provides items such as snacks, beverages, cigarettes and other products goods to consumers after money, a credit card, or a specially designed card is inserted into the machine.

Vendor Management Inventory (VMI): An operating model in which the supplier takes responsibility for the inventory of its customer. In a VMI-partnership the supplier makes the main inventory replenishment decisions for the customer: monitors the buyer's inventory levels and makes supply decisions regarding order quantities, shipping and timing.

Chapter 16

An Empirical Investigation to Improve Information Sharing in Online Settings: A Multi-Target Comparison

Sandro Castaldo

SDA Bocconi School of Management, Italy

Monica Grosso

 <https://orcid.org/0000-0001-5060-189X>

Emlyon Business School, France

ABSTRACT

Internet merchants are compelled to collect personal information from customers in order to exploit ICT development potential in managing the relationships with them. However, lack of control on data provided and unethical behaviors that emerged in several scandals has led to many potential customers demonstrating growing concerns about disclosing personal information to companies. This chapter analyzes the interaction between two strategies that firms can use to alter potential customers' cost/benefit evaluation and increase information disclosure: the development of initial trust and compensation. The derived hypotheses are tested by means of three experimental studies, whose findings are compared across two different consumer target groups that potentially show different behaviors regarding digital technologies: students vs. working people.

INTRODUCTION

The progressive development of ITC has determined the exponential growth of new services and technologies. In a general perspective, the goal of new technologies is to improve the quality of life of the people. If this has led, on the one hand, to unquestionable advantages in terms of simplification and rapid retrieval and exchange of information, on the other, it has caused a huge increase in the number

DOI: 10.4018/978-1-7998-1412-2.ch016

and types of personal data transmitted and exchanged, as well as the associated dangers their unlawful use by unauthorized third parties. In the current technological era the personal characteristics of an individual can be safely split off and merged into different databases, each of them characterized by a specific purpose. The so-called “*electronic person*” can be easily reconstructed on this assumption and it corresponds to our digital identity, through the many traces we leave in the digital environment that records and collects information about everybody.

The increase in connectivity and the growth of user-friendly applications and accessibility from all devices have favored the communication and content delivery and the use of new platforms that allow the exchange of information, goods and services, but have also more strongly highlighted the issues related to privacy, security and traceability of user data. In the last years, also following the scandals and news stories that involved giants of the digital economy like Google and Facebook, the public debate has become more heated.

The need to ensure a strong protection of people’s rights and freedoms has been more widespread, with particular reference to the personal identity and private life of individuals. Starting in 2018, the application of the European Union Regulation 2016/679, known as GDPR (General Data Protection Regulation) - related to the protection of individuals with regards to the processing and free circulation of personal data - marks an important step and underlines the importance of the topic. With the RGPD, the protection of private data is significantly strengthened, but the debate that emerged following the introduction of the legislation has also increased citizens’ concern about the collection of their data by companies and their consequences for their privacy. This is because the GDPR is not a guideline for member states, which would imply that each state should have applied it internally with a lengthening of the entry into force. It is instead a regulation by which the laws are immediately and unitarily binding for all the States of the Union, and therefore also for the small and medium enterprises that operate within them, and this proves the urgency in the view of the EU regulator to change companies’ behavior on privacy management.

On one side customers are more and more reluctant to share their data, on the other side firms need their data to increase the value creation of their offer with personalization and to push them using self-service technologies, such as the web, as they lead to cost savings. Retailers will miss several opportunities linked to the web unless they find a way to increase customers’ information sharing.

Companies and public institutions currently face an information privacy dilemma in terms of (1) protecting individual information privacy, but also (2) collecting useful data to improve their offering and value (Sarathy and Robertson, 2003) and improve their relationship with them (Musso & Druica, 2014).

This chapter’s objective is to help companies achieve this by providing recommendations derived from the results of previous studies based on self-disclosure theories (Premazzi, et al., 2010a; Premazzi, et al. 2010b; Castaldo & Grosso, 2014). We specifically examine the effects that initial trust and compensation – two relevant antecedents of sharing information with (unknown) e-vendors – have on two different customer segments as revealed in an experimental research project.

BACKGROUND

Information privacy can be defined as the “individual’s ability to control when, how, and to what extent his or her personal information is communicated to others” (Son & Kim, 2008, p. 504). Information privacy concerns refer “to the individual’s subjective views of fairness within the context of informa-

tion privacy” (Malhotra, Kim, & Agarwal, 2004, p. 337). Information privacy concerns stem from the fear of losing control over one’s personal data, which refers to the possible intentional or unintentional mismanagement of personal data submitted online. Use concerns refer to apprehensiveness regarding how online entities use the data they collect. Several studies have explored the nature of information privacy concern, often focusing on the online environment to gain a better understanding of the influencing factors and how these could affect behavior (e.g. Clemons and Wilson, 2015). The extant literature demonstrates that privacy concerns affect a variety of behaviors, including the provision of personal information. Son and Kim (2008) investigate the effects of privacy concerns on information protection behavior, such as refusal to provide data and misrepresentation. Malhotra et al. (2004) consider privacy concerns an antecedent of the behavioral intention to provide personal information online.

How can online companies overcome privacy concerns and increase customers’ information sharing? Self-disclosure theories can help answer this question. These theories suggest that consumers’ willingness to disclose personal information is based on their assessments of the costs/risks and benefits (Andrade, Kaltcheva, & Weitz, 2002). While collecting personal information from customers is essential for electronic commerce viability, it has both risk and benefit implications for individuals (Hui, Teo, & Lee, 2007). E-companies could therefore use a number of approaches to alter this cost-benefit trade-off and, consequently, encourage consumers to participate in self-disclosure (Andrade et al., 2002).

Building consumers’ trust and offering compensation for disclosing information are among the most cited approaches to overcoming this hurdle. Trust reduces potential consumers’ perceived risk and, therefore, the cost of information sharing (Jarvenpaa & Tractinsky, 1999), while incentives increase the benefit, as they represent a reward in exchange for personal information (Andrade et al., 2002; Hui et al., 2007). The main gap in this literature stream is that previous studies have mainly dealt with intention (Castañeda & Montoro, 2007; Malhotra et al., 2004; Rifon, La Rose, & Choi, 2005; Son & Kim, 2008) rather than actual behavior with regard to personal information sharing. Consumers’ intended actions differ from what they actually do, also with respect to privacy-related issues (e.g., Norberg, Horne, & Horne, 2007). Hence, attitudinal studies may not reflect the whole story. Response styles and social desirability are among many well-known problems with attitudinal surveys (Aaker, Kumar, & Day, 2001, pp. 219-222). In particular, social desirability implies that subjects tend to produce responses that put them in the most desirable light possible; in this case, by perhaps not admitting that their privacy and trust can somehow be “bought” by means of incentives.

Premazzi et al. (2010a; 2010b) has shown that the intention to provide personal data and actual behavior are not necessarily consistent. More research is thus needed on the actual behavior of online customers in a realistic setting. In order to contribute to filling this gap, we measure people’s actual behavior with regard to providing personal data and compare our findings with their intention to provide this. This is only possible in a controlled experimental research like the one proposed in this chapter.

In experimental studies, students are usually the natural sample, as researchers find them more convenient to use. Even if students – given their high usage of virtual technologies – may be the target of many e-commerce websites, we believe that focusing only on their behavior is reductive. We therefore suggest covering the main gap in experimental research (sampling) by comparing our results, derived from a different sample, with the traditional sample composed of students. Our sample comprises also more mature people with an own income, who are expected to behave differently (namely being more concerned with privacy-related issues) than students.

In the next sections, we therefore frame our hypothesis on both potential customers’ willingness to share their information and on their actual information sharing.

Privacy Concerns, Trust, and Information Sharing

Privacy concerns are an attitude that the customer holds, but they only partially explain the customer's final behavior, since contextual factors are also at stake. Some authors have even suggested that privacy concerns themselves are contextual by nature (Sheehan & Hoy, 2000, p. 68), further anchoring the user's behavior to the situation he or she experiences online. Contingent factors, which are based on a website's specific features, can be used to actualize or neutralize privacy concerns. For instance, if users with privacy concerns – for example, they have a negative attitude toward the data collection methods and treatment on the internet – come across an e-commerce vendor that lacks the basic marks of trust – such as seals, certifications, and/or an overall appearance that guarantee the vendor's reliability –, they are unlikely to provide data and conclude a transaction. However, should such users come across a website that they believe to be trustworthy, their concerns may be pacified and they may make a purchase. Before making a transaction, users therefore make an overall evaluation of the website and the company behind it. All of the website's and vendor's features influence prospective clients' trust in the specific website.

Privacy concerns can be considered a form of systemic trust towards the Web and the e-commerce in general. Specific trust on a given website is then a form of trust that can mediate or moderate the effects of privacy concerns. One can have high trust towards the Web, but no trust at all for a website or vice versa. For some authors (Rifon, LaRose, & Choi, 2005), privacy concerns act as moderators of the effect of privacy seals on trust. For others (Castaneda and Montoro, 2007), privacy concerns affect trust. Castaneda and Montoro (2007) show that trust is a mediating variable between privacy concerns and intention to buy and intention to provide personal information. However, the two authors consider trust towards a general site and not a specific one. In addition, Castaneda and Montoro (2007) adopted one item to measure trust. We adopt 8 items to strengthen the reliability of the scale.

Trust is the most relevant specific attitude that users can have towards a website. The extant literature has employed trust, in its various conceptualizations, as a key variable to explain users' behavior (Castañeda & Montoro, 2007; Malhotra et al., 2004; Premazzi et al., 2010a; 2010b; Rifon et al., 2005; Schlosser, Barnett White, & Lloyd, 2006). Customers cannot fully forecast or control companies' behavior. Once a company has been given data, the customer cannot control what it will do with it. In some cases, the customers may not even know that a breach of privacy has occurred. This risky circumstance is typical of a relationship that should be based on trust (Castaldo, 2007; Moorman, Zaltman, & Deshpandé, 1992); that is, a situation in which a subject has to rely on another subject whose behavior he or she cannot fully control or affect, which may be harmful to him or her. Although separate concepts, trust and privacy concerns are conceptually tied to one another as both refer to an external party's potentially damaging behavior. Privacy concerns refer to the online environment in general, while trust is specific to a given website or e-vendor. Malhotra et al. (2004) show that privacy concerns affect behavioral intention directly and indirectly through trusting beliefs. However, their study does not refer to a specific website, but to general trusting beliefs in online companies. Castañeda and Montoro (2007) use a webpage for their study, but they measure trust in websites in general. This type of study can create overlaps between privacy concerns and trust, which are distinct concepts. Therefore, they state that “further research should examine not only privacy concerns at a general level but also perceived problems within a particular context” (Malhotra et al., 2004, p. 351). Our research tries to fill this gap by measuring trust in a specific company rather than trust in general and by using privacy concerns as a control variable, given its strong link with the key variables investigated in the study.

Research has indicated that individuals' familiarity with the entity (such as a website) collecting information will influence their willingness to share information (Sheehan, 2005). Individuals interacting with websites with which they are familiar tend to be more willing to share private information. Their familiarity also gives them a chance to see how their information is being used or misused. There is strong consensus that trust is critical in exchanges involving interdependence, uncertainty, and risk (Milne & Boza, 1999), which is often the case in online relationships and information exchanges.

A lack of trust has been identified as one of the greatest barriers to internet transactions (e.g., Hoffman, Novak, & Peralta, 1999). If information is shared, the marketer has access to consumers' personal information, which harbors an inherent risk that the information may be misused or shared inappropriately. However, if consumers trust the entity collecting information, their privacy concerns are likely to be pacified (Milne & Boza, 1999) and their information disclosure will be maximized (Grabner-Krauter, 2002).

With respect to database marketing, Milne and Boza (1999) examined consumers' sense of privacy and found that, under certain circumstances, building trust is more effective than efforts to reduce concerns. In this context, people's willingness to disclose information has been found to be dependent on how much they trust the requesting organization (Schoenbachler & Gordon, 2002). Gefen, Karahanna, and Straub (2003), and Hoffman (1999) arrive at a similar result with respect to online settings.

The conceptualization of online trust refers to previous research mainly conducted in the off-line environment, but adapting this to a virtual setting. Specifically, McKnight et al. (2002) identified four aspects that anchor the concept of trust: a disposition to trust (a general willingness to trust others), institution-based trust (perceptions of the internet environment), trusting beliefs (perceptions of the web vendor) and trusting intention (an intention to engage in trust-based relationships with a web vendor).

A peculiarity of trust in the online sector that emerges from the literature is its multi-dimensionality. A multi-level analysis of e-trust has indeed emerged in literature, based on studies which have demonstrated that online shoppers simultaneously trust or distrust:

- The e-vendor themselves (e.g. Fukuyama, 1995; Urban, Sultan and Qualls, 2000), which refers to *interpersonal trust*;
- The *payment systems* (e.g. Baker, 1999; Hoffman, Novak and Peralta, 1999a), which lead to *technology trust*;
- The very nature of the *Internet and online shopping* (e.g. Hoffman, Novak and Peralta, 1999b; Schoder and Yin, 2000), which involves *institutional trust*.

In this study, we refer to trust as the trusting belief and trusting intention that a shopper develops towards a specific e-vendor, so focusing on institutional trust, that is the one companies can influence directly.

Many studies on online trust have focused on trust building in the relationship with customers. Most studies on online trust have focused on trust building in the relationship initial period, analyzing the concept of "initial trust" (Koufaris, Hampton-Sosa, 2004). In the e-commerce context, most online retailers face the challenge of initiating consumer trust prior to online transactions, because online shoppers perceive these as more risky than traditional channels of distribution (Van den Poel & Leunis, 1999) and are therefore less likely to make such transactions. The initial period is indeed critical because consumers decide very quickly whether or not to make an online transaction; if online retailers fail to convince customers to overcome the initial trust barrier, all their subsequent efforts will be in vain (McKnight et al., 2004). Overcoming the initial trust barriers is even more difficult for small online retailers, due to their general lack of a national reputation and impressive size, the two most frequently suggested ante-

cedents of consumer trust (Doney & Cannon, 1997; Jarvenpaa & Tractinsky, 1999). Consequently, we focus on initial trust in this study.

McNight et al. (2004) investigated the elements allowing online retailers to create initial trust by distinguishing two stages of the initial relationship: the introductory stage and the exploratory stage. During the introductory stage, users have not yet experienced a specific website and are still trying to assess it and the web business on the basis of second-hand information on what it offers. Users who decide to use the site enter the exploratory stage. In the exploratory stage, consumers have obtained some (though limited) first-hand, credible information, creating a stage characterized by limited familiarity. The authors' study showed that both dispositional trust and institution-based trust are important factors that initially relate to trust in an e-business. Furthermore, a disposition to trust, structural assurance, and reputation advertising affected each type of trust during both stages. Assurance icons, which are signaling devices, had little effect on the level of consumer trust in the web vendor. The reputation advertising treatment worked well, even though it was only given in the introductory stage and not repeated in the exploratory stage, as the icons were. The significant results of reputation advertising agree with past research, which has shown that perceived reputation is a powerful predictor of trust (e.g., Jarvenpaa et al., 2000). Second-hand reputation advertising appears to provide the site with a credibility that is difficult to achieve with third party endorsements.

Finally, regarding the online trust-building process, Kim et al. (2005) maintained that it presents two main characteristics:

- It is a cumulative process, as the level of trust in previous stages affects the trust level in later phases;
- It also represents an interactive process.

Based on this literature review on trust and information disclosure, our first hypothesis posits:

H₁: the higher consumers' initial trust, the higher (a) their willingness to provide information and (b) their behavioral information sharing.

Incentive and Information Sharing

Companies might use compensations (or incentives) to induce consumers to disclose information. Incentives may include various forms of compensation or rewards. Research has found that using incentives as a means to announce that personal data is being collected (Sheehan & Hoy, 2000) eliminates some consumer privacy concerns up front, particularly in situations such as market research (Milne & Gordon, 1993). The use of an incentive indicates a mutually beneficial exchange (Sheehan & Hoy, 2000). People often consider the nature of the benefit being offered in exchange for information when deciding whether an activity violates their personal privacy. Previous studies have pointed out that consumers are aware that not all relationships are mutually beneficial and, consequently, that they do not want to enter into long-term relationships with certain organizations (Szmigin & Bourne, 1998; Phelps, Novak, & Ferrell, 2000). Receiving various forms of incentives also supports Milne and Gordon's (1993) supposition that some people are willing to give up a degree of privacy to obtain the products and services they want. As Sheehan and Hoy (2000) point out, consumers may not mind receiving unsolicited marketing communications about products and services in which they are interested, even if some of their personal information is used to identify them as prospective clients.

There is empirical evidence that consumers receiving tangible benefits, such as discounts, access to websites, future savings, and rewards, may be less concerned with privacy because they feel an equal exchange has been established (Goodwin, 1991). Compensations can, however, also be either certain (e.g., a discount or a gift) or uncertain (e.g., a lottery ticket). Previous research has found that certain compensation for information disclosure is more effective than uncertain compensation (Premazzi et al., 2010b). We therefore focus on certain compensation of which there are two types: monetary compensation in the form of coupons for online purchases (Deutschen, De Ruyter, Wetzels, & Ooterveld, 2004) and non-monetary compensation in the form of gifts. As consumers can use monetary incentives flexibly, they are considered more enticing than gifts of the same value (Deutskens et al., 2004), which leads to the contention that monetary compensation is the most effective incentive. Hence, we posit the following hypothesis:

H_{2a}, H_{2b}: Willingness to provide information (H_{2a}) and actual sharing behavior (H_{2b}) will be higher if monetary compensation is offered, followed by a gift as compensation, and will be less if no compensation is offered.

In an exploratory experimental study, Andrade et al. (2002) examined the effects of developing a reputation for trustworthiness by providing a comprehensive privacy policy, and overcoming consumer concerns by offering rewards for disclosing personal information. They found that the comprehensiveness of the privacy policy and the company's reputation reduce the level of concern, while offering a reward increases it. They argue that "the subjective assessment of the concern over disclosure in the place of a behavioral measure of actual disclosure presents a weakness" (p. 352). En, Hock-Hai, and Wen (2006) found a highly positive relationship between a company's reputation and online consumers' willingness to accurately reveal their personal information. They also found that reputation has a moderating influence on the effects that rewards and privacy guarantees have on people's willingness to share their information.

Building on these previous findings, Premazzi et al. (2010a; 2010b) suggest that trust could be a moderating variable affecting the relationship between compensation and information disclosure. In particular, they propose that, by offering them compensation when the level of trust is already high, individuals will be more inclined to provide information online. Initial trust is therefore the key element when starting an online transaction; we therefore assume that the benefits of initial trust – in terms of a reduced perceived risk – will provide the necessary condition for increasing people's willingness to disclose information. Conversely, in a situation in which there is a lack of trust, we expect incentives to have a smaller effect on information disclosure.

We thus suggest that trusting individuals will be more inclined to provide information online if they are offered compensation or incentives. Specifically we posit:

H_{3a}, H_{3b}: In a high trust condition, subjects will be more willing to provide information (H_{3a}) if offered compensation than if not offered compensation. Conversely, the impact of compensation will be lower in a low trust condition. The same will hold true with respect to actual behavior (H_{3b}).

The hypothesized relationships were empirically investigated in three separate laboratory experiments that differed regarding the type of sample used in order to reflect the different customer segments that online retail companies may target. As previously mentioned, we used students, as well as employed people between the ages of 35 and 64, as target groups. The assumption behind the choice of two target groups is twofold: first, since students are more familiar with and skilled in respect of IT than older people, they may show differences in their online behavior; second, since students often do not have an income, this could influence the effect of the incentives for information sharing.

EXPERIMENTAL STUDIES

Study 1: Design and Procedure

The study has a 2 (initial trust: high vs. low) x 3 (incentive: no incentive, monetary and non-monetary compensation) between-subject design. As mentioned, the sample for this study was composed of students, who are generally responsible for a key segment of online purchases. Data were collected from 163 undergraduate and graduate students of an Italian management school. Table 1 shows the details of the sample division between the six experimental cells.

Subjects were recruited under the pretext of participating in consumer opinion market research for a (fictitious) UK mobile phone service provider that was said to be considering entering new competitive markets, including the Italian one. By definition, the initial trust manipulation required the participants not to be familiar with the firm used in the study. After asking the participants whether they had knowledge of the fictitious company, two (not included in the sample description of Table 1) were excluded from the sample because they claimed to know the company.

During the experiment, the participants were first given a short pamphlet describing the company profile. At this stage, their trust was manipulated. We prepared two different versions of the pamphlet with different descriptions of the fictitious company. The description consisted of excerpts of articles on this company from the online version of *The Wall Street Journal*, which is considered a well-known and credible source. A company rating was also included. The same format and type of content were used in the two versions; the main difference was between the companies' profiles. In the high trust condition, the company was said to have the best network performance, the highest J.D. Power customer-satisfaction rating, the highest mobile connection success rate, and to have been upgraded by S&P, implying that it had a stable outlook. In contrast, in the low trust condition, the company was described as delivering inadequate customer service, had the lowest J.D. Power customer-satisfaction rating, and its sales growth was stagnant. In addition, the company was described as having been downgraded by S&P. The subjects' trust was therefore manipulated by leveraging the firm's reputation, which is considered the main antecedent of initial trust in the literature (Jarvenpaa, Tractinsky, & Vitale, 2000; Koufaris & Hampton-Sosa, 2004; McKnight et al., 2004). The pamphlet was written in English and all the participants were screened for English proficiency.

The subjects were randomly assigned to one of three of the (fictional) company's beta websites, each reflecting one of the incentive conditions. They were instructed to examine the site closely. All three sites contained online features that one might expect from a mobile phone services company (i.e. pages devoted to plans, services, models, accessories, etc.).

Table 1. Study 1: The number of participants in each experimental cell

		Incentive Condition			
		No Incentive	Monetary Incentive	Non-Monetary Incentive	Total
Initial Trust Condition	Low Trust	29	28	25	82
	High Trust	27	29	25	81
	Total	56	57	50	163

After the subjects had seen their assigned website, they were instructed to proceed to the registration page and provide information that the company might need if it wanted to contact them. This registration page asked them to provide personal information and financial data: their name, address, city, state, zip code, e-mail, phone number, Italian social security number, credit card type, number, and its expiry date.

At this stage, the compensation manipulation occurred. In the “no incentive” condition, the subjects were simply required to provide the data indicated above. In the “monetary incentive” condition, they were informed that, after registration, they would receive a coupon worth €20 for one of the main retail chains selling electronic products in Italy. In the “non-monetary incentive” condition, the participants were informed that they would receive wireless headphones worth €20 as a gift. Once the task had been completed, the participants were asked to fill out a questionnaire containing questions measuring the dependent variable, willingness to provide information online, as well as the trust manipulation check and three control variables (covariates) – privacy concern, attitude toward online shopping, and attitude toward the product category (mobile phones).

Study 1: Variables Measures

Dependent Variables: As mentioned, we measured two dependent variables: willingness to provide information and behavioral information sharing. The willingness to provide information was measured as the average score for a multi-item question. The participants rated their willingness to provide six different types of personal data, using a seven-point scale (1 = no willingness, 7 = high willingness).

“Behavioral information sharing” was measured as follows: first, we computed how much information the subjects had provided the experimental website as the sum of the number of identifying information items (name, address, zip code, citizenship, phone number, e-mail address, SSN and credit card expiry date, type, and number). Hence, we calculated a variable “N_provided.” As the provision of false or incomplete information is a relevant issue in online information sharing (Sheehan & Hoy, 1999; Premazzi et al., 2010a; 2010b), we matched all the data provided with the questionnaire data, creating a dummy variable with a value of 1 for each data item if the provided information was true, and zero if it was false. We subsequently computed the sum of the true data items, and obtained the variable “N_matches.” Finally, our dependent variable, behavioral information sharing, was computed as the mean between the two mentioned variables (Premazzi et al., 2010a; 2010b). The higher the mean, the more information the participant shared.

Covariates: These variables were measured using an 11-item index with each item comprising a seven-point (1 = strongly disagree, 7 = strongly agree) scale. The items were factorized to create a single measure for each variable (Table 2).

Trust. During the manipulation check, trust was measured using a seven-point (1 = strongly disagree, 7 = strongly agree) multi-item scale (Premazzi et al., 2010a; 2010b). The items were factor analyzed to create a single measure of trust (Cronbach’s alpha = 0.949).

Study 1: Results

Tests were conducted to ensure that statistical assumptions associated with the analysis of variance (ANOVA) and the analysis of covariance (ANCOVA) had been met. Levene’s test of equality of error variance was not rejected. In addition, tests were conducted to ensure there was no interaction effect

Table 2. Study 1: Cronbach’s alpha for the covariates’ scales

Variable	Alpha
Privacy Concern	0.868
Attitude Toward Online Shopping	0.749
Commitment to Mobile Phone Services	0.839

between the covariate and any of the three other factors, which indicated that the assumption of the covariance regression coefficients’ homogeneity had not been violated.

A one-way ANOVA was used to check the trust manipulation. Participants in the high trust condition group reported a significantly higher level of trust than those in the low trust condition ($M_{HIGH} = 4.697$, $M_{LOW} = 3.55$; $F(1, 161) = 85.152$, $p = 0.000$).

To test H_{1a} , H_{2a} , and H_{3a} , we conducted a factorial analysis of covariance (ANCOVA), using trust and incentive as independent variables, and willingness to disclose information as the dependent variable. Attitude toward online shopping, commitment to mobile phone services, and privacy concern were used as covariates. The only significant covariate that emerged was attitude toward online shopping; consequently, we re-ran the analysis with just that covariate. The beta parameter was 0.312, implying a positive relationship between the attitude toward online shopping and willingness to provide information (Table 3). These results show (Figure 1) that only the main effect of compensation is significant at 10% ($M_{NO INC.} = 3.375$, $M_{NON MONETARY INC.} = 3.75$, $M_{MONETARY INC.} = 3.84$), thus confirming H_{2a} . The main effect of trust and the interaction effect between trust and compensation are not significant, meaning that both H_{1a} and H_{3a} are rejected.

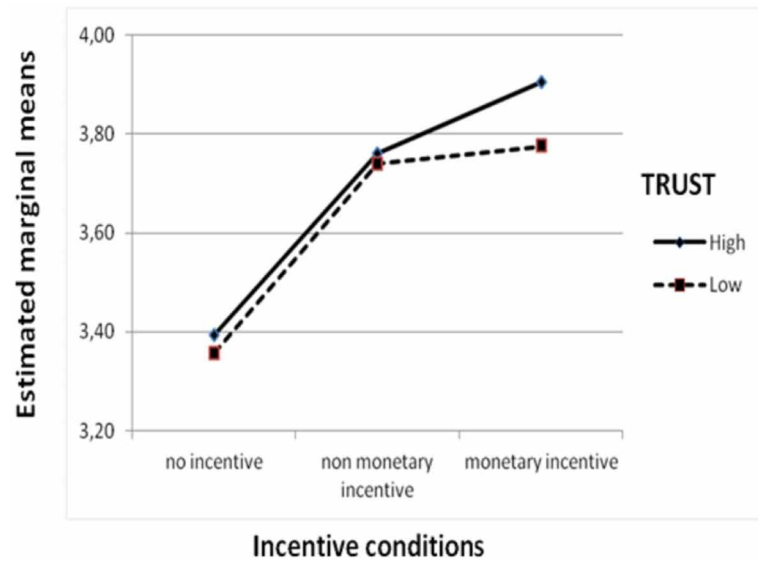
The same procedure was followed, using behavioral information sharing as the dependent variable, to test our H_{1b} , H_{2b} , and H_{3b} . In this case too, the only significant covariate was attitude toward online shopping. The beta parameter was 0.423, implying a positive relationship – stronger than in the previous case – between attitude toward online shopping and behavioral information sharing (Table 4).

The main effects of trust ($M_{HIGH} = 3.73$, $M_{LOW} = 2.85$) and incentive ($M_{NO INC.} = 2.51$, $M_{NON MONETARY INC.} = 3.2$, $M_{MONETARY INC.} = 4.13$) are all significant at 5%, thus confirming H_{1b} and H_{2b} . The interaction effect between trust and compensation is significant at 10%, as illustrated in Figure 2. However, H_{3b} is not supported as – contrary to the prediction – the incentive has a higher effect in the low trust condition than in the high trust condition.

Table 3. Study 1: GLM results of willingness to provide information

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	0.131	0.095	0.758
Incentive (I)	2	3.428	2.487	0.086
Attitude Toward Online Shopping	1	9.548	6.928	0.009
T*I	2	0.060	0.044	0.957
Error	154	1.378		

Figure 1. Study 1: Results of willingness to provide information



Study 2: Design and Procedure

Study 2 used the same procedure as Study 1. The only difference is that its 187 participants were not students, but working people – hence, earning an income – aged between 35 and 64 years; 47.6% of these participants were female, while 52.4% were male (Table 5).

The measures were the same as in Study 1; the scales’ reliabilities are shown in Table 6.

Study 2: Results

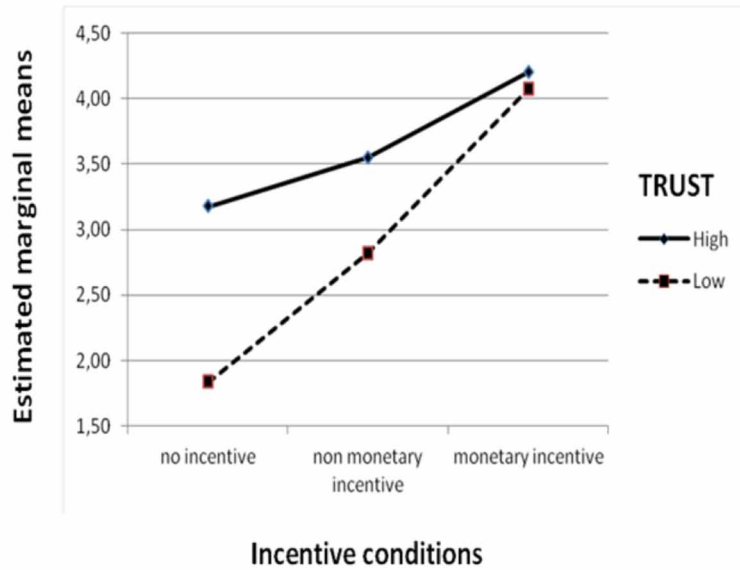
Again Levene’s test of error variance equality was not rejected and the assumption of the covariance regression coefficients’ homogeneity had not been violated. A one-way ANOVA was used to check the trust manipulation. Participants in the high trust condition group reported a higher level of trust than those in the low trust condition ($M_{HIGH} = 4.6046$, $M_{LOW} = 4.2237$; $F(1, 185) = 8.217$, $p = 0.005$).

Table 4. Study 1: GLM results of information sharing

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	18.318	8.706	0.004
Incentive (I)	2	36.451	17.324	0.000
Attitude Toward Online Shopping *	1	18.276	8.686	0.004
T*I	2	5.185	2.464	0.088
Error	156	2.104		

* Attitude toward online shopping was used as a covariate.

Figure 2. Study 1: Results of behavioral information sharing



As in Study 1, we conducted a factorial analysis of covariance (ANCOVA), using willingness to provide information as the dependent variable. All the covariates now emerged as significant. The beta parameter for privacy concerns was -0.245, while commitment to mobile phones was -0.284 and attitude toward online shopping was 0.371. This implies that privacy concerns and commitment to mobile phone services had a negative effect, while attitude toward online shopping had a stronger, positive effect on the willingness to provide information. Table 6 shows the results of the analysis. The main effects of trust and compensation were not significant, meaning that both H_{1a} and H_{2a} are rejected (Table 7). Only

Table 5. Study 2: The number of participants in each experimental cell

		Incentive Condition			
		No Incentive	Monetary Incentive	Non-Monetary Incentive	Total
Trust Condition	Low Trust	30	32	33	95
	High Trust	28	31	33	92
	Total	58	63	66	187

Table 6. Study 2: Cronbach's alpha of the scales

Variable	Alpha
Privacy concern	0.903
Attitude Toward Online Shopping	0.879
Commitment to Mobile Phone Services	0.847
Trust	0.873

An Empirical Investigation to Improve Information Sharing in Online Settings

Table 7. Study 2: GLM results of willingness to provide information

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	.370	.236	0.627
Incentive (I)	2	1.127	.719	0.489
Attitude Toward Online Shopping *	1	25.257	16.6117	0.000
Commitment to Mobile Phones*	1	15.288	9.756	0.002
Privacy Concern*	1	10.023	6.396	0.12
T*I	2	8.283	5.285	0.006
Error	178	1.567		

* Attitude toward online shopping, commitment to mobile phones, and privacy concern were used as covariates.

the interaction effect of compensation and trust (Figure 3) is significant at 5%, but does not follow the predicted pattern; therefore, H_{3a} is not supported.

We used the same procedure to check the impact on behavioral information sharing (Table 8). None of the covariates were significant this time.

When behavioral information sharing is taken into consideration, the main effect of trust ($M_{HIGH} = 7.56$, $M_{LOW} = 8.027$) is significant at 10%, but in the opposite direction than H_{1b} predicted, while the main effect of compensation ($M_{NO INC.} = 7.376$, $M_{NON MONETARY INC.} = 8.140$, $M_{MONETARY COMP.} = 7.873$) and the interaction effect are both significant at 5%. These results confirm H_{2b} and H_{3b} ; and disconfirm H_{1b} . The interaction effect between trust and incentive is illustrated in Figure 4. Even though the interaction effect is significant at 5%, this once again does not confirm the hypothesized relationship.

Figure 3. Study 2: Results of willingness to provide information

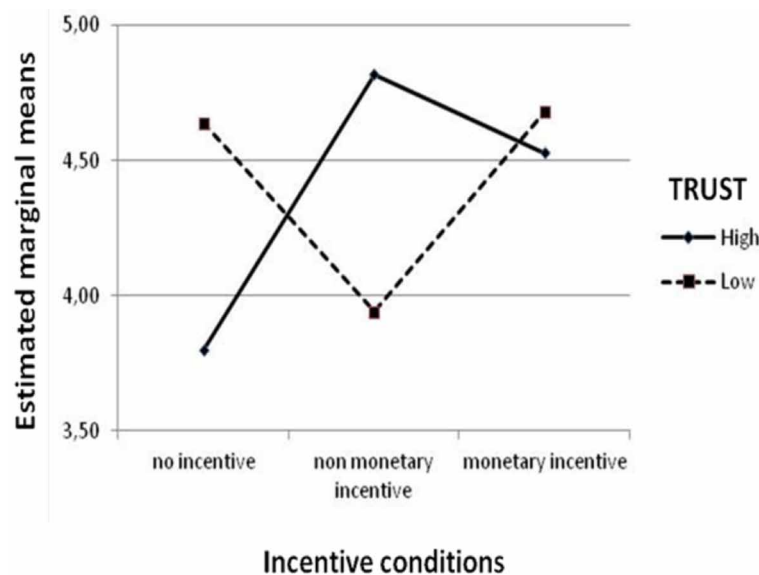


Table 8. Study 2: GLM results of behavioral information disclosure

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	11.319	3.794	0.053
Incentive (I)	2	9.129	3.128	0.046
T*I	2	20.039	6.718	0.002
Error	181	2.983		

Study 3: Design and Procedure

Based on the results of Study 1 and 2 we run a third study to investigate more in depth the phenomenon. In particular, we are here interested in testing the significance on the difference in the results for students vs. working people and the effect of different monetary incentives. Past research (e.g. Deutskens et al., 2004) provided empirical evidence on variation of compensation effectiveness according to the type of incentive provided to customers, in particular companies tend to not always use certain incentives as the cost for that could be prohibitive and to use lotteries (therefore uncertain) monetary compensation. As the customer will get the monetary incentive for sure only if certain monetary incentives are used by the company, we can expect that they are more effective.

This study has therefore a 2 (customer profile: students vs. working people) x 2 (initial trust: high vs. low) x 3 (incentive: no incentive, certain monetary and uncertain/lottery monetary compensation) between-subject design. All the other study elements were the same as for the previous two studies.

Data were collected from 132 participants and Table 9 shows the details of the sample division between the experimental cells.

The measures were the same as in Study 1 and 2; the scales' reliabilities are shown in Table 10.

Figure 4. Study 2: Results of behavioral information sharing

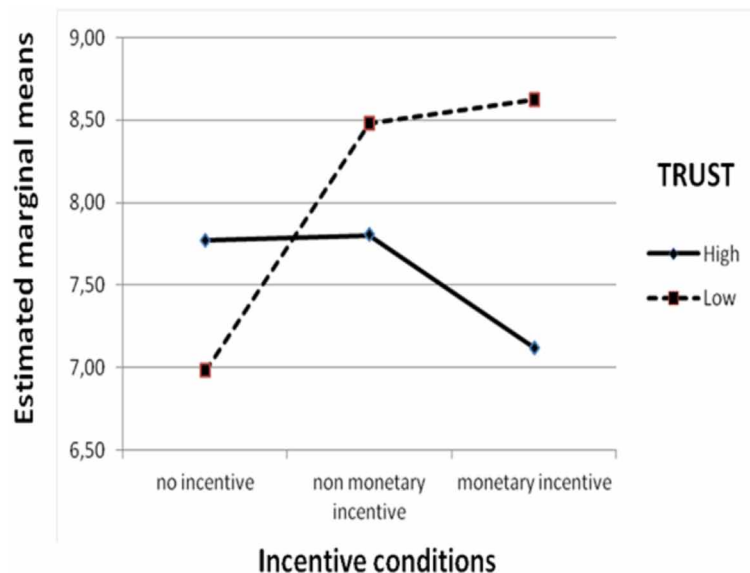


Table 9. Study 3: The number of participants in each experimental cell

		Incentive Condition				
			No Incentive	Certain Monetary Incentive	Lottery Monetary Incentive	Total
Students	<i>Trust Condition</i>	Low Trust	11	11	10	32
		High Trust	12	11	11	34
		<i>Total</i>	23	22	21	66
Working people	<i>Trust Condition</i>	Low Trust	11	10	12	33
		High Trust	11	11	11	33
		<i>Total</i>	22	21	23	66

Study 3: Results

Again Levene’s test of error variance equality was not rejected and the assumption of the covariance regression coefficients’ homogeneity had not been violated. A one-way ANOVA was used to check the trust manipulation. Participants in the high trust condition group reported a higher level of trust than those in the low trust condition ($M_{HIGH} = 4.6046, M_{LOW} = 4.2237; F(1, 130) = 11.500, p = 0.001$).

As in previous studies, we conducted a factorial analysis of covariance (ANCOVA), using willingness to provide information as the dependent variable. Privacy concern was not significant as covariate. The beta parameter for commitment to mobile phones was -0.304 and attitude toward online shopping was 0.335. This implies commitment to mobile phone services had a negative effect, while attitude toward online shopping had a positive effect on the willingness to provide information. Table 11 shows the results of the analysis. The main effects of trust and compensation were not significant, meaning that both H_{1a} and H_{2a} are rejected (Table 11). Only the interaction effect of compensation, trust and type of customer is significant at 5%, as there are differences as for the previous studies on the results on willingness to provide information and the actual disclosure behavior, we will focus on the results considering this latter dependent variable.

We used the same procedure to test the impact on behavioral information sharing (Table 12). None of the covariates were significant this time.

None the main effect of the type of customer is significant but the interaction among type of customer, trust and incentive is significant at 5% and is illustrated in Figure 5. The post-hoc mean comparison significance test surprisingly shows that for students the provision of an incentive lowers the information

Table 10. Study 3: Cronbach’s alpha of the scales

Variable	Alpha
Privacy concern	0.922
Attitude Toward Online Shopping	0.885
Commitment to Mobile Phone Services	0.871
Trust	0.894

Table 11. Study 3: GLM results of willingness to provide information

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	0.087	0.054	0.816
Incentive (I)	2	1.602	1.052	0.353
Type of customer (C)	1	0.597	0.374	0.542
Attitude Toward Online Shopping *	1	15.078	9.429	0.003
Commitment to Mobile Phones*	1	10.416	6.513	0.012
I*C	2	1.75	1.097	0.337
T*C	1	0.160	0.100	0.752
I*T*C	2	5.943	3.716	0.027
Error	118	1.559		

* Attitude toward online shopping and commitment to mobile phones were used as covariates.

provision while for workers the type of incentive has an impact only in the low trust condition and increase in the opposite direction as expected as lottery is the most effective type of incentive for this target.

DISCUSSION

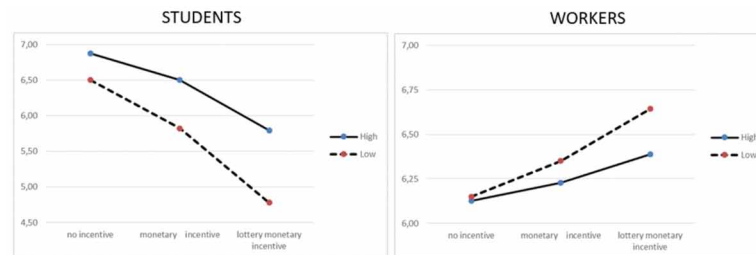
The aim of our study was to empirically investigate the effect of trust and incentives on information sharing with e-tailers to help the latter exploit the opportunities made possible by the online setting. To overcome previous studies' limitations, we measured behavioral information sharing in addition to attitudinal information sharing. Our study showed that the results of the willingness to provide information (attitudinal measure) diverge from those based on the actual disclosure behavior (behavioral measure). Consumers' asserted actions may differ from what they actually do when facing a particular situation that entails some risk. The difference between the results of the attitudinal and behavioral data, which we obtained when we tested H_1 , H_2 , and H_3 , confirms the relevance of not only relying on willingness measures as many studies do.

We thus concentrate on the actual information disclosure to discuss the study's theoretical contribution. Contrary to our expectations, compensation appears to be more useful for improving information

Table 12. Study 3: GLM results of behavioral information disclosure

Source	df	Mean Square	F-Value	P-Value
Trust (T)	1	2.473	0.573	0.451
Incentive (I)	2	2.9102	0.674	0.512
Type of customer (C)	1	8.997	3.374	0.039
I*C	2	8.763	2.030	0.136
T*C	1	5.434	1.259	0.264
I*T*C	2	5.783	3.631	0.022
Error	120	4.417		

Figure 5. Study 3: Results of behavioral information sharing



disclosure in the low trust condition than in the high trust condition (see Figures 2 and 4). This is consistent with Hui et al.'s (2007) results, according to which compensation can offset the lack of privacy assurance, implying a sort of “tradability” of privacy. Here, compensation seems to offset the lack of initial trust in information disclosure.

However, these results do not mean that initial trust plays no role. If no compensation is offered, trust always allows higher disclosure of information. This implies that creating trust by using immaterial resources could be a valuable approach with which firms can increase consumers' disclosure. While many online operators invest their resources in creating increasingly innovative compensation systems in order to increase their relationship with website visitors, this strategy – besides being costly – could also be ineffective if customers' trust is already high.

Finally, the difference between the results obtained from the two samples implies that consumers' characteristics could be a promising variable that affects various strategies' effectiveness regarding information disclosure and which should be considered in future theoretical developments.

FUTURE RESEARCH DIRECTIONS

There are many future research directions on the topic of privacy issues with regard to new technology adoption in retailing. The starting point for future research would be to design further studies meant to overcome the limitation of the described studies. Therefore, future studies should be more cautious when trying to generalize their results and more investigations are needed to enlarge their scope.

Our studies focused on only one e-tailing format and a specific retail setting (mobile phones and services). Different results may be obtained with other e-tailing contexts, involving different types of goods and services. We also focused on the early stage of the firm-customer relationship, considering a virtual company establishing a presence (the website) in a foreign country. It could be interesting to investigate the relationship between the same constructs in the context of multi-channel firms, including both physical and other direct channels. Moreover, our study was carried out in only one country, Italy. Replication in other countries might be interesting. As En et al. (2006) noted, privacy concerns and attitudes toward providing information online may vary with the political, economic, legal, and cultural contexts. For a retailer exploiting online settings, the physical distance becomes less relevant (owing to technology), but the cultural distance might turn out to be of paramount importance.

Furthermore, although we attempted to make it representative of a real site, we used a fictitious website. Although we chose to present a site offering products and services that would at least be of

moderate interest to most people (selling mobile phones and related services), it is possible that the site was not of interest to all the participants. We assumed that the participants would have at least a little interest in such products and services, especially in Italy, where the market is relatively saturated and expenditure on mobile services is very high.

In respect of trust, we only used firm reputation to manipulate trust, but there are many other factors that might contribute to establishing trust in a retailer. These may include the experience with the retailer, or the perception of opportunistic behaviors. Real companies could also be considered in order to investigate the effects of brand equity on the dynamic of trust. Collaborating with a real retailer may contribute to closing the potential gap between academic research and managerial practice.

Moreover, the study focused on individual trust in online firms. However, e-trust is a multi-level construct. A peculiarity of the online setting is that it does not simply involve trust between the customer and the vendor (investigated here), but also between the buyer and the transaction medium – the technology – and the internet environment (e.g., Harris & Goode, 2004; Lee & Turban, 2002; McKnight, Choudhury, & Kacmar, 2002; Shankar, Urban, & Sultan, 2002). It would thus be interesting to consider other levels of trust (e.g., technology trust and institutional trust) in addition to considering different antecedents of trust in a vendor.

Other technology-based retail settings, besides the online setting, are still vastly unexplored areas for research on privacy concerns. A starting point could be investigating new retail media increasing their market shares due to their synergies with PC-based online settings, such as the mobile setting. Mobile devices are becoming increasingly relevant marketing and retailing tools, as they not only allow the customer to be contacted at any time, but also allow ever greater customization than the “traditional” online context (on the PC). However, this characteristic, which is the main opportunity for marketers using this medium, is also the main obstacle to its diffusion to consumers. Contacting customers on their mobile device could be considered a greater privacy invasion. Moreover, sharing personal data over a mobile phone could raise a greater privacy concern than when the same actions occur on a PC.

We cannot infer that the results that hold for e-commerce also hold for m-commerce. We therefore suggest that future research should investigate the differences between customers’ behavior toward these two media forms. A starting point would be to conduct a study similar to the one described in this chapter, but that includes the media through which the customer and firm interact as another independent variable.

Finally, the new GDPR regulation requires the minimization of data by demanding that companies detect the least amount of data possible from customers. To determine which is the limit, the following principle holds: as little as possible, but all those necessary. It is therefore not possible to collect more data than is necessary for the intended purpose. This principle intends to prohibit the blind detection of data simply to stock them. Future studies should therefore, unlike our investigation, not just test the determinants of increasing the quantity of truthful information collected but the one enabling companies to collect precisely the type of data relevant to their activity.

CONCLUSION

The aim of our study was to empirically investigate the effect of trust and compensation on information sharing, which is a prerequisite for many new technologies’ adoption. The studies described here focused on the online setting, and are meant to be starting point for future research in other technology-based retail settings. In particular, we used a fictional retailer in the mobile phone business selling products

and services to end customers. Building on previous studies, and to overcome a common limitation, we measured behavioral information sharing, not just attitudinal information sharing.

The results of our two experimental studies show the key role of trust in increasing information sharing with e-vendors and behavioral differences between the target groups. If future studies support our findings, marketers may gain a clear picture of how to manage their customer relationships in contexts where technologies actually reduce the direct contact between the firm and the client, at least in the traditional form based on interpersonal interaction. This paradox is a key challenge for retailers who decide to invest in new technologies.

Managerial Implications

The aim of this study was to leverage some theoretical gaps to point out managerial implications for companies interested in increasing their sales online. In this study, we consider overcoming privacy concern as the main way companies can reach this objective. The literature suggests two strategies that practitioners can utilize: leveraging trust, or providing customers with compensation for increasing their information disclosure, a necessary condition to sell online. In this study we tested both to analyze their interaction and to provide insights for practitioners.

The first interesting results from a managerial point of view is that if no compensation is offered, trust always allows higher disclosure of information. This implies that creating trust by using immaterial resources could be a valuable approach with which firms can increase consumers' disclosure. While many online operators invest their resources in creating increasingly innovative compensation systems in order to increase their relationship with website visitors, this strategy – besides being costly – could also be ineffective if customers' trust is already high. Compensation is not, after all, effective in increasing information disclosure when trust is already high and therefore serves no purpose after a successful trust creating strategy.

The key question is therefore: how can managers increase their potential customers' trust? Since we focus on the trust in an online vendor in this research, we suggest that firms' efforts should be directed toward leveraging e-trust antecedents in the company and its website. The most important antecedents identified in the literature are: perceived reputation (Jarvenpaa et al., 2000; Yoon, 2002; Pavlou, 2003; Hee-Woong, Xu and Koh, 2004; Koufaris & Hampton-Sosa, 2004), navigation and user-friendliness (Koufaris & Hampton-Sosa, 2004; Newholm, McGoldrick, Keeling, Macaulay, & Doherty, 2004; Bart, Shankar, Sultan, & Urban, 2005), error-freeness (Newholm et al., 2004; Bart et al., 2005), site design (Shneiderman, 2000), the presence of a virtual advisor (Urban, Sultan, & Qualls, 2000; Hee-Woong et al., 2004; Bart et al., 2005), and of a community (Luo, 2002; Newholm et al., 2004).

Another interesting element in terms of managerial implications is the differences in the results between the different targets groups (students vs. working people) tested empirically in Study 3. This suggests that firms should define their strategies according to the main target group that they address. If the target group comprises working people with an income, monetary incentives could impact firms perceived as trustworthy negatively at first, as this may undermine potential customers' initial trust and lessen their information disclosure information. Conversely, monetary incentive is the most effective strategy if the main target group is younger and composed of students, in particular when the potential gain is high, even if not certain as in the case of monetary lotteries. This results is based on the basics of marketing segmentation and targeting, which also proves to be relevant in the online sector.

REFERENCES

- Aaker, D. A., Kumar, V., & Day, G. S. (2001). *Marketing Research* (7th ed.). New York, NY: John Wiley and Sons.
- Andrade, E. B., Kaltcheva, V., & Weitz, B. (2002). Self-disclosure on the web: the impact of privacy policy, reward and company reputation. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 29(1), 350–353.
- Bart, Y., Shankar, V., Sultan, F., & Urban, G. L. (2005). Are the drivers and role of online trust the same for all web sites and consumers? a large-scale exploratory empirical study. *Journal of Marketing*, 69(4), 133–152. doi:10.1509/jmkg.2005.69.4.133
- Castaldo, S. (2007). *Trust in Marketing Relationships*. Cheltenham, UK: Edward Elgar. doi:10.4337/9781847208576
- Castaldo, S. & Grosso, M. (2014). Retailer-customers relationships in the online setting: an empirical investigation to overcome privacy concerns and improve information sharing. In M. Fabio & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 204–225). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch022
- Castañeda, A. J., & Montoro, F. J. (2007). The effect of internet general privacy concern on customer behavior. *Electronic Commerce Research*, 7(2), 117–141. doi:10.1007/10660-007-9000-y
- Cespedes, F. V., & Smith, H. J. (1993). Database marketing: new rules for policy and practice. *Sloan Management Review*, 34(4), 8–12.
- Clemons, E. K., & Wilson, J. S. (2015). Family preferences concerning online privacy, data mining, and targeted ads: regulatory implications. *Journal of Management Information Systems*, 32(2), 40–70. doi:10.1080/07421222.2015.1063277
- DeCew, J. (1997). *In pursuit of privacy. law, ethics, and the rise of technology*. Ithaca, NY: Cornell University Press.
- Deutschen, E., De Ruyter, K., Wetzels, M., & Ooterveld, P. (2004). Response rate and response quality of internet-based surveys: an experimental study. *Marketing Letters*, 15(1), 21–36. doi:10.1023/B:MARK.0000021968.86465.00
- Doney, P. M., & Cannon, J. P. (1997). An examination of the nature of trust in buyer-seller relationships. *Journal of Marketing*, 61(2), 35–51.
- En, X., Hock-Hai, T., & Wen, W. (2006). Volunteering personal information on the internet: effects of reputation, privacy notices, and rewards on online consumer behavior. *Marketing Letters*, 17(1), 61–74. doi:10.1007/11002-006-4147-1
- Fukuyama, F. (1995). *Trust: the social virtues and the creation of prosperity*. New York, NY: Free Press.
- Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in online shopping: An integrated model. *Management Information Systems Quarterly*, 27(1), 51–90. doi:10.2307/30036519

An Empirical Investigation to Improve Information Sharing in Online Settings

- Goodwin, C. (1991). Privacy: recognition of a consumer right. *Journal of Public Policy & Marketing*, 10(1), 149–166. doi:10.1177/074391569101000111
- Grabner-Kraeuter, S. (2002). The role of consumers' trust in online-shopping. *Journal of Business Ethics*, 39(1-2), 43–50. doi:10.1023/A:1016323815802
- Harris, L. C., & Goode, M. M. H. (2004). The four levels of loyalty and the pivotal role of trust: a study of online service dynamics. *Journal of Retailing*, 80(2), 139–158. doi:10.1016/j.jretai.2004.04.002
- Hee-Woong, K., Xu, Y., & Koh, J. (2004). A comparison of online trust building factors between potential customers and repeat customers. *Journal of the Association for Information Systems*, 5(10), 392–420. doi:10.17705/1jais.00056
- Hoffman, D., Novak, T. P., & Peralta, M. A. (1999). Building consumer trust online environment: the case for information privacy. *Communications of the ACM*, 42(4), 80–85. doi:10.1145/299157.299175
- Hoffman, D. Novak, T. (1999). Information privacy in the marketspace: Implications for the commercial uses of anonymity on the web. *The Information Society*, 15(2), 129–140. doi:10.1080/019722499128583
- Hui, K. L., Teo, H. H., & Lee, S. Y. T. (2007). The value of privacy assurance: An exploratory field experiment. *Management Information Systems Quarterly*, 31(1), 19–33. doi:10.2307/25148779
- Jarvenpaa, S. L., Tractinsky, J., & Vitale, M. (2000). Consumer trust in an internet store. *Information Technology Management*, 1(1/2), 45–71. doi:10.1023/A:1019104520776
- Jarvenpaa, S. L., & Tractinsky, N. (1999). Consumer trust in an internet store: A cross-cultural validation. *Journal of Computer-Mediated Communication*, 5(2), 1–35.
- Kim, D. J., Song, Y. I., Braynov, S. B., & Rao, H. R. (2005). A multidimensional trust formation model in b-to-c e-commerce: a conceptual framework and content analyses of academia/practitioner perspectives. *Decision Support Systems*, 40(2), 143–165. doi:10.1016/j.dss.2004.01.006
- Koufaris, M., & Hampton-Sosa, W. (2004). The development of initial trust in an online company by new customers. *Information & Management*, 41(3), 377–397. doi:10.1016/j.im.2003.08.004
- Lee, M. K. O., & Turban, E. (2002). A trust model for consumer internet shopping. *International Journal of Electronic Commerce*, 6(1), 75–91. doi:10.1080/10864415.2001.11044227
- Luo, X. (2002). Trust production and privacy concerns on the internet: a framework based on relationship marketing and social exchange theory. *Industrial Marketing Management*, 31(2), 111–118. doi:10.1016/S0019-8501(01)00182-1
- Malhotra, N. K., Kim, S. S., & Agarwal, J. (2004). Internet users' information privacy concerns (iuipc): the construct, the scale, and a causal model. *Information Systems Research*, 15(4), 336–355. doi:10.1287/isre.1040.0032
- McKnight, D. H., Choudhury, V., & Kacmar, C. (2002). The impact of initial consumer trust on intention to transact with a website: a trust building model. *The Journal of Strategic Information Systems*, 13(4), 297–323. doi:10.1016/S0963-8687(02)00020-3

- McKnight, D. H., Kacmar, C., & Choudhury, V. (2004). Shifting factors and the ineffectiveness of third party assurance seals: a two-stage model of initial trust in a web business. *Electronic Markets*, 14(3), 252–266. doi:10.1080/1019678042000245263
- Milne, G. R., & Boza, M. E. (1999). Trust and concern in consumers' perceptions of marketing information management practices. *Journal of Interactive Marketing*, 13(1), 5–24. doi:10.1002/(SICI)1520-6653(199924)13:1<5::AID-DIR2>3.0.CO;2-9
- Milne, G. R., & Gordon, M. E. (1993). Direct mail privacy-efficiency trade-offs within an implied social contract framework. *Journal of Public Policy & Marketing*, 12(2), 206–215. doi:10.1177/074391569101200206
- Moorman, C., Zaltman, G., & Deshpandé, R. (1992). Relationships between providers and users of market research: the dynamisc of trust within and between organizations. *JMR, Journal of Marketing Research*, 29(3), 314–328. doi:10.1177/002224379202900303
- Müller-Lankenau, C., Wehmeyer, K., & Klein, S. (2005). Multi-channel strategies: capturing and exploring diversity in the european retail grocery industry. *International Journal of Electronic Commerce*, 10(2), 85–122. doi:10.2753/JEC1086-4415100204
- Musso, F. & Druica, E. (2014) (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global.
- Newholm, T., McGoldrick, P., Keeling, K., Macaulay, L., & Doherty, J. (2004). Multi-story trust and online retailer strategies. *International Review of Retail, Distribution and Consumer Research*, 14(4), 437–456. doi:10.1080/0959396042000260889
- Norberg, P. A., Horne, D. R., & Horne, D. A. (2007). The privacy paradox: personal information disclosure intentions versus behaviors. *The Journal of Consumer Affairs*, 41(1), 100–126. doi:10.1111/j.1745-6606.2006.00070.x
- Pavlou, P. A. (2003). Consumer acceptance of electronic commerce - integrating trust and risk with the technology acceptance model. *International Journal of Electronic Commerce*, 7(3), 69–103.
- Phelps, J., Nowak, G. J., & Ferrell, E. (2000). Privacy concerns and consumer willingness to provide personal information. *Journal of Public Policy & Marketing*, 19(1), 27–4. doi:10.1509/jppm.19.1.27.16941
- Premazzi, K., Castaldo, S., Grosso, M., Raman, P., Brudvig, S., & Hofacker, C. (2010a). Customer information sharing with e-vendors: The role of initial trust and incentives. *International Journal of Electronic Commerce*, 14(3), 63–91. doi:10.2753/JEC1086-4415140304
- Premazzi, K., Castaldo, S., Hofacker, C., & Grosso, M. (2010b). Supporting retailers to exploit online settings for internationalization: The different role of trust and compensation. *Journal of Retailing and Consumer Services*, 17(3), 229–240. doi:10.1016/j.jretconser.2010.03.006
- Rifon, N. J., LaRose, R., & Choi, S. M. (2005). Your privacy is sealed: effects of web privacy seals on trust and personal disclosures. *The Journal of Consumer Affairs*, 39(2), 339–362. doi:10.1111/j.1745-6606.2005.00018.x

An Empirical Investigation to Improve Information Sharing in Online Settings

- Schlosser, A. E., White, T. B., & Lloyd, S. M. (2006). Converting web site visitors into buyers: how web site investment increases consumer trusting beliefs and online purchase intentions. *Journal of Marketing*, 70(2), 133–148. doi:10.1509/jmkg.70.2.133
- Schoder, D., & Yin, P. L. (2000). Building firm trust online. *Communications of the ACM*, 43(12), 73–79. doi:10.1145/355112.355127
- Schoenbachler, D. D., & Gordon, G. L. (2002). Trust and customer willingness to provide information in database-driven relationship marketing. *Journal of Interactive Marketing*, 16(3), 2–16. doi:10.1002/dir.10033
- Shankar, V., Urban, G. L., & Sultan, F. (2002). Online trust: a stakeholder perspective, concepts, implications and future directions. *The Journal of Strategic Information Systems*, 11(4), 325–344. doi:10.1016/S0963-8687(02)00022-7
- Sheehan, K. B. (2005). Public opinions of online privacy: definitions, assessment and implications for industry and public policy. In S. Krishnamurthy (Ed.), *Contemporary Research in E-Marketing*. Hershey (pp. 186–199). Hershey, PA: IGI Global. doi:10.4018/978-1-59140-372-2.ch009
- Sheehan, K. B., & Hoy, M. G. (1999). Flaming, complaining, abstaining: how online users respond to privacy concerns. *Journal of Advertising*, 28(3), 37–51. doi:10.1080/00913367.1999.10673588
- Sheehan, K. B., & Hoy, M. G. (2000). Dimensions of privacy concern among online consumers. *Journal of Public Policy & Marketing*, 19(1), 62–73. doi:10.1509/jppm.19.1.62.16949
- Shneiderman, B. (2000). Designing trust into online experiences. *Communications of the ACM*, 43(12), 57–59. doi:10.1145/355112.355124
- Son, J.-Y., & Kim, S. S. (2008). Internet users' information privacy-protective responses: a taxonomy and a nomological model. *Management Information Systems Quarterly*, 32(3), 503–529. doi:10.2307/25148854
- Steinfeld, C. (2004). The missing link: connecting physical and virtual channels through click & mortar electronic commerce. In K. Stanoevska-Slabeva (Ed.), *Digital Economy* (pp. 141–157). Heidelberg, Germany: Anspruch und Wirklichkeit.
- Szmigin, I., & Bourne, H. (1998). Consumer equity in relationship marketing. *Journal of Consumer Marketing*, 15(6), 544–557. doi:10.1108/07363769810240545
- Urban, G. L., Sultan, F., & Qualls, W. J. (2000). Placing trust at the center of your internet strategy. *Sloan Management Review*, 42(1), 39–48.
- Van den Poel, D., & Leunis, J. (1999). Consumer acceptance of the internet as a channel of distribution. *Journal of Business Research*, 45(3), 249–256. doi:10.1016/S0148-2963(97)00236-1
- Venkatesan, R., Kumar, V., & Ravishankar, N. (2007). Multichannel shopping: causes and consequences. *Journal of Marketing*, 71(2), 114–132. doi:10.1509/jmkg.71.2.114
- Viswanathan, S. (2005). Competing across technology-differentiated channels: the impact of network externalities and switching costs. *Management Science*, 51(3), 483–496. doi:10.1287/mnsc.1040.0338

Yoon, S. J. (2002). The antecedents and consequences of trust in online purchase decisions. *Journal of Interactive Marketing, 16*(2), 47–63. doi:10.1002/dir.10008

ADDITIONAL READING

Bansal, G., Zahedi, F. M., & Gefen, D. (2016). Do context and personality matter? Trust and privacy concerns in disclosing private information online. *Information & Management, 53*(1), 1–21. doi:10.1016/j.im.2015.08.001

Baruh, L., Secinti, E., & Cemalcilar, Z. (2017). Online Privacy Concerns and Privacy Management: A Meta-Analytical Review. *Journal of Communication, 67*(1), 26–53. doi:10.1111/jcom.12276

Dienlin, T., & Trepte, S. (2015). Is the privacy paradox a relic of the past? An in-depth analysis of privacy attitudes and privacy behaviors. *European Journal of Social Psychology, 45*(3), 285–297. doi:10.1002/ejsp.2049

Gerber, N., Gerber, P., & Volkamer, M. (2018). Explaining the privacy paradox: A systematic review of literature investigating privacy attitude and behavior. *Computers & Security, 77*, 226–261. doi:10.1016/j.cose.2018.04.002

Hong, W., & Thong, J. Y. L. (2013). Internet Privacy Concerns: An Integrated Conceptualization And Four Empirical Studies. *Management Information Systems Quarterly, 37*(1), 275–298. doi:10.25300/MISQ/2013/37.1.12

Jung, Y., & Park, J. (2018). An investigation of relationships among privacy concerns, affective responses, and coping behaviors in location-based services. *International Journal of Information Management, 43*, 15–24. doi:10.1016/j.ijinfomgt.2018.05.007

Kehr, F., Kowatsch, T., Wentzel, D., & Fleisch, E. (2015). Blissfully ignorant: The effects of general privacy concerns, general institutional trust, and affect in the privacy calculus. *Information Systems Journal, 25*(6), 607–635. doi:10.1111/isj.12062

Kokolakis, S. (2017). Privacy attitudes and privacy behaviour: A review of current research on the privacy paradox phenomenon. *Computers & Security, 64*, 122–134. doi:10.1016/j.cose.2015.07.002

Li, H., Luo, X., Zhang, J., & Xu, H. (2017). Resolving the privacy paradox: Toward a cognitive appraisal and emotion approach to online privacy behaviors. *Information & Management, 54*(8), 1012–1022. doi:10.1016/j.im.2017.02.005

Markos, E., Milne, G. R., & Peltier, J. W. (2017). Information Sensitivity and Willingness to Provide Continua: A Comparative Privacy Study of the United States and Brazil. *Journal of Public Policy & Marketing, 36*(1), 79–96. doi:10.1509/jppm.15.159

Martin, K., & Murphy, P. (2017). The role of data privacy in marketing. *Journal of the Academy of Marketing Science, 45*(2), 135–155. doi:10.1007/11747-016-0495-4

An Empirical Investigation to Improve Information Sharing in Online Settings

Martin, K. D., Borah, A., & Palmatier, R. W. (2017). Data Privacy: Effects on Customer and Firm Performance. *Journal of Marketing*, 81(1), 36–58. doi:10.1509/jm.15.0497

Premazzi, K., Castaldo, S., Hofacker, C., & Grosso, M. (2010). Trust in on line customer-firm interaction: a literature review and directions for research. In D. Latusek Dominika & A. Gerbasi Alexandra (Eds.), *Trust and Technology in a Ubiquitous Modern Environment* (pp. 287–303). IGI Global.

Sen, R., & Borle, S. (2015). Estimating the Contextual Risk of Data Breach: An Empirical Approach. *Journal of Management Information Systems*, 32(2), 314–341. doi:10.1080/07421222.2015.1063315

Wang, T., Duong, T. D., & Chen, C. C. (2016). Intention to disclose personal information via mobile applications: A privacy calculus perspective. *International Journal of Information Management*, 36(4), 531–542. doi:10.1016/j.ijinfomgt.2016.03.003

Ying-Chao, L. (2008). Do extrinsic cues affect purchase risk at international e-tailers: The mediating effect of perceived e-tailer service quality. *Journal of Retailing and Consumer Services*, 15(5), 420–428. doi:10.1016/j.jretconser.2007.11.001

KEY TERMS AND DEFINITIONS

ANCOVA: Multivariate data analysis technique used in experimental research that allows researcher to test for the significant difference between the means of the dependent variable in the different experimental groups when controlling for the results of the covariate variables.

ANOVA: Multivariate data analysis technique used in experimental research that allows researcher to test for the significant difference between the means of the dependent variable in the different experimental groups.

Covariate Variable: A variable that could influence the effect of the independent variable on the dependent variable in experimental research; it is therefore measured and its results are controlled for to determine the “pure” causal effect.

ICT: Information and communication technologies are meant to increase information exchange and communication between geographically separated parties, but they also increase many users’ privacy concerns.

Incentive or Compensation: Something firms give to customers in exchange for providing their personal data; it may take several forms (money, gift, etc.).

Privacy Concern: Concern about the safeguarding and usage of personal data provided to an entity (such as a firm).

Trust: A subject’s (the trustor) belief that another subject (the trustee) will act according to his or her expectations during a risky situation over which he or she has no control.

Chapter 17

Technical and Hedonistic Variables of Online Visual Merchandising: Do They Influence Apparel Website Popularity and Attractiveness?

Alessandro Bigi

Verona University, Italy

Michelle Bonera

Università degli studi di Brescia, Italy

Elisabetta Corvi

Università degli studi di Brescia, Italy

ABSTRACT

This study looks for a correlation between visual hedonistic and technical variables and site success, simultaneously establishing whether there are any recorded evolutionary aspects of technical variables. A mixed method approach was adopted and the analysis was divided into the following phases: content analysis on technical and hedonistic characteristics; traffic analysis, analysis of the position of websites in relation to data traffic using a size reduction technique; cross-analysis of results obtained in the two previous phases to observe the cluster structure from a point of view of data traffic. The results state that there is no clear correlation between technical and hedonistic qualities of an e-commerce site in the apparel industry and the popularity and attractiveness of their site, and therefore, the authors cannot confirm the four proposed hypotheses.

DOI: 10.4018/978-1-7998-1412-2.ch017

INTRODUCTION

There are certain fundamental factors in the retail mix, including; assortment, price, communication, and location. In particular, for in-store communication, visual merchandising plays a fundamental role. However, there has been a recent shift towards an omnichannel approach due to the need for retailers for greater integration between company areas, such as marketing, innovations, and customer services. Consequently, an important question is, ‘are the same factors involved in the success of both online and offline stores? More specifically, ‘is it possible to state that the role of visual online sales is the same as an offline sales point? Here, the authors looked for a correlation between visual hedonistic and technical variables and site success, simultaneously establishing whether there are any recorded evolutionary aspects of technical variables.

Recently, research has analyzed different variables that can affect the propensity of consumers to buy clothing online (Choi, 2016; Cho and Workman, 2015; Merle et al., 2012; Hagberg et al., 2016; Melis, et al., 2015; Sundström et al., 2019). According to Shala and Balay (2016), the success of online channels depends on their quality of service. The main factor that influences these authors is the perceived risk of consumers of the lack of “materiality” of stores. This, in turn, induces customers to buy online only based on knowledge of the product’s brand. The term “quality of service” refers to the value gap between consumers’ expectations regarding service and the actual perception of this service after the purchase experience (Parasuraman et al., 1985).

To measure the quality of electronic services, defined in the eTail Quality study, the following aspects were taken into consideration (Shala and Balay 2016):

- *Satisfaction/reliability*, the visualization, and accurate description of the product reassuring consumers to order what they want (Wolfenbarger and Gilly 2003).
- *Website design*, all relevant elements for a positive virtual experience, such as smooth navigation, information search, order processing, the possibility of personalization, and selection of products.
- *Customer service*, the care that online sellers show in offering consumers immediate solutions to problems that the customer may encounter while browsing (Wolfenbarger and Gilly 2003).
- *Security/privacy*, the security level of credit card payments, and consumer data protection.

Cho and Workman (2011) analyzed on the other hand, how consumers prefer to buy items of clothing in physical stores or online in relation to the need to touch products (need for touch), the aesthetic centrality of the product and genre. According to these authors, consumers who have a great need to have a tactile examination of the product will go exclusively to physical stores and will never be an online target.

From their study, it also emerged that:

- It is not just the image of an individual product that induces consumers to buy online, but also the appearance of the online store which affects their final decision;
- A potential consumer who comes across a store full of exciting and interesting elements could reduce their perception of risk and perceive the online shopping experience to be much more pleasant (Ha and Lennon 2011);
- Women tend to prefer purchasing in physical stores, and only very few make purchases online because of the absence of social interaction (Hasan, 2010). Furthermore, women shop for fun (Almaghrabi and Dennis, 2010).

- Consumers who on the other hand, have a greater need for touch and/or higher aesthetic centrality, may prefer online shopping for convenience, impulse purchases or simply for fun, regardless of the characteristics of the site.

BACKGROUND

Given, that online visual merchandising attempts to recreate the shopping experience online within the physical store (Baek, 2015), the stimuli produced by the online channel can be classified into two categories (Eroglu et al. 2001): high task-relevant cues and low task-relevant cues. High task-relevant cues are those characteristics directly linked to the commercial objectives of consumers (Kim et al., 2015) and include navigation, graphics, and how to present products (Katrandjiev and Velinov 2014). They include both verbal and visual description of the site, which represent essential elements of consumers' buying intentions. Verbal information about the product (description, prices, discounts, delivery, return policies, and images) and navigation support options (site map, search tool, menu bar).

The online store, in order to positively influence customer satisfaction, should have the following characteristics:

- Be easy to navigate: They should have an advanced search engine able to allow consumers to be free to juggle categories and provide useful and detailed information to make shopping more enjoyable (Koivumaki, 2001; Jang and Burns, 2004)
- Ensure comfortable shopping: designing a graphically attractive site and creating a pleasant environment is important because it increases the value of the portal and facilitates navigation (Bonera, 2011; Katrandjiev and Velinov 2014).
- Properly present the products, helping the consumer in their decision-making process by offering efficient systems capable of generating sensory or aesthetic information (Won Jeong et al., 2009).
- Offer different choices (menu options);
- Be interactive.

Corvi and Bonera, (2014) tried to verify whether there was a correlation between the quality of technical variables of online visual merchandising and the success of sites measured in terms of traffic. However, they did not obtain any significant results. Here, the authors include the more hedonistic characteristics of an e-commerce site: i.e., low task-relevant cues. These include elements that can persuade the subject of purchase requests, differentiating e-commerce from competitors. Thus colors, background and frame texture, writing styles, animation, music, type of icons, decorative images, and quantities of white spaces are all examples (Eroglu et al. 2001).

According to Katrandjiev and Velinov (2014), low task-relevant cues include two groups of elements: atmospheric characteristics and registration within the website. Atmospheric features include the site home page, the presence of music both at entry and while browsing as well as the video, the choice of background colors, including default and in the product and text color tabs (Ha et al., 2007).

A website that has high aesthetic characteristics is perceived as being much more credible and able to provide greater satisfaction (Robins and Holmes, 2008). Previous studies show that different types of characters, the modality of expression and color combination affect the readability of the site (Hill

Technical and Hedonistic Variables of Online Visual Merchandising

and Scharff, 1999), while color and background design influence consumers' perceptions of product evaluation (Mandel and Johnson, 2002; Bellman, et al., 2006).

According to Lee and Hahn (2015), the tone of writing can also be considered an atmospheric element of the network. Indeed, based on the choice of terms, it is possible to attribute characteristics to the e-commerce social site that are similar to human ones, thus improving the shopping experience. Tone refers to the technique of composing texts and is transmitted both by choice of terms and by the narrator. An informal tone tries to give a text a colloquial expression, as in a dialogue between peers, using familiar terms, contractions and referring to the interlocutor in the first or second person. While formal tones rely on a precise structure and a particular phrasing, it rarely uses contractions and addresses the subject in the third person). It is normal to thi that within an e-commerce website, the tone used is usually informal in order to attribute characteristics similar to human ones to the social site.

Melodies can satisfy consumers as well as annoy them. Retailers, who are aware of this, offer the possibility to circumvent this service with specific buttons within site. If not available, the customer can directly adjust the sound of their device.

Presentation videos on the homepage are intended to communicate business values clearly and concisely. The images can portray the company and its collaborators, the core products, the testimonial, or represent precise promotional messages. For example, the company continuously updates its videos depending on whenever there is a new collection or seasonal sales. From our analysis, it was found that the choice of inserting the company video onto the homepage was not a common strategy. Video choice usual include static images that flow automatically, even if according to previous studies, visual information or visual information intended as video, is remembered much more easily and the combination of images and sounds increases customer understanding and memorization (Baggett, 1984; Kozma, 1991).

Finally, assigning the right color to a site is a delicate operation as each nuance is linked to a specific meaning that can influence human emotions. The color must correspond to the corporate communication objective. First of all, behavioral levels influenced by this choice must be understood, and Biers and Richards (2011) identified three: physiological, aesthetic, and psychological. Physiologically, color can make site navigation problematic or easy, and aesthetically, it is necessary to create a pleasant context for the shopping experience. Finally, psychologically, color is considered a non-verbal form of communication that can condition the purchasing process.

The most common background colors are white (clean, minimal and bright), black (sophisticated and elegant), red (vital and passionate), blue (elegant and reliable) and yellow (energizing and wise) (Katrandjiev, Velinov 2014). For any situation, it has been confirmed that products with blue or purple backgrounds are given a higher value than those shown, for example, with a red background (Bellizzi, Hite 1992; Biers, Richards 2011). Blue is the most common color on the web, and its meaning changes with the gradation used. Indeed, the lightest shades are considered friendly and social (Facebook, Twitter, and LinkedIn are an example), while the most intense shades are synonymous of elegance and reliability.

The second factor included among low impact stimuli concerns users' recordings at the e-commerce site. Katrandjiev and Velinov (2014) focused on privacy and security risks related to virtual shop signups. According to the Privacy & America Business research, 64% of respondents said they do not purchase online because of requests to enter personal data, and 67% avoid registration (Tsai et al. 2011). Subscribing to online stores can, therefore, be seen as a disturbance factor and violation of personal data. However, it also facilitates the process of purchasing and browsing within site, providing advantages in terms of purchase (visualization of promotions applied to the most consulted and/or purchased products) and service (creation of a personalized homepage).

MAIN FOCUS OF THE CHAPTER

All this given, here the authors analyzed the hypotheses of relations between two types of variables of online visual merchandising in the fashion industry and the success of sites measured in terms of traffic, popularity, and attractiveness of the sites themselves.

Independent variables were identified in two macro-categories: hedonic variables and technical variables. The former can be traced to the low task-relevant cue elements, while the latter to the high task-relevant cue elements.

Hedonic variables include (Magrath and McCormick, 2013): presence of a video presentation in the website home page; information related to current trends; style tips; rewards for purchases, intended personality endorsements as a symbol of the store; the possibility to customize the product; sound; customer services clearly visible on the home page.

Technical variables refer (Corvi and Bonera 2014) to: product presentation techniques (presence of dummy, model or flat surfaces); technology used (multiple or 3D view, zoom, full view of the mannequin and/or model, fashion show); additional services (category filters, price range, designer choice); display of products similar or related to the target garment (Ha et al.,2007).

Therefore, the hypotheses of this research are synthetically the following:

Hypothesis One: As the quality of technical variables of online visual merchandising increases, the attractiveness of the site increases;

Hypothesis Two: As the quality of technical variables of online visual merchandising increases, the popularity of the site increases;

Hypothesis Three: As the quality of hedonic variables of online visual merchandising increases, the attractiveness of the site increases;

Hypothesis Four: As the quality of hedonic variables of online visual merchandising increases, the popularity of the site increases.

During verification of these variables, the authors found that some of these were either present or absent, for all analyzed sites. In particular, the authors noted that filters in the menu, the use of a model and zoom functions were standard features, while sounds, the use of a dummy and three-dimensional rotation of the product was not detected at any site. The following was, therefore hypothesized:

- Variables in each website can be defined as a standard and indispensable feature and so, irrelevant for the purpose of this analysis;
- The lack of sounds or three-dimensional screen may be innovative features that could be inserted into sites;
- The absence of dummies is explained by their replacement with real models.

The authors also evaluated, off-line points of sale, whether single-brand or multi-brand sites and the price range of membership: Luxury (400 \$ -1000 \$), Bridge (\$ 90 - \$ 200), Diffusion (\$ 50 - \$ 80) and Mass (\$ 5 - \$ 40).

In order to verify this hypothesis, a sample was chosen consisting of the top 30 most visited fashion e-commerce sites in terms of data traffic (table 1). Systat was the statistical program used, and the analysis was divided into the following phases:

Technical and Hedonistic Variables of Online Visual Merchandising

- **Content Analysis on Technical and Hedonistic Characteristics:** Use of qualitative variables and a technique of cluster analysis to form groups of homogeneous websites;
- **Traffic Analysis:** Analysis of the position of websites in relation to data traffic using a size reduction technique;
- **Cross-Analysis:** Cross-Analysis of results obtained in the two previous phases to observe the cluster structure from the point of view of data traffic.

The sample was identified with the support of the portal Alexa Internet Inc., a US company, belonging to the Amazon.com group, which deals with statistics on Internet data traffic. Alexa, for each website, stores, and analyses data related to all visits made by consumers and presents its analysis on traffic in a summary report. Alexa also estimates the popularity of each site by combining average daily visitors and pages viewed over the last three months.

The macro-category identified in Alexa was “Shopping”, which included 35 sub-categories. Of these, the “clothing” category was the final choice, as it includes accessories, casual wear, clothing for children, women, and men, shoes, formal wear, and much more. To further narrow the analysis, only the “casual” category was considered, as it is the most common type of clothing on the web (473 websites, for example, 143 for formal clothing).

The identified sample contained the first 48 websites, identified by Alexa, classified in an order from the most viewed to the least viewed. An analysis of Visual Merchandising characteristics was created considering one specific product: women’s dresses. This focus led to the exclusion of 18 identified websites as they did not process this product (Table 1).

To construct the data set necessary for the analysis, it was verified whether the thirty sites possessed the characteristics represented by the two variables (hedonistic and technical), indicating “1” the presence of the attribute and “0” the absence of the element.

The statistical technique used for the segmentation was the Cluster Analysis (CA) - Group analysis, exploration method in which N subjects, described through a p-dimensional quantitative profile, are divided into k groups as homogeneous as possible within them (internal cohesion) and non-homogeneous (external separation). In this case, the study variables were qualitative, so the distance that best represents the agglomeration is the so-called Minkowski distance, expressed by the following relation:

$$d \cdot (x_1; x_2)_r = \sqrt[r]{\sum_{j=1}^p |x_{1j} - x_{2j}|} \cdot r$$

If the value of r was equal to 2, this formula would correspond to the Euclidean distance that is not recommended as it measures the distance between the points in a space, not identified in our case.

To obtain an appropriate result, the authors decided to assume $r = 1$ to arrive at the sum of the number of discordant profiles. Profile speeches were the only possible result because, if x_{1j} were equal to 1 (or 0) and x_{2j} were also equal to 1 (or 0), the sum would be 0; while with x_{1j} equal to 1 (or 0) and x_{2j} equal to 0 (or 1), the result would be positive and the sum would have a result, i.e., the sum of the discordant profiles.

The Cluster Analysis is divided into two techniques, non-hierarchical methods and hierarchical methods. In our analysis, the authors applied the hierarchical agglomeration method. The peculiarity of

Table 1. The Sample

Brand	Web site	Store/Store and E-commerce	One brand / Multibrand
Gap	www.gap.com	S&E	Multi-Brand
Forever21	www.forever21.com	S&E	One Brand
JCrew	www.jcrew.com	S&E	One Brand
AmericanEagleOutfitters	www.ae.com	S&E	One Brand
Llbean	www.llbean.com	S&E	One Brand
LandsEnd	www.landsend.com	S&E	Multi Brand
Abercrombie	www.abercrombie.com	S&E	Multi Brand
OldNavy	www.oldnavy.com	S&E	One Brand
Levi	www.levi.com	S&E	One Brand
Eddiebauer	www.eddiebauer.com	S&E	One Brand
Aeropostale	www.aeropostale.com	S&E	One Brand
Tedbaker	www.tedbaker.com	S&E	One Brand
Bananarepublic	www.bananarepublic.com	S&E	One Brand
JJill	www.jjill.com	S&E	One Brand
TheWetSeal	https://www.wetseal.com	S&E	One Brand
Guess	www.guess.com	S&E	One Brand
Luckybrand	www.luckybrand.com	S&E	One Brand
BuckleInc	www.buckle.com	S&E	Multi Brand
Athleta	www.athleta.com	S&E	One Brand
JackWills	www.jackwills.com	S&E	One Brand
TrueReligion	www.truereligion.com	S&E	One Brand
Agjeans	www.agjeans.com	S&E	One Brand
Esprit	www.esprit.com	S&E	One Brand
Bostonproper	www.bostonproper.com	S	One Brand
Jbrandjeans	www.jbrandjeans.com	S	One Brand
JoesJeans	www.joesjeans.com	S&E	One Brand
Maxstudio	www.maxstudio.com	S&E	One Brand
AprilCornell	www.aprilcornell.com	S&E	One Brand
TerritoryAhead	www.territoryahead.com	S&E	One Brand
Ragstock	www.ragstock.com	S&E	One Brand

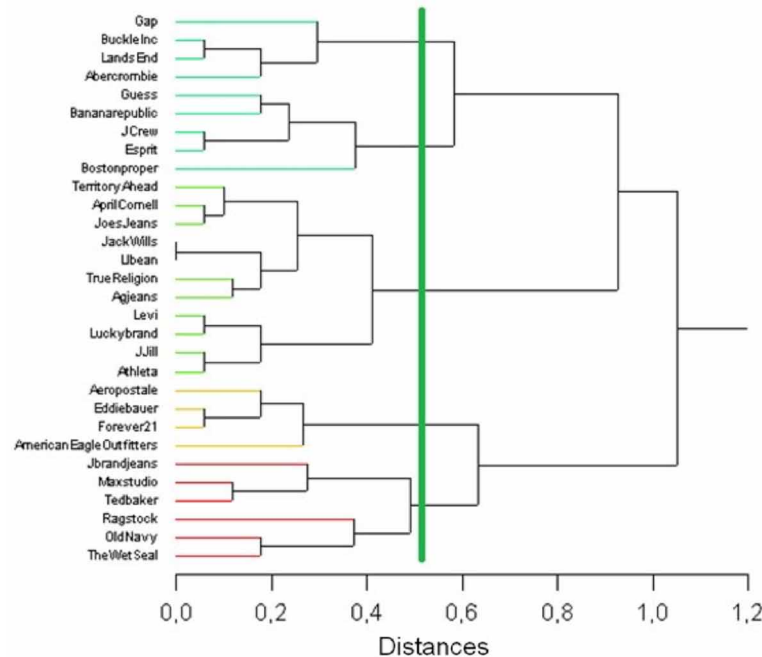
Source: Authors elaboration

this method is that the subject performing the analysis decides the choice of the “optimal” level of agglomeration and so the number and composition of the resulting clusters depend on this decision. The distance between the groups was calculated using the Ward method, which combines at each stage of the process, the two groups from which the minimum possible increase of variance within the groups derives from the union. The result of this analysis is represented by the dendrogram or cluster tree (Figure 1),

Technical and Hedonistic Variables of Online Visual Merchandising

Figure 1. Dendrogram or Cluster Tree

Source: Authors elaboration



which is essential to understand at what level to stop the agglomeration. The green line represents the level in which it was decided to interrupt the aggregation, thus identifying five distinct groups.

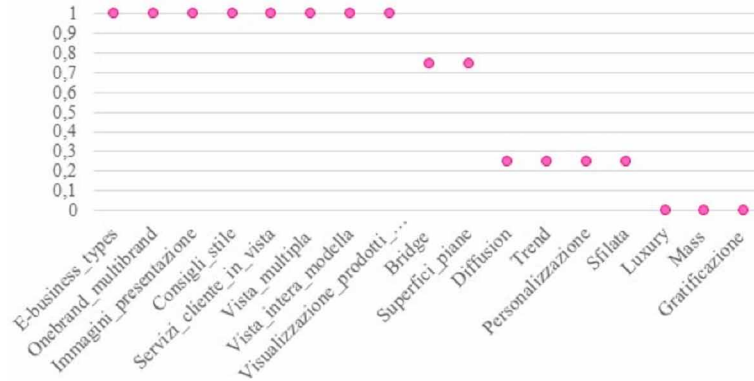
Let us now consider in detail the description of the five groups.

The sites belonging to the first cluster (Figure 2) included Gap, Lands End, Abercrombie, and Buckle Inc. These sites are characterized by both having an online store and a physical one and are multi-brands. Three brands out of four belong to the price range Bridge, while the fourth belongs to the Diffusion range. They have excellent visual merchandising characteristics as they have short presentation images of the brand on their homepage, the customer services are clearly visible, providing customers with style advice, while only Abercrombie notifies customers of current trends. The products are presented with different images and with a complete view of the model. Three out of four also use flat surfaces to present products, and only Gap also has a video of the model's fashion show, a feature that is still somewhat unusual. None own any endorsement which represents them.

The second cluster (Figure 3) includes websites that have both physical and virtual stores, which belong to the diffusion price range and are all single-brand stores (Forever21, American Eagle Outfitters, Eddiebauer and Aeropostale). On their homepage, they show initial presentation images and customer services are well highlighted. They are not very attentive to product presentation. Indeed the only feature that unites them is their multiple vision of their products. The other visual merchandising technical variables are limited: only two sites show models and similar or related products on the product sheet, while none are provided with a parade option. Even from a hedonistic point of view, there is a lack of attention. They offer no service regarding the personalization of products or forms of gratification. Three sites offer style advice, and only American Eagle Outfitters also gives information on current trends.

Figure 2. Cluster 1

Source: Authors elaboration

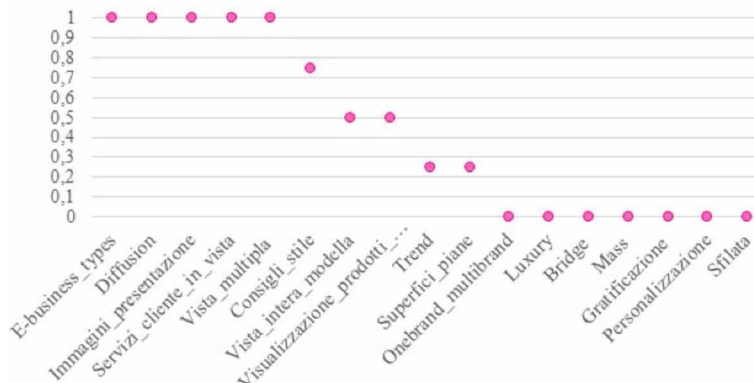


Cluster 3 (Figure 4) consists of accessible luxury mono-brand sites, except for Guess, which also has prices in the Luxury category. All sites also have physical outlets, except Bostonproper, which only has an online channel (JCrew, Bananarepublic, Guess, Esprit, Bostonproper). They have acceptable visual merchandising characteristics: all present a complete model, and four of the five use flat surfaces, offer a multiple view of products and indicate similar or correlated goods within the product. However, none present a model's fashion show. The particularity of this cluster is that all sites have an initial page full of presentation images, inform the consumer about current trends, and offer style advice. As in the previous cluster, no customization services are offered. Finally, cluster 3 includes the only two brands represented by a widely known person, namely Maria Belén Rodríguez for Guess and Oliva Palermo for Bananarepublic.

The sites belonging to cluster 4 (Figure 5) (Llbean, Levi, JJill, Luckybrand, Athleta, JackWills, TrueReligion, Agjeans, JoesJeans, AprilCornell, and TerritoryAhead) are distinguished by being all single-brand sites, converging in the bridge price range. The brands are all present both online and in real sites.

Figure 3. Cluster 2

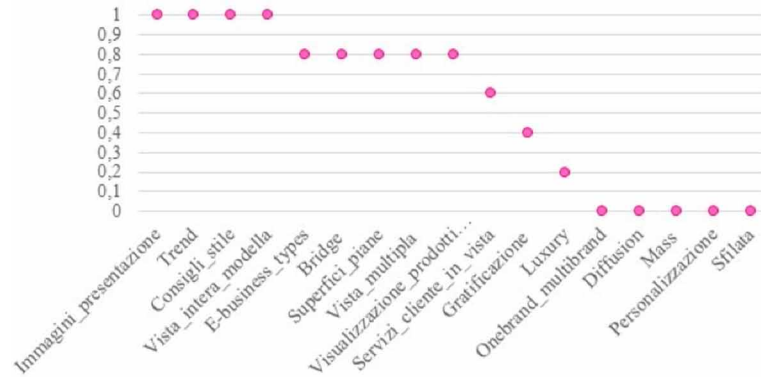
Source: Authors elaboration



Technical and Hedonic Variables of Online Visual Merchandising

Figure 4. Cluster 3

Source: Authors elaboration



On their homepages, customer services and initial presentation images stand out very well. The visual merchandising technical characteristics are however, rather mediocre. Few show the model entirely, and they use flat surfaces even less so, none have a model show, and most product sheets do not contain similar or related products.

The same situation is valid for the hedonic variables of visual merchandising. Current trend information is provided only by Agjeans, style tips are available at four sites out of eleven, and there are no endorsements.

Cluster 5 (Figure 6) consists of OldNavy, Tedbaker, TheWetSeal, Jbrandjeans, Maxstudio, and Ragstock. These are all single-brand sites, and more specifically three sites (OldNavy, TheWetSeal, and Ragstock) belong to the Mass price range, while the remaining three (Tedbaker, Jbrandjeans and Maxstudio) to the Luxury range.

They are not distinguished in terms of excellent visual merchandising characteristics. Indeed, only the complete view of models and displays of different images for individual products are common to all these sites. This cluster includes the second and last site that feature model fashion shows in the product sheet, i.e., OldNavy.

Figure 5. Cluster 4

Source: Authors elaboration

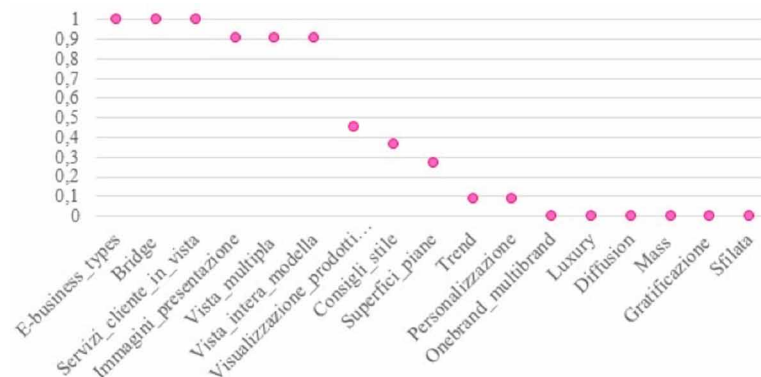
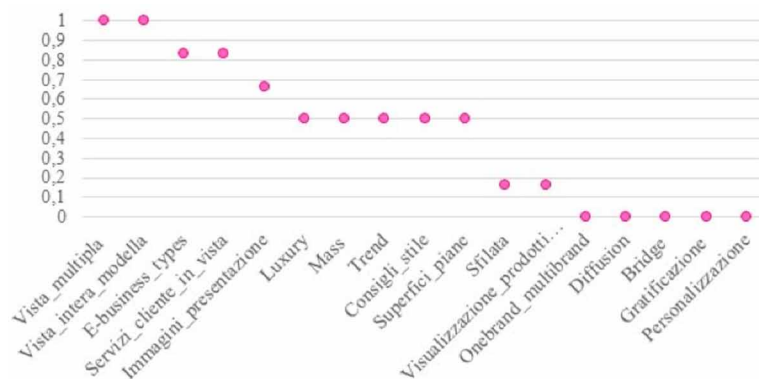


Figure 6. Cluster 5

Source: Authors elaboration



At a hedonistic level only, OldNavy, TheWetSeal, and Jbrandjeans offer customers style tips and information concerning current trends, while the remaining three websites do not provide any information at all. Personalization and gratification services for purchases are absent.

The second phase of the empirical analysis looked at the position of these thirty e-commerce sites using the statistical technique called the Principal Component Analysis - Principal Component Analysis (PCA).

Analysis of the Principal Components is adopted when the analyzed elements (products, brands, consumers, in this case, websites) are considered as points in p-dimensional hyperspaces defined by a set of statistical variables for positioning or segmentation. In this case, the variables represent the traffic data for each website. For the purpose of interpretation, it is useful to construct a Scatterplot of these points, which is not possible immediately due to the large size of the space. Indeed, unlike Alexa, which determines website ranking according to the relationship between average daily visitors and pages viewed on the site over the last three months, the authors took into account other variables, creating a six-dimensional space in analysis of traffic:

Our case had a six-dimensional space:

- Rank of global trade (TRAFFIC_GLO);
- Rank of American traffic (TRAFFIC_US);
- Rebounds, i.e., the number of subjects who visited the site by mistake (RIMBALZI);
- Daily time spent on the site (TEMPO_GIORN);
- Number of pages visited daily by visitors (N_PAG);
- Number of incoming links (links) coming from other sites (LINK);

The Principal Component Analysis is also used to reduce the size of a quantitative p-dimensional variable. Given the 30 subjects on which these 6 quantitative variables were observed, the authors intended to determine q new variables ($q < p$), which contained a large amount of the information contained in the initial p variables. The objective, therefore, was to perform a proper synthesis of the p-dimensional variables in a smaller dimension.

Reducing size inevitably leads to information loss, but the PCA operates in such a way that the synthesis retains most of the information contained in the initial data. The Y variables that result from this

Technical and Hedonistic Variables of Online Visual Merchandising

process are identified as the Principal Components of the initial X variables and replace the original variables in the analysis.

There are two main problems with this process, i.e., 1) the determination of the synthesis' quality, understood as a percentage of the information held back by the projection and subsequent evaluation of the convenience of this projection. In order to make a decision, the eigen values and the screen-plot must be analyzed; 2) The interpretation of the main components in projections is satisfactory. This phase is critical as the main components are the new variables to be analyzed, therefore it is necessary to give them their correct meaning. This decision reflects the examination of the factor loading plot.

Determining the quality of the synthesis means analyzing the eigenvalues and the screen-plots. The eigenvalues (or latent roots) represent quantities connected to the algebraic procedure of orthogonal projection in the subspace, and each eigenvalue can be interpreted as the amount of information held in every single main component. The screen plot, on the other hand, is the broken eigenvalues.

In this case, the first two principal components hold 78.7% of all information. The reduction in dimensionality is considered complete since only 21.3% of information has been lost. To increase the information further, the third principal component could be taken into consideration, thus achieving 90.4% of the information. Undoubtedly, the result would be more complete, but attempting a problematic interpretation with only 11.7% more information is not appropriate.

The next phase of the analysis consisted of the interpretation of the two main components. To attribute a meaning to the two bivariate, the so-called loadings (scores) attributed to the initial variables had to be analyzed to express the contribution that each offer had to the overall meaning of the PCs (Table 2). The loadings were coefficients of linear correlation between the variables, and the main components and understanding of the meaning can be seen in the graph to PC scores, the factor loadings plot (Figure 7).

The factor loading plot shows that the first major component was positively correlated to the rank of American trade and the number of rebounds. As such, the first variable was defined as "website popularity". The second principal component was positively correlated with the daily time spent on the site, and the number of pages visited daily per visitor, while it is negatively correlated with the number of incoming links. This component was defined as the attractiveness of the website. The global trafficking rank is a variable that was positively correlated to both variables, with a minimum margin of difference that attributes it to the second variable. This information was called latent.

Although website popularity and attractiveness were the two main components, they were uncorrelated variables. This means that the popularity of the site did not follow the attractiveness of navigation

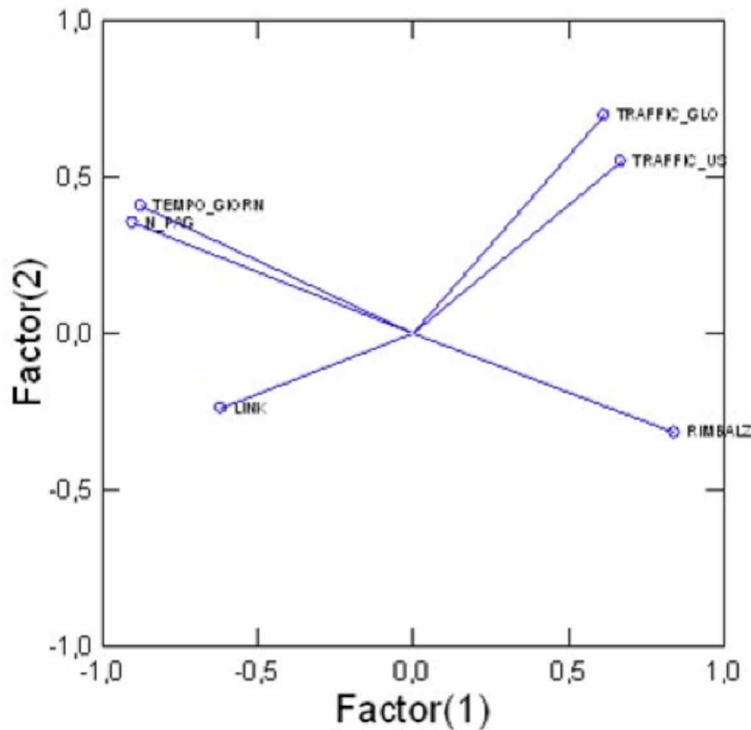
Table 2. Loadings

Original variables		Loadings 1	Loadings 2
Range of global traffic	TRAFFIC_GLO	0,614	0,696
Range of US traffic	TRAFFIC_US	0,668	0,548
Rebounds	RIMBALZI	0,842	-0,318
Daily time on sites	TEMPO_GIORN	-0,874	0,406
Number of pages visited daily per visitor	N_PAG	-0,901	0,354
Link	LINK	-0,617	-0,239

Source: Authors elaboration using Excel

Figure 7. Factor loading plot

Source: Authors elaboration



or that the popularity of the site did not specify that it was also attractive. Figure 8 shows the scatterplot of the positions of the 30 websites.

The last phase of the analysis consisted of crossing the data collected in the two previous phases and determining the behavior of clusters in terms of traffic size. To create the second factor loading plot (Figure 9), the authors calculated the means of the two main components (popularity and attractiveness) associated with each site included in the reference cluster (table 3).

SOLUTIONS AND RECOMMENDATIONS

The cross analysis shows a particular picture, as three of the five clusters had negative values both for the attractiveness and the popularity of the websites.

Cluster 1, which included websites with good technical and visual merchandising hedonistic features, was very low in terms of popularity and attractiveness. More precisely, analyzing individual sites, the authors noted that Gap, Abercrombie, and LandsEnd had unsatisfactory levels in terms of global and American traffic, while BuckleInc's data were good. In this case, good visual merchandising characteristics did not pay off in terms of popularity or attractiveness of the site. Vice versa, the bad position of cluster 2 had limited technical and hedonistic features of visual merchandising of sites in this cluster.

Cluster 3 also had a bad position in terms of traffic, although as in the case of cluster 1, it had good visual merchandising characteristics. This was an additional confirmation of the absence of a link be-

Technical and Hedonistic Variables of Online Visual Merchandising

Figure 8. Scatter plot of the 30 websites

Source: Authors elaboration

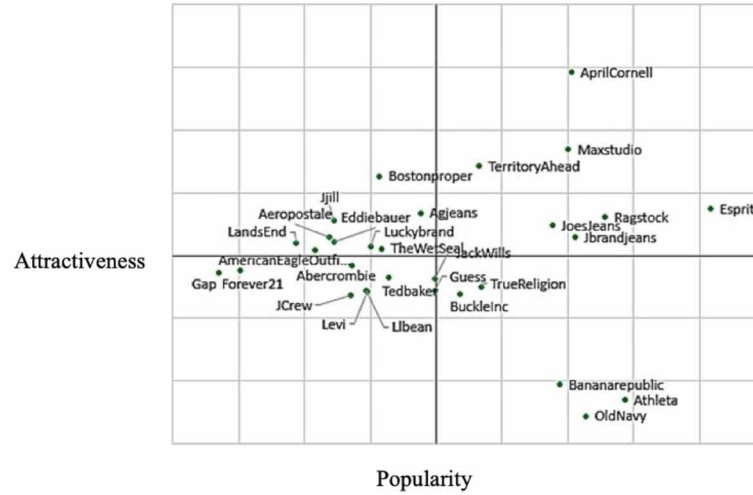


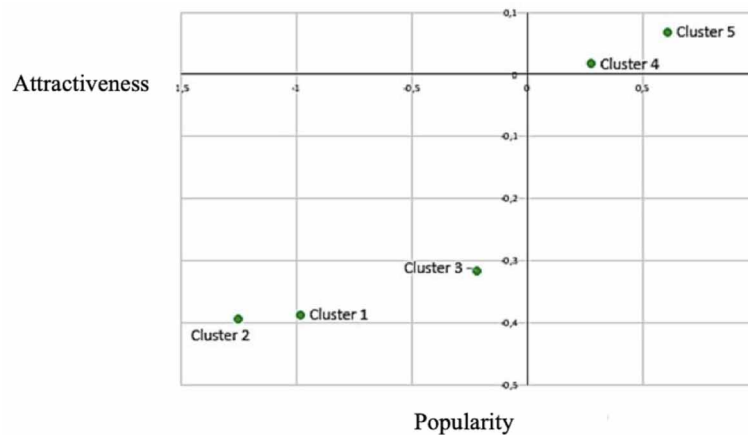
Table 3. Factor loading

Cluster	average popularity	average attractiveness
Cluster 1	-0,984586728	-0,386979162
Cluster 2	-1,2541953	-0,392803898
Cluster 3	-0,221173352	-0,314887587
Cluster 4	0,273852289	0,017726801
Cluster 5	0,603947258	0,068932967

Source: Authors elaboration

Figure 9. Factor loading plot of clusters

Source: Authors elaboration



tween good visual characteristics and popularity of the website. Cluster 4 and 5 had positive scores for both variables. Cluster 4 was entirely composed of sites belonging to the “Bridge” price range, that is of accessible luxury, although their visual characteristics were not satisfactory. The only components detected with greater diffusion were the presence of the whole view of the model and use of multiple images that depicted products, while all other visual merchandising variables were absent or sporadic. Their success was probably tied exclusively to the recognition of their brand.

Finally, the success of cluster 5 can be explained by two considerations. Of the six sites belonging to this cluster, three belong to the Luxury price range, while the remaining three to the Mass range. Immediately, there was a clear distance between the two categories, although the popularity of Luxury brands compensated for the lack of visual merchandising characteristics, and their acceptable visual characteristics together with low price allowed the Mass brand brands to be successful.

FUTURE RESEARCH DIRECTIONS

Finally, it should be noted that the most successful sites mainly included single-brand sites also present offline for some time. One may wonder, therefore, whether their success was perhaps not related to strategic marketing choices taken in the past. If this were true, it would be reasonable to suggest to managers of new commercial enterprises 4.0 to use those skills related to so-called strategic marketing (targeting, positioning, branding) to avoid success based only on technical and/or price variables. In this way, it is possible to have short term performance, but without value creation over the long term.

It should, however, be noted that this analysis is not generalizable, as it was carried out considering only a specific type of product that led to the exclusion of several sites well positioned in terms of traffic and restricted to the American market.

CONCLUSION

These results substantially confirmed that there is no clear correlation between technical and hedonistic qualities of an e-commerce site in the fashion industry and the popularity and attractiveness of their site. Sites with little attention to visual merchandising techniques were well positioning in terms of attractiveness and popularity, while others with better visual characteristics, had a worse ranking. This would imply that the quality of online visual merchandising is a necessary but not sufficient condition for a successful retail mix.

As in the case of offline sales points, the brand (reputation, reliability, innovation) and an integrated and targeted communication on the target with the addition of services, which can compensate for the lack of human contact, are critical variables to achieve a unique and distinctive positioning not based on economic advantage for the consumer (the sales page is still the most visited in each site).

Considering our data, it is also possible to affirm that even big online retailers still have much technological potential to implement in order to improve customers' shopping experience. More advanced techniques, such as a virtual dressing room, to understand the size that best suits the physicality of customers, was not identified in any sample site.

REFERENCES

- Al-maghrabi, T., & Dennis, C. (2010). Driving online shopping: Spending and behavioral differences among women in Saudi Arabia. *International Journal of Business Science and Applied Management*, 5(1), 30–47.
- Baek, E., Choo, H. J., Yoon, S. Y., Jung, H., Kim, G., Shin, H., ... Kim, H. (2015). An exploratory study on visual merchandising of an apparel store utilizing 3D technology. *Journal of Global Fashion Marketing*, 6(1), 33–46. doi:10.1080/20932685.2014.971502
- Baggett, P. (1984). Role of temporal overlap of visual and auditory material informing dual media associations. *Journal of Educational Psychology*, 76(3), 408–417. doi:10.1037/0022-0663.76.3.408
- Bellizzi, J. A., & Hite, R. E. (1992). Environmental color, consumer feelings, and purchase likelihood. *Psychology and Marketing*, 9(5), 347–363. doi:10.1002/mar.4220090502
- Bellman, S., Johnson, E. J., Lohse, G. L., & Mandel, N. (2006). Designing marketplaces of the artificial with consumers in mind: Four approaches to understanding consumer behavior in electronic environments. *Journal of Interactive Marketing*, 20(1), 21–33. doi:10.1002/dir.20053
- Biers, K., & Richards, L. (2011). Color as a factor of product choice in e-commerce. *Review of Business Information Systems*, 9(4), 33–40. doi:10.19030/rbis.v9i4.4442
- Bonera, M. (2011). The propensity of e-commerce usage: The influencing variables. *Management Research Review*, 34(7), 821–837. doi:10.1108/014091711111146706
- Cho, S., & Workman, J. (2011). Gender, fashion innovativeness and opinion leadership, and need for touch. Effects on multi-channel choice and touch/non-touch preference in clothing shopping. *Journal of Fashion Marketing and Management*, 15(3), 363–382. doi:10.1108/13612021111151941
- Cho, S., & Workman, J. E. (2015). Effects of need for touch, centrality of visual product aesthetics and gender on channel preference for apparel shopping. *Journal of Global Fashion Marketing*, 6(2), 120–135. doi:10.1080/20932685.2014.999012
- Choi, E., Ko, E., & Kim, A. J. (2016). Explaining and predicting purchase intentions following luxury-fashion brand value co-creation encounters. *Journal of Business Research*, 69(2), 5827–5832. doi:10.1016/j.jbusres.2016.04.180
- Corvi, E., & Bonera, M. (2014). The Relevance of Visual Merchandising for Online Retailers. *International Journal of Applied Behavioral Economics*, 3(4), 1–16. doi:10.4018/ijabe.2014100101
- Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2001). Atmospheric qualities of online retailing: A conceptual model and implications. *Journal of Business Research*, 54(2), 177–184. doi:10.1016/S0148-2963(99)00087-9
- Ha, Y., Kwon, W., & Lennon, S. (2007). Online visual merchandising (VMD) of apparel web sites. *Journal of Fashion Marketing and Management*, 11(4), 477–493. doi:10.1108/13612020710824553

- Ha, Y., & Lennon, S. J. (2011). Consumer responses to online atmosphere: The moderating role of atmospheric responsiveness. *Journal of Global Fashion Marketing*, 2(2), 86–94. doi:10.1080/20932685.2011.10593086
- Hagberg, J., Sundstrom, M., & Egels-Zandén, N. (2016). The digitalization of retailing: An exploratory framework. *International Journal of Retail & Distribution Management*, 44(7), 694–712. doi:10.1108/IJRDM-09-2015-0140
- Hasan, B. (2010). Exploring gender differences in online shopping attitude. *Computers in Human Behavior*, 26(4), 597–601. doi:10.1016/j.chb.2009.12.012
- Hill, A. L., & Scharff, L. F. (1999). Readability of computer displays as a function of colour, saturation and background texture. *Engineering Psychology and Cognitive Ergonomics*, 4, 123–130.
- Jang, E., & Davis Burns, L. (2004). Components of apparel retailing web sites. *Journal of Fashion Marketing and Management: An International Journal*, 8(4), 375–388. doi:10.1108/13612020410559975
- Katrandjiev, H., & Velinov, I. (2014). Investigation of Online Visual Merchandising (OVM) Elements of Apparel Web Stores. *Economic Alternatives*, 1, 84–98.
- Kim, H., Choi, Y. J., & Lee, Y. (2015). Web atmospheric qualities in luxury fashion brand web sites. *Journal of Fashion Marketing and Management*, 19(4), 384–401. doi:10.1108/JFMM-09-2013-0103
- Koivumäki, T. (2001). Customer satisfaction and purchasing behaviour in a web-based shopping environment. *Electronic Markets*, 11(3), 186–192. doi:10.1080/101967801681008022
- Kozma, R. B. (1991). Learning with media. *Review of Educational Research*, 61(2), 179–211. doi:10.3102/00346543061002179
- Lee, E. J., & Hahn, K. (2015). Tone of Writing on Fashion Retail Websites, Social Support, e-Shopping Satisfaction, and Category Knowledge. *Clothing & Textiles Research Journal*, 33(2), 143–159. doi:10.1177/0887302X15568915
- Magrath, V., & McCormick, H. (2013). Branding design elements of mobile fashion retail apps. *Journal of Fashion Marketing and Management*, 17(1), 98–114. doi:10.1108/13612021311305164
- Mandel, N., & Johnson, E. J. (2002). When web pages influence choice: Effects of visual primes on experts and novices. *The Journal of Consumer Research*, 29(2), 235–245. doi:10.1086/341573
- Melis, K., Campo, K., Breugelmans, E., & Lamey, L. (2015). The impact of the multi-channel retail mix on online store choice: Does online experience matter? *Journal of Retailing*, 91(2), 272–288. doi:10.1016/j.jretai.2014.12.004
- Merle, A., Senecal, S., & St-Onge, A. (2012). Whether and how virtual try-on influences consumer responses to an apparel web site. *International Journal of Electronic Commerce*, 16(3), 41–64. doi:10.2753/JEC1086-4415160302
- Musso, F., & Druica, E. (Eds.). (2014). *Handbook of Research on Retailer-Consumer Relationship Development*. IGI Global. doi:10.4018/978-1-4666-6074-8

Technical and Hedonistic Variables of Online Visual Merchandising

- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(4), 41–50. doi:10.1177/002224298504900403
- Robins, D., & Holmes, J. (2008). Aesthetics and credibility in web site design. *Information Processing & Management*, 44(1), 386–399. doi:10.1016/j.ipm.2007.02.003
- Shala, A., & Balaj, D. (2016). Electronic service quality and its impact on building brand loyalty in the apparel e-retailing industry. *Review of Innovation and Competitiveness: A Journal of Economic and Social Research*, 2(2), 5-30.
- Sundström, M., Hjelm-Lidholm, S., & Radon, A. (2019). Clicking the boredom away—Exploring impulse fashion buying behavior online. *Journal of Retailing and Consumer Services*, 47, 150–156. doi:10.1016/j.jretconser.2018.11.006
- Tsai, J. Y., Egelman, S., Cranor, L., & Acquisti, A. (2011). The effect of online privacy information on purchasing behavior: An experimental study. *Information Systems Research*, 22(2), 254–268. doi:10.1287/isre.1090.0260
- Wolfenbarger, M., & Gilly, M. C. (2003). eTailQ: Dimensionalizing, measuring and predictingetail quality. *Journal of Retailing*, 79(3), 183–198. doi:10.1016/S0022-4359(03)00034-4
- Won Jeong, S., Fiore, A. M., Niehm, L. S., & Lorenz, F. O. (2009). The role of experiential value in online shopping: The impacts of product presentation on consumer responses towards an apparel web site. *Internet Research*, 19(1), 105–124. doi:10.1108/10662240910927858

ADDITIONAL READING

- Griffith, D. A. (2005). An examination of the influences of store layout in online retailing. *Journal of Business Research*, 58(10), 1391–1396. doi:10.1016/j.jbusres.2002.08.001
- Hausman, A. V., & Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions. *Journal of Business Research*, 62(1), 5–13. doi:10.1016/j.jbusres.2008.01.018
- Khakimdjanova, L., & Park, J. (2005). Online visual merchandising practice of apparel e-merchants. *Journal of Retailing and Consumer Services*, 12(5), 307–318. doi:10.1016/j.jretconser.2004.10.005
- Law, D., Wong, C., & Yip, J. (2012). How does visual merchandising affect consumer affective response? An intimate apparel experience. *European Journal of Marketing*, 46(1/2), 112–133. doi:10.1108/03090561211189266
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding Customer Experience Throughout the Customer Journey. *Journal of Marketing*, 80(6), 69–96. doi:10.1509/jm.15.0420
- Nobbs, K., Foong, K. M., & Baker, J. (2015). An exploration of fashion visual merchandising and its role as a brand positioning device. *Journal of Global Fashion Marketing*, 6(1), 4–19. doi:10.1080/20932685.2014.971491

Wang, Y. J., Hernandez, M. D., & Minor, M. S. (2010). Web aesthetics effects on perceived online service quality and satisfaction in an e-tail environment: The moderating role of purchase task. *Journal of Business Research*, 63(9), 935–942. doi:10.1016/j.jbusres.2009.01.016

Wang, Y. J., Minor, M. S., & Wei, J. (2011). Aesthetics and the online shopping environment: Understanding consumer responses. *Journal of Retailing*, 87(1), 46–58. doi:10.1016/j.jretai.2010.09.002

Yaoyuneyong, G., Foster, J. K., & Flynn, L. R. (2014). Factors impacting the efficacy of augmented reality virtual dressing room technology as a tool for online visual merchandising. *Journal of Global Fashion Marketing*, 5(4), 283–296. doi:10.1080/20932685.2014.926129

KEY TERMS AND DEFINITIONS

Atmospheric Characteristics: Are used to create differences in retail environments to maintain a competitive advantage, they refer to the online store environment that influences consumers' emotional and cognitive states.

Cluster Analysis: The classification of similar objects (people, companies, etc.) into groups.

Content Analysis: A research technique for the systematic examination of communicative material.

High Task-Relevant Cues: Include the web features, such as verbal and pictorial information, that facilitate and enable the consumer's shopping goal accomplishment.

Low Task-Relevant Cues: Such as colors, borders and background patterns, fonts, animation, music, icons, pictures for decorative purpose, have a high impact on the overall image and atmosphere of the website but are not strongly connected with the purchasing goal.

Omnichannel Approach: The synergetic management of the numerous available channels and customer touchpoints.

Online Visual Merchandising: The strategic staging of a company and its products to interest consumers and facilitate purchasing.

Section 5

Consumer Engagement and Retailer Responsibility

The focus of this section is on consumer involvement in co-creation of the retail service with reference to elements related to social responsibility and ethical/social values. Sustainability and corporate social responsibility represent key issues for retailers, since they have to deal with a high number of stakeholders and play a dual role. On the one hand, they constantly communicate with consumers, for whom information and the image of the company are decisive in the choice of products, playing a guarantee role for the products marketed. On the other hand, retailers act as intermediaries in the consumer supply chain, and for this reason, they pay more attention to the social responsibility of the companies with which they relate.

Chapter 18

Actor Engagement in Service Ecosystems: Innovating Value Co-Creation in Food Retail

Roberta Sebastiani

Università Cattolica, Italy

Francesca Montagnini

Università Cattolica, Italy

ABSTRACT

The actor engagement concept highlights the reciprocal, social, and collective nature of engagement, aimed at enhancing value co-creation processes in service ecosystems. This chapter explores the evolution of the service ecosystem in retailing contexts, with the development of new retail formulas derived from the effective interaction between corporate stances and engaged actors, in particular customers, social movements, and suppliers. In the analysis, the authors focus on two interlinked cases: Eataly, a new venture that emerged from a mutual organizational commitment between corporate power and the Slow Food social movement; FICO-Eataly World, the subsequent evolution of Eataly, which derived from the reshaping of the service ecosystem due to increasing supplier engagement in the retail format. Eataly and FICO represent interesting settings to better understand how forms of resource integration can occur, how and to what extent the community and corporate stances mutually adjust during the value co-creation process, and how a service ecosystem can evolve as a result of actor engagement.

DOI: 10.4018/978-1-7998-1412-2.ch018

INTRODUCTION

Introduction of the concept of actor engagement has recently broadened the scope of engagement research to focus attention on the role of both individuals and collectives in value co-creation (Storbacka et al., 2016; Alexander et al., 2018; Brodie et al., 2019).

According to service-dominant (S-D) logic, value creation is always a collaborative and interactive process that takes place in the context of a unique set of multiple exchange relationships among various actors in service ecosystems (Vargo & Lusch, 2016).

Service ecosystems are “relatively self-contained, self-adjusting systems of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service exchange” (Vargo & Lusch, 2016: p. 10). The definition suggests that service ecosystems reconfigure themselves: They are dynamic and potentially self-adjusting. Service for service exchange and value creation through resource integration affect the nature of the system. This, in turn, determines a change in the context for future value creation processes (Chandler & Vargo, 2011; Edvardsson, Tronvoll, & Gruber, 2011).

The reconfiguring process is mediated by institutions that regulate social interaction by assigning roles to different actors and coordinating the sharing and exchange of resources. Institutions are socially created schemas, norms, and regulations (Scott, 2014) or, in other words, “rules of the game” that allow actors to interact in an organized way and coordinate interactions at various levels since the rules are routinized ways of thinking and acting that are (partially) shared and enable and constrain human behavior.

Norms and rules are not externally imposed; actors generate them to facilitate the value co-creation process. For instance, actors develop types of rules in interaction and then develop signs of those rules which become additional heuristic shortcuts for interacting. By determining reciprocal expectations about the behavior of the actors involved in resource integration, institutions reduce the uncertainty of interaction and consequently the cost of cooperation and collaboration, thus increasing the effectiveness of value co-creation processes.

In this process, actor engagement is essential for activating resource integration and value co-creation in service ecosystems (Storbacka et al., 2016). However, the definition of actor engagement provided by Brodie et al. (2019) highlights that this dynamic and iterative process “reflects actors’ dispositions to invest resources in their interactions with other connected actors in a service system” (Brodie et al., 2019: p. 174). Actors’ dispositions relate to their inclination to appropriate, reproduce, and potentially innovate upon connections with respect to their personal and collective ideals, interests, and commitments (Emirbayer & Goodwin, 1994) that might question existing institutions.

Another important issue in the engagement process is that corporate initiatives are often challenged by emerging counter-cultural movements, that have adopted critical stances toward corporate power and market ideology. The counter-culture concept refers to a coherent system of norms and values that not only differ from those of the dominant system, but also comprise at least one norm or value that calls for commitment to cultural change—that is, a transformation of the dominant system of norms and values (Desmond et al., 2000). A counter-cultural movement typically involves criticism or rejection of currently powerful institutions, with accompanying hope for a better life or a new society. As new consumption ideologies emerge, extant business initiatives are criticized (Hollenbeck & Zinkhan, 2010); consequently, they are sometimes “transformed” (Kozinets & Handelman, 2004), and new market opportunities are created (Carducci, 2006; Heath & Potter, 2005).

Consumers, who often emerge as members of small and marginal movements (but are well rooted in the history of consumption communities), tend to demand special attention for their ideological values

and expectations. The more consumers detach from the traditional market offerings—particularly in terms of food production and distribution—the more room is left for new and more sustainable business models (Schaefer & Crane, 2005), some of which depend on actual consumers' engagement (Moraes et al., 2010). Ultimately, consumers resist extant supply modes and their ideological discourses to achieve a more genuine consumption style (e.g., product attributes, value chain properties, store environment). As corporate strategies become more responsive to these individual consumer and aggregate attitudes, retailers are among the first who are forced to change due to their direct interactions with consumers as they act at the end of the supply chain (Musso & Druica, 2014). On the other hand, suppliers are increasingly asked to become engaged in the process of reconfiguration of the service system: They are becoming key resource integrators in terms of transparency of the production modes and their impact on value co-creation.

Since actor engagement and related resource integration are more observable and thus more likely to be designable and manageable than value co-creation in itself (Storbacka et al., 2016), we will consider the evolution of Eataly and FICO-Eataly World service ecosystems as fruitful research settings in which to investigate the dynamics occurring among the different actors involved, in particular customers, suppliers, and social movements.

Eataly is an innovative chain of food distribution, founded in 2007, co-projected and co-designed with the Slow Food consumer movement, that is devoted to protecting and supporting authentic food culture by adopting a commitment to community and the environment. The Slow Food movement's main objectives are to spread taste education, connect producers and consumers of excellent foods through events and initiatives, and build new communities of quality food supporters that can, through their food choices, collectively influence how food is cultivated, produced, and distributed. As highlighted in its manifesto, "Eataly is an alliance of small-scale producers, who have been making the finest foods and beverages in limited quantities for generations. They have joined together to offer quality products at sustainable prices. Direct from the producer to the consumer with no middlemen: Eataly offers quality food, selected in collaboration with Slow Food" (www.eataly.it).

The subsequent evolution of the Eataly retail formula is FICO-Eataly World. Founded in 2017 and based on the collaboration between various public and private actors, FICO is a training ground for a sensorial and educational experience about food and its biodiversity, where the wonders of the Italian food and wine industry are presented and narrated from their birth inside Mother Earth to their final destination on a dish and in a glass. It encompasses hundreds of small and medium-sized Italian high-quality businesses that showcase live their manufacturing and crafting arts.

This chapter focuses on Eataly and FICO-Eataly World, which emerged from an ideological alliance and mutual organizational commitment among corporate power, a social movement, and an alliance between private and public actors. The discussion includes how these ventures came about and the extent of actor engagement in their development.

THEORETICAL BACKGROUND

Engagement and Value Creation in Service Ecosystems

While the extant literature has addressed engagement as mainly customer engagement, it is not restricted to the customer-firm relationship; rather, it involves suppliers, business partners, stakeholders,

Actor Engagement in Service Ecosystems

and consumers, consistent with an S-D logic perspective that considers all the network's participants as relevant actors. Recent engagement research has highlighted the reciprocal, social, and collective nature of engagement by considering the dynamism of service ecosystems (Alexander, Jaakkola, & Hollebeek, 2018). All actors are thus resource-integrating, service-providing entities that participate in value co-creation processes in service ecosystems (Vargo & Lusch, 2011; 2017).

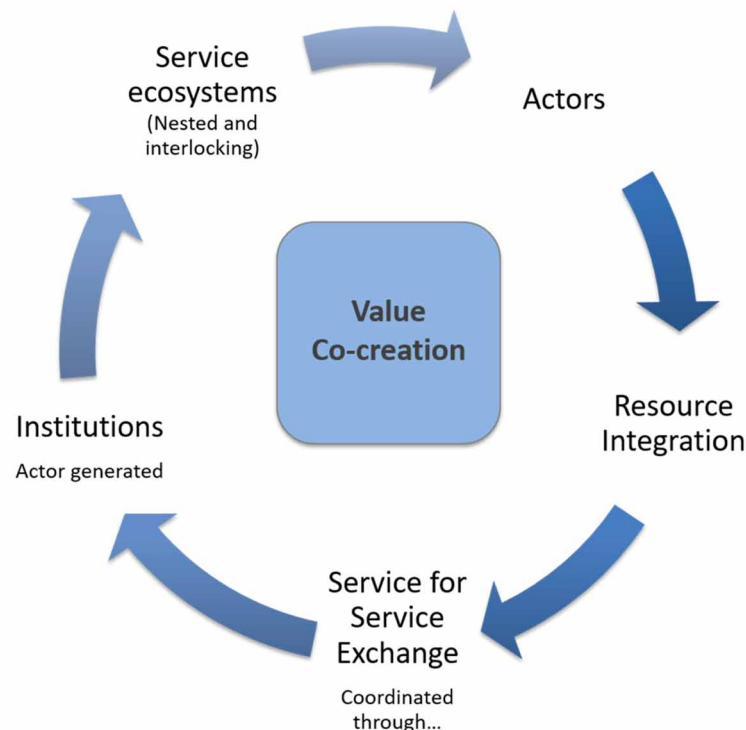
Vargo and Lusch (2016) depict the narrative of value co-creation by highlighting that it occurs through actors' resource integration and service exchange, which are enabled and constrained through endogenously generated, shared institutions among multiple actors. In this way, dynamic, nested, and overlapping service ecosystems are established, which provide the context for further value co-creation (Fig. 1) (Vargo & Lusch, 2016).

The service ecosystem perspective is particularly useful in explaining value co-creation processes because it allows for consideration of how large-scale social structures shape market formation (Chandler & Vargo, 2011; Vargo & Akaka, 2012). This dynamic process highlights the pivotal role of institutions and institutional arrangements in value co-creation.

Institutions, specifically, rules, norms, and beliefs aimed at enabling and constraining actors' behavior in service ecosystems, and institutional arrangements, as sets of interrelated institutions, represent the key elements to understand how service ecosystems work (Vargo & Lusch, 2016) and how coordination of activities is facilitated in such service ecosystems.

Institutional arrangements determine the use of all sorts of actor resources by coordinating the process of resource integration (Edvardsson et al., 2014). Hence, they are more or less consistent forces that

Figure 1. Value co-creation narrative in S-D Logic



synchronize actors' behaviors for the resource integration processes because they assign resources to the actors (Haase & Kleinaltenkamp, 2011) and thus enable and support or constrain and restrict resource use.

By determining reciprocal expectations about the behavior of actors involved in resource integration, institutions reduce the uncertainty of interactions and, consequently, the cost of cooperation and collaboration, thus increasing the effectiveness of value co-creation processes. It is important to note that institutions influence not only resource integration in value co-creation, but also the evaluation and determination of value that emerges from the integration and exchange of resources. This implies that the scope of value co-creation, as well as how it influences the actions and interactions of individual actors, should be reconsidered.

Overall, service ecosystems are shaped by the emergence, modification, or disappearance of institutions created by actors in different subsystems when integrating resources and relying on existing institutions. In other words, resource integration, service provision, and value creation change the nature of the system to some degree, thus also changing the context for the next interaction and the determination of value creation.

The evolution of a service ecosystem occurs when actors "make new, imaginative choices to challenge dominant social patterns" (Blocker & Barrios, 2015: p. 268) and encompasses actors' development and employment of new ways of resource integration and value co-creation.

Engagement, Counterculture, and Social Movement in Food Consumption

In food consumption, consumers' criticism of and resistance to the extant culture and dominant ideology in food production, distribution, and consumption are becoming increasingly important phenomena challenging extant institutions and institutional arrangements. Counter-cultural and social movements' actions define this consumer quest for authenticity and sustainability. In the literature, their roles are depicted as mainly reactive, but there is room for a more proactive market stance. In particular, anti-consumption is considered to be one of the most common forms of detachment that alienates consumers from markets.

Considering markets as socially constructed implies that they do not exist in an objective sense and that we have to see them not as given but as ongoing socio-technical enactments (Geiger et al., 2012). As a matter of fact, a market "is not a neutral framework or container for the actions and evaluations that take place within it" (Alderson & Cox, 1948: p. 151). In line with the economic sociology suggestions, the objectives of market actors, the market activities they develop, and the related market institutions are shaped by ongoing social relations (Granovetter, 1992).

The development of engagement theory has highlighted the importance of the "valence of engagement" (van Doorn et al., 2010) to better understand the engagement concept (Li et al., 2018). With valence of engagement, the literature emphasizes the range of positive and negative engagement that influences engagement behaviors and outcomes. In particular, positive engagement is related to pleasant feelings and positive evaluations of the engagement object or actor in the service experience (Brodie et al., 2011), while negative engagement is related to unpleasant feelings and negative assessment of the engagement object or actor in the service experience (Juric et al., 2016).

In the literature, usually the positively valenced engagement, such as repurchase and cooperation, are associated with value co-creation and innovation, whereas negatively valenced engagement, such as boycotts or revenge, can lead to diminished or altered value co-creation in the service ecosystem (Li et al., 2018). What has emerged from recent studies (Li et al., 2017) is that negative engagement may also

Actor Engagement in Service Ecosystems

draw unexpected, non-traditional actors outside the service ecosystem who challenge existing institutions and institutional arrangements, resulting in reshaping the service ecosystem itself.

Individual acts of anti-consumption and/or resistance, as examples of negatively valenced engagement, can be perceived as forms of collective action when they converge toward counter-cultures (Desmond et al., 2000; Thompson & Coskuner-Balli, 2007) or new social movements (Buechler, 2010). In both cases, collective action aims to criticize extant institutional arrangements in terms of culture and dominant ideology, giving actors a sense of new and resistant collective identity. Social movements can possess transformative properties whenever they react to corporate market strategies, forcing service ecosystems to change. In general, these movements can be seen as a critical stance arising from the society, influencing the market process in a reactive fashion.

As individuals and as members of a social movement, consumers engage in the market process (Peñaloza & Venkatesh, 2006; Sebastiani et al., 2013) by supporting the segments, channels, and companies that seem or prove compatible with their ideological stances (Newholm & Shaw, 2007; Holt, 2002). This process resembles the reproduction-resistance dialectic described in Arnould and Thompson's (2005) review. The process of value co-creation mediated by meanings and symbols has been observed in its positive, constructive dimension, but it can also be viewed from a critical, deconstructive point of view (Cova & Dalli, 2009). Consumer resistance is a form of value co-creation when it moves resources away from a specific market/segment and takes them elsewhere, which usually happens at the consumption community level (Cova et al., 2007); although individual consumers cannot influence corporate power, communities can.

In the following section, we present the evolution of a service ecosystem in which different actors have played different roles in shaping the market and in co-creating new ventures through the challenge of existing institutions, with the aim of rethinking the resource integration processes and the mechanisms of service for service exchange.

METHODOLOGY AND EMPIRICAL SETTING

Methods

Given our research aims, we opted to use a mixed methods design (Creswell, 2003; Creswell & Plano Clark, 2007) that combined both quantitative and qualitative approaches. Among the four purposes for multiple methods designs (development, initiation, complementarity, interpretation) (Tashakkori & Teddlie, 1998), we adopted the initiation design, which—according to Davis et al. (2010)—draws on the outcomes of a preliminary study to inform a second study conducted using a different method. After seven years, a third study was performed to take into account the retail formula evolution: The third study applied the same method adopted for the second one so as to collect longitudinal data on the subject. The weights of the methods adopted are not equal. The less weighted method is instrumental to the research inception whereas the second method assumes a primary role in the development of the main study.

In the first stage of our research, we sought to develop a general overview of customers' attitudes and perceptions of a new venture as well as its fit with the widespread counter-cultural movement, Slow Food, and its values. We developed a survey based on a random sampling of Eataly customers. Data were collected at Eataly's Turin branch over a three-day period during the week immediately before the Christmas holidays. The time and place for data gathering were selected due to the need to ensure

a good flow of heterogeneous customers (at that time, only the Turin store had been opened for several months). The structured interviews employed open-ended questions organized in four main sections: personal data; aim and time spent for the visit, evaluation of the shop environment, and assessment of products and services; personal opinions about the coherence between Eataly's declared mission and values; and the actual offering setting. Three hundred customers were interviewed at the Turin branch's point of sale: 53% were male, distributed across ages, classes, educational backgrounds, and employment, with a slight bias toward educated profiles and professional jobs (compared to the national population). Of the 300 customers, 40 (13%) were members of the Slow Food movement. Approximately 100 people were shopping at Eataly for the first time, while another 100 shopped once a month or more in the store.

In the second research stage, we delved deeper into the relationships among Eataly, its customers, and the Slow Food movement. We investigated the alignment among the values underlying the movement, Eataly's business idea and its actual perception by customers (whether they belonged to the Slow Food movement or not), and how the movement and the corporate power were mutually adjusted when developing the new venture. In this stage, data were collected from six sources. First, in-store observations were conducted at the Turin and Milan shops, performed independently by three researchers from the last months of 2008 until the end of 2012. These observations were individually recorded through notes and photographs, thus allowing for identification of the stores' features in terms of layout, atmosphere, and internal communication. Second, 50 semi-structured interviews were conducted with both regular and occasional customers in the two shops. Third, 10 in-depth interviews were conducted with customers, both Slow Food members and non-members; these customers were interviewed in the stores and at their homes. Fourth, five in-depth interviews with Slow Food managers and Eataly managers and employees were conducted as we were not only interested in considering the customers' perspective, but also wanted to compare it with the company's and the Slow Food movement's voices. Fifth, forums, blogs, and Facebook pages were used to obtain data on customers' attitudes toward Eataly. More than 350 discussions as well as comments on public blogs and forums were analyzed. Each discussion was considered independently and analyzed in its entirety. Approximately 60 were deemed to be relevant to our investigation (e.g., authenticity, sustainability, and countercultural movement) and analyzed further. Finally, secondary data on both Slow Food and Eataly (e.g., books, websites, internal data) were collected for analysis.

Each interview, blog, or forum post was transcribed and analyzed separately by the researchers. The data were further coded and analyzed in tabular displays, using the main constructs from the literature (Spiggle, 1994). The adoption of a multiple method approach, the use of multiple data sources, and the triangulation among the three researchers strengthen the validity of the research findings.

In the third stage of the research, we explored the evolution of the Eataly formula into the new retail format of FICO-Eataly World. We explored in more depth the relationships among the Slow Food movement, Eataly, and its customers. Moreover, we also focused our analysis on another actor, which we treated slightly in our previous analysis: the Eataly-FICO suppliers. We investigated the alignment among the values underlying Eataly's business idea, its suppliers, and the actual perception by its customers: The objective was to understand the evolution of the service ecosystem resulting from the interactions among Eataly, the suppliers, and the customers.

In this stage, conducted from the end of November 2018 until the end of April 2019, data were collected from six sources, as in the previous stage. In-store observations at FICO-Eataly World were recorded through notes and photographs by the two researchers involved in this research stage to identify the specificities of the FICO atmosphere, layout, and internal communication. Twenty semi-structured interviews

Actor Engagement in Service Ecosystems

were conducted with customers to understand the forms of actor engagement and the mechanisms of resource integration. Ten in-depth interviews with suppliers (already partners in Eataly's original retail format and representing the distribution of FICO's suppliers' sizes and characteristics) were collected to understand their main market objectives and expectations while embracing FICO's business idea and to explore, on one side, their engagement and the customers' engagement from their perspective and, on the other side, the effects on the evolution of the service ecosystem and the related outcomes. Finally, approximately 500 posts and discussions appearing on Eataly's and FICO's Facebook and Instagram pages on forums, blogs, and open groups on Facebook were considered.

Interviews, posts, and discussions were subsequently transcribed and independently analyzed by two researchers.

The Research Setting: Eataly and FICO-Eataly World

Eataly was founded by Oscar Farinetti in 2007 when he decided to transfer his experience in consumer electronics into a new retail concept, inspired by the changes affecting the sensitivity of conscious consumers, as reflected by the Slow Food movement and its principles. Eataly promotes products that are good and tasty, clean (because the company respects raw materials and guarantees transparent and traditional production processes), and fair (to ensure adequate margins for producers and affordable prices for customers). At Eataly, consumers can find an innovative combination of food shopping, restaurants, and training areas. Eataly defines itself as "the world's biggest food and wine market, where [people can] buy, taste, and learn about high-quality foods" (www.eataly.it). According to the founder, Eataly is a place where one can eat, buy, and learn at the same time. In contrast with other business models, Eataly neither enlarges the retailer core business with new services (as retailers have been doing over the past few years) nor aspires to enter the restaurant and fast food service business.

The success of the adopted business model is evident by the constant opening of new shops in both Italy and abroad (Milan, Rome, Bologna, Bari, and Genoa, as well as Tokyo and New York). As of May 2019, Eataly had opened 23 branches and established two important partnerships with the Starhotels chain and Autogrill to develop the restaurant and food shopping expertise into new outlets.

FICO-Eataly World is not a simple reinterpretation of Eataly's retail format, but a brand new business idea, the world largest food park, where food services, shopping, engagement, interaction, and participation mix to ensure that customers live an immersive experience in the heritage of Italian agri-food biodiversity. Opened in November 2017 on the former agri-food business center site in Bologna, FICO is the result of a five-year project developed by the regional public authorities, Eataly, and Coop (one of Italy's largest retail chains, already a partner in the Eataly format). The food park consists of more than two hectares of open-air fields and stables housing more than 200 animals and 2,000 cultivars; 40 farming factories where meat, cheese, pasta, oil, beer, and sweets are processed every day beneath the gaze of the customers visiting FICO; more than 40 restaurants, street food stalls, and refreshment points, where visitors can taste traditional Italian food, produced mainly in the FICO farming factories; and six large educational "park rides" dedicated to fire, earth, animals, bottled goods, and the future.

The aim is to gather in just one place a shopping and educational experience featuring the culture, traditions, and craftsmanship that make Italian food famous all over the world. FICO's chief executive officer (CEO) explains the mission as "the objective to let people understand not only what's inside a dish, but also what's behind it. It's extremely important to pinpoint that this is a collective project: Without the contribution of every single actor working here, FICO can't work."

In the first year after the opening, FICO attracted more than 2.8 million visitors, 70% from outside Bologna and 8% from abroad: The target is to reach at least 30% of foreign visitors in the next few years.

MAIN FINDINGS

In this section, we present the main findings emerging from our research. In particular, we focus on the way in which Eataly and the movement collaborated and mutually adjusted to pursue a new venture. Moreover, we pinpoint how and to what extent the cooperation and collaboration among different actors (Eataly, customers, suppliers) activated a new kind service ecosystem in which actors' engagement and value co-creation took place, giving birth to a second stage of evolution of the Eataly business model.

The Movement's Constructive Role in Defining the Retail Formula and the Shopping Experience

The Slow Food movement has played a relevant role in establishing the Eataly business formula's main features. Eataly managers and Slow Food delegates spent more than two years working together to establish the main values and characteristics of the business models. Members of the social movement and Eataly shared the opportunity to create a new retailing formula able to enter the market, mediating between the mass market retail practices and the market niche of traditional elitist boutiques of quality food. According to the narratives collected through the interviews with both Eataly and Slow Food managers, since the beginning, the interactions between Eataly and Slow Food have been an essential feature of the business formula.

By expressing its social role as a cultural movement, Slow Food members actively participated in defining the Eataly business idea and its operative interpretation. In this sense, the Eataly team promoted an assortment of ideas that were the result of their collecting suggestions from numerous Slow Food members from various local branches all over the world, called "Condotta." Moreover, the codes of conduct to select the main Eataly suppliers were co-developed.

The collaboration continued over time to associate other small producers of great food and wine who share the same concept of high quality at the core of the project. In keeping with the sustainability criterion of reducing transportation costs (kilometer zero), fresh produce is sourced from the surrounding areas. Where possible, the same logic applies to different categories as well as to the Japan and New York branches. In a sense, the made-in-Italy character and its apparent appeal to foreign markets are replaced by a different discourse that relates to fair and sustainable food production and distribution. Today, a Slow Food representative still works at the Eataly headquarters to supervise new supplier selection during the company's territorial expansion to ensure continuity between Slow Food values and Eataly's offerings. As the heart of this collaboration is a strong sharing of intent between the movement and Eataly, the opportunity to participate in generating a retailing solution that can fit modern distribution logics as well as the high quality of small boutiques help the Slow Food movement extend its principles to a larger mainstream market.

The stores' layouts and atmosphere were projected to support the common values belonging to Eataly and the Slow Food movement, drawing inspiration from the Tokyo fish market, the Berlin KaDeWe, Disneyland Paris, and the Paris Grand Épicerie, as well as small biological markets. Many areas were built to re-create the atmospheres of traditional markets, with many stalls where customers can touch, smell,

Actor Engagement in Service Ecosystems

and choose food. Educational areas and restaurants emphasize the communal nature of the consumption experience (Beverland & Farrelly, 2010) and foster wholesome food values. The first shop was located in an old factory that previously produced Carpano, a traditional brand of spirits, thereby providing a good example of industrial restructuring. In the building, 11,000 square meters are dedicated to 11 small thematic restaurants (focused on, e.g., cheese, pasta, or ice-cream), 2,500 square meters to sales (e.g., food, books, cooking tools), and 3,200 square meters to educational areas, the Carpano Museum, and the conference room.

The in-store observations and interviews indicated that Eataly seeks to provide a fusion of traditions, cultures, and values embedded in a respectful relationship with food. Internal communication, which has a didactic bent, seeks to develop a sustainable, fair, and reliable relationship with the customer (McCracken, 1986; Mick & Buhl, 1992; Ballantyne, 2004). Shopping bags are made of fabric and are designed for re-use. There are no coupons or fidelity cards, and there are no numbered tickets to facilitate queuing at the service counters. All of these characteristics result from the close interaction with the Slow Food movement and its philosophy. The partnership was not limited to the selection of products, but was expanded to include choices in terms of communication in the market. The Slow Food team directly participated in the debate that generated the contents of the in-store communication, thereby affecting the values transmitted through it, which are consistent with the Slow Food principles.

The FICO experience represents the evolution of the Eataly formula: however, while the layout is radically transformed to host cultivars and farming factories, we can still recognize total cohesion with the value stances brought by the Slow Food movement that boosted the original Eataly's format. Suppliers are mostly already working with Eataly, sharing values and a production approach. Moreover, factories and park rides are consistent with the original objective of emphasizing the consumers' engagement by informing and educating through recreational activities.

Aligning Consumers' Stances and Market Offering System

According to results of our first survey, the respondents valued Eataly's range of products most, followed by the innovativeness of the initiative, the atmosphere, and the staff. Respondents' reasons for shopping at Eataly ranked as follows: (1) sustainability, (2) Slow Food certification, (3) presentation and supplementary product information, (4) staff support, (5) product trials, and (6) price. From this perspective, Eataly presents an attractive opportunity for consumers interested in the intrinsic qualities of food, its sustainability, and the support of critical consumption movements (e.g., Slow Food), adding further value to this offering through certification, even if they are not movement members.

Moreover, during the second stage of the research (in particular, interviews with consumers), it emerged that Eataly customers are well aware of the trade-off between resistance and mainstream marketing. Many consumers consider Eataly to be a compromise between radical forms of political consumption and innovative versions of a traditional supermarket. Some judge it positively whereas others do not. Generally, Eataly's customers do not trust the commonly accepted mass market food distribution. They want authentic, local, sustainable, and ideologically acceptable produce, and they rely on various institutions when making purchases, including trade shows, purchase groups, and movements (e.g., Slow Food).

It is evident that consumers seek both the intrinsic properties of goods (Grayson & Martinec, 2004) and the more general properties of the production and consumption process (Beverland & Farrelly, 2010). Therefore, not only do the products attract customers to Eataly, but customers' involvement in the process also makes them feel as if the business differs from ordinary supermarkets. In this sense, a

co-creative dimension exists in this process that appears coherent with the project developed by Eataly and the social movement. To appreciate the authenticity of what they buy, consumers need to be involved in a process in which they play an active role, feeling as if they are purchasing directly from the original producer (Arnould & Price, 2000; Grönroos, 2008).

Ultimately, the active involvement of a social movement, such as Slow Food, enables individuals and the movement itself to exert a significant influence on the adaptation of a mainstream formula to ethical stances.

Value Co-Creation: From Customer Engagement to Actor Engagement

According to our research findings, in Eataly and – subsequently – in FICO, customers recognize an effective and involving storytelling, through which retail experiences can inspire a conscious and healthy food lifestyle. Eataly and FICO are perceived as platforms for both educational and entertaining contents that can help customers co-create meaningful experiences. On the one hand, didactic, sustainable, and fair communication messages go along with the customers during the entire store visit; in FICO, specifically, adults and children can participate in training activities, side by side with artisans, learning how to prepare various kinds of foods, such as pasta and yogurt; every day more than 50 different classes and 30 events are held. On the other hand, the recreational stances are stressed especially through the restaurants, the multimedia areas, the rides, and the theaters.

The overall objective is to offer multiple edutainment opportunities, through which customer engagement can develop: The educational and recreational activities, so well rooted in the sustainable key values beneath the Eataly formula, can be interpreted as part of the institutions that in a service eco-system can facilitate the value co-creation processes (Scott, 2014; Vargo & Lusch, 2016).

The producers(=suppliers)-customers interaction and communication are simplified by the way the purchasing and factory areas are also conceived, as customers often emphasized in interviews. The FICO retailing project is designed to stimulate the curiosity, interest, and approach of customers to suppliers: No glass walls, no doorways, no counters hinder the interactions, resulting in a more effective chance for storytelling, tasting, and feedback. Moreover, in the FICO format, the store becomes a platform where customers and producers (suppliers) can build their relationship and exchange not only economic, but also emotional and sensorial experiences.

As the extant literature has pinpointed, engagement cannot be limited to the customer-firm relationship; rather, in a service ecosystem perspective, it has to consider other actors as suppliers and business partners (Storbacka et al., 2016). In this sense, the Eataly's suppliers, which share Eataly's values, supporting the food culture through multiple initiatives and events both inside and outside the store, play a fundamental role in the Eataly service ecosystem. The 40 farming factories in FICO are a powerful means to put in contact productive processes and consumption, to such an extent that the producer can get in touch with the customers' stances and the customers can become the producer's partners in co-creating new differential values (Sebastiani et al., 2013; Sebastiani & Montagnini, 2014). The 40 farming factories, among the other 147 suppliers belonging to the FICO ecosystem, are key resource integrators and their engagement is vital for the co-creative processes: thanks to the interactions with the factories and the suppliers/exhibitors at FICO, visitors not only have the chance to see all stages of a food supply chain, but they can also tangibly approach the values, the food culture, and the quality excellence of various productions.

The Pivotal Role of Institutions: Technology as an Enabling Factor in the Eataly-FICO Service Ecosystem

As emphasized in the literature, institutions, such as beliefs and shared norms, are essential to support the resource integration process in the service ecosystem (Edvardsson et al., 2014; Vargo & Lusch, 2016). The interviews, in both the second and the third stage of our research, pinpointed common expectations, values, and behaviors among Eataly and its suppliers, resulting in increasing effectiveness in cooperation, integration and exchange of resources among actors, and, subsequently, positively affecting the customers' perceptions of coherence and respect of the fundamental values on which the Eataly-FICO formula is based.

Moreover, according to our third-stage findings, technology emerged as an institutional arrangement playing a significant role in the Eataly service ecosystem: The customer engagement in Eataly and FICO is strongly intertwined with the ability to co-create an emotional and experiential path, in which digital technologies play a crucial role. As interviewees highlighted, the displays available all over Eataly's stores along with the smart signage adopted in FICO, can enrich the experience with relevant information and messages, guiding through personalized paths in the store. Displays and digital signage are becoming a sort of "shop windows 4.0" that can communicate food products and their features, but most of all, their stories and culture, which can facilitate connections and interactions among the different actors in the store.

FICO-Eataly World exploits technologies particularly in the six educational park "rides" dedicated to fire, earth, sea, animals, bottled goods, and the future: In these areas, technology not only represents an enabling factor to access relevant information enhancing the customer knowledge, but it also radically transforms the way in which customers experience the cultural contents. Thanks to gamification mechanisms, technologies provoke active customer behaviors: Scenic designs, edutainment creations, and interactive contents are meant to drive additional playful interactions and to promote customer engagement in the store.

In this sense, technologies represent a crucial institution of the Eataly service ecosystem that pushes interactions and actor engagement.

Also, social media represent an additional platform for value co-creation and resource integration. However, our research reveals that social media are still underdeveloped in the Eataly and FICO business model and, hence, in need of further investments.

Finally, another interesting issue, connected to technologies, emerged from interviews with suppliers during the third stage of our research. While exploring the food ecosystem and its implications, as far as coordination along the supply chain and resource integration processes were concerned, many suppliers emphasized how the sustainable practices could be enhanced by instruments such as blockchains, at the moment not already explored by Eataly in the supplier relationship.

CONCLUSION AND FURTHER RESEARCH

As highlighted in our research, the originality of Eataly's offering system is grounded in various elements: product properties, strong relationships with small local producers, and reliance on traditional production and consumption practices. Consumers' stances find a response in two of Eataly's main dimensions: the intrinsic properties of goods and the process of consumer engagement in the authentic consumption

and shopping experiences (Arnould & Price, 2000; Beverland & Farrelly, 2010; Grayson & Martinec, 2004). Our data indicated that both of these dimensions are important and dependent on one another.

The case study's innovative dimension has two aspects. First, the dialectic relationship between the company and the consumers, aggregated in the social movement, began before the launch of the new business. Second, Eataly and the Slow Food movement were mutually and significantly involved at the organizational and managerial levels to ensure that the business and ideological expectations were satisfactorily integrated. From the beginning—even before the opening of Eataly—the company sought to introduce the Slow Food movement's core values and issues into the new venture's design and implementation process. The Eataly case can be approached as a form of “active” resistance in which, through the Slow Food movement's participation in the new venture, consumers not only criticize, resist, and/or detach or react to the market, but are also directly involved in its transformation as collective agents. In this sense, new social movements can be considered not only as “identity oriented”—that is, emerging as a means for social and cultural identification (Hollenbeck & Zinkhan, 2010)—but also as agents of change of a proactive nature. Moreover, the Eataly experience shows that there is room for a coordinated effort between corporate power and collective stances, mediated by social movements, with regard to critical consumption. It is possible to mediate between a profit-and-loss logic and a socio-cultural demand for authentic and sustainable food (Sebastiani et al., 2013).

The case analyzed offers fruitful suggestions for existing retailers as well, as they can look at Eataly's experience to rethink their business models, aligning them more with critical stances expressed by social movements and develop new business formulas, able to engage consumers more effectively by leveraging common value stances.

Dagevos and van Ophem (2013) argued that the food consumption value (FCV) is a multidimensional construct that is created by product value (sensorial and nutritional food components), process value (practices in food production processes), locational value (based on features of the environment in which food is consumed), and, last, emotional value (entertaining, experience-based features). According to this perspective, imagination, sensorial perceptions, and emotions play an essential role in creating the customer experience and engagement. The main role of companies is to create the optimal context in which value can be co-created by the customer in a unique and customized way. In this sense, Eataly and FICO offer a value proposition and store attributes (layouts and atmosphere, among others) that can activate those processes of co-creation through interactions and collaborations among actors (Andreu et al., 2010; Russo Spena et al., 2012).

Moreover, Eataly can be described as a service ecosystem (Vargo & Lusch, 2016), where collaborative and interactive processes take place among different actors to co-create value. To make the service ecosystem work properly, not only must the customers be engaged (individually or collectively through social movements) (Sebastiani & Montagnini, 2014), but other actors' engagement is essential for effectively activating resource integration and value co-creation. All actors are resource-integrating entities that participate in the value co-creation process within a service ecosystem (Vargo & Lush, 2017).

In the first stage of our research, we observed how the constructive and committed role of a social movement transformed the Eataly venture and subsequently the engagement process with customers. In Figure 2A, we compare the traditional and simplest condition in which companies' strategies point to consumers, who react positively or negatively, and, on the basis of these reactions, companies adapt their strategies. In Figure 2B, movements develop aggregating individual consumer initiatives; they can be supportive or critical, and they can have an effect on companies' strategies. Even in this case, the process is reactive in nature. Figure 2C represents the Eataly and Slow Food case, highlighting how the company

Actor Engagement in Service Ecosystems

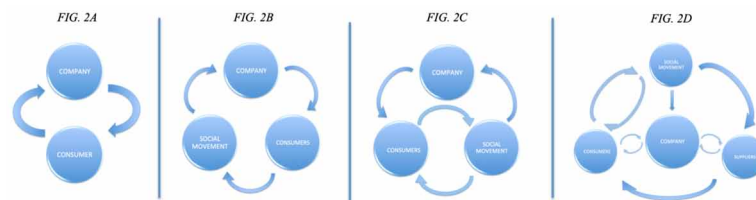
and the movement create a service ecosystem in which they interact on the basis of shared institutions (norms and rules) to develop a more appropriate combination of goods, services, and ideological stances to be delivered to consumers who, in turn, react accordingly (Sebastiani et al., 2013).

Figure 2D represents the outcome of our observations in the third research stage. The Eataly ecosystems evolved through the years and suppliers were also increasingly asked to become engaged in the process of reconfiguration of the service system in terms of resource integration and norms (i.e., production modes), which resulted in a relevant impact on value co-creation.

The key role of suppliers within these processes emerged especially when the FICO retail format was developed. The Eataly's suppliers, which share Eataly's values, play a fundamental role in the Eataly service ecosystem. FICO and its farming factories, for instance, become a platform where customers and suppliers (producers) can engage, interact, and co-create, sharing the same values, practices, and institutions (Storbacka et al., 2016). According to our research, technologies emerged as a key enabling factor that can boost the quality of interactions and the level of actors' engagement through new shared paths that are offered by instruments such as blockchains.

Future research should explore the role of critical institutions, such as technologies, in the Eataly ecosystem development and in the effectiveness of actor engagement.

Figure 2. Actor Engagement in the Eataly service ecosystem



REFERENCES

- Alderson, W., & Cox, R. (1948). Towards a theory of marketing. *Journal of Marketing*, 13(2), 137–152. doi:10.1177/002224294801300201
- Alexander, M. J., Jaakkola, E., & Hollebeek, L. D. (2018). Zooming out: Actor engagement beyond the dyadic. *Journal of Service Management*, 29(3), 333–351. doi:10.1108/JOSM-08-2016-0237
- Andreu, L., Sánchez, I., & Mele, C. (2010). Value co-creation among retailers and consumers: New insights into the furniture market. *Journal of Retailing and Consumer Services*, 17(4), 241–250. doi:10.1016/j.jretconser.2010.02.001
- Arnould, E. J., & Price, L. L. (2000). Authenticating Acts and Authoritative Performances: Questing for Self and Community. In D. G. Mick, S. Ratneshwar, & C. Huffman (Eds.), *The Why of Consumption: Contemporary Perspectives on Consumer Motives, Goals and Desires* (pp. 140–163). London: Routledge.
- Arnould, E. J., & Thompson, C. J. (2005). Consumer Culture Theory (Cct): Twenty Years of Research. *The Journal of Consumer Research*, 31(4), 868–882. doi:10.1086/426626
- Ballantine, P. W., & Creery, S. (2010). The Consumption and Disposition Behaviour of Voluntary Simplifiers. *Journal of Consumer Behaviour*, 9(1), 45–56. doi:10.1002/cb.302
- Ballantyne, D. (2004). Dialogue and its role in the development of relationship specific knowledge. *Journal of Business and Industrial Marketing*, 19(2), 114–123. doi:10.1108/08858620410523990
- Bekin, C., Carrigan, M., & Szmigin, I. (2005). Defying Marketing Sovereignty: Voluntary Simplicity at New Consumption Communities. *Qualitative Market Research*, 8(4), 413–429. doi:10.1108/13522750510619779
- Beverland, M. B., & Farrelly, F. J. (2010). The Quest for Authenticity in Consumption: Consumers' Purposeful Choice of Authentic Cues to Shape Experienced Outcomes. *The Journal of Consumer Research*, 36(5), 838–856. doi:10.1086/615047
- Blocker, C. P., & Barrios, A. (2015). The transformative value of a service experience. *Journal of Service Research*, 18(3), 265–283. doi:10.1177/1094670515583064
- Brodie, R. J., Fehrer, J. A., Jaakkola, E., & Conduit, J. (2019). Actor engagement in networks: Defining the conceptual domain. *Journal of Service Research*.
- Brodie, R. J., Hollebeek, L. D., Jurić, B., & Ilić, A. (2011). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research*, 14(3), 252–271. doi:10.1177/1094670511411703
- Buechler, S. M. (2010). *Understanding Social Movements: Theories from the Classical Era to the Present*. Boulder, CO: Paradigm Publishers.
- Carducci, V. (2006). Culture Jamming: A Sociological Perspective. *Journal of Consumer Culture*, 6(1), 116–139. doi:10.1177/1469540506062722
- Chandler, J. D., & Vargo, S. L. (2011). Contextualization and value-in-context: How context frames exchange. *Marketing Theory*, 11(1), 35–49. doi:10.1177/1470593110393713

Actor Engagement in Service Ecosystems

- Cherrier, H. (2007). Ethical Consumption Practices: Co-Production of Self-Expression and Social Recognition. *Journal of Consumer Behaviour*, 6(5), 321–335. doi:10.1002/cb.224
- Cherrier, H. (2009a). Anti-Consumption Discourses and Consumer-Resistant Identities. *Journal of Business Research*, 62(2), 181–190. doi:10.1016/j.jbusres.2008.01.025
- Cova, B., & Dalli, D. (2009). Working Consumers: The Next Step in Marketing Theory? *Marketing Theory*, 9(3), 315–339. doi:10.1177/1470593109338144
- Cova, B., Kozinets, R. V., & Shankar, A. (Eds.). (2007). *Consumer Tribes*. Burlington: Butterworth-Heinemann.
- Creswell, J. W. (2003). *Research Design: Qualitative, Quantitative, and Mixed Method Approaches*. Thousand Oaks, CA: Sage Publications.
- Creswell, J. W., & Plano Clark, V. L. (2007). *Designing and Conducting Mixed Methods Research*. Thousand Oaks, CA: Sage Publications.
- Dagevos, H., & van Ophem, J. (2013). Food consumption value: Developing a consumer-centred concept of value in the field of food. *British Food Journal*, 115(10), 1473–1486. doi:10.1108/BFJ-06-2011-0166
- Dalli, D., & Corciolani, M. (2008). Collective Forms of Resistance: The Transformative Power of Moderate Communities. Evidence from the Bookcrossing Case. *International Journal of Market Research*, 50(6), 757–775. doi:10.2501/S1470785308200195
- Davis, D. F., Golicic, S. L., & Boerstler, C. N. (2010). Benefits and Challenges of Conducting Multiple Methods Research in Marketing. *Journal of the Academy of Marketing Science*, 39(3), 467–479. doi:10.1007/11747-010-0204-7
- Desmond, J., McDonagh, P., & O'Donohoe, S. (2000). Counter-Culture and Consumer Society. *Consumption Markets & Culture*, 4(4), 241–279. doi:10.1080/10253866.2000.9670358
- Edvardsson, B., Kleinaltenkamp, M., Tronvoll, B., McHugh, P., & Windahl, C. (2014). Institutional logics matter when coordinating resource integration. *Marketing Theory*, 14(3), 291–309. doi:10.1177/1470593114534343
- Edvardsson, B., Tronvoll, B., & Gruber, T. (2011). Expanding understanding of service exchange and value co-creation: A social construction approach. *Journal of the Academy of Marketing Science*, 39(2), 327–339. doi:10.1007/11747-010-0200-y
- Emirbayer, M., & Goodwin, J. (1994). Network analysis, culture, and the problem of agency. *American Journal of Sociology*, 99(6), 1411–1454. doi:10.1086/230450
- Geiger, S., Kjellberg, H., & Spencer, R. (2012). Shaping exchanges, building markets. *Consumption Markets & Culture*, 15(2), 133–147. doi:10.1080/10253866.2012.654955
- Granovetter, M. (1992). Economic institutions as social constructions: A framework for analysis. *Acta Sociologica*, 35(1), 3–11. doi:10.1177/000169939203500101

- Grayson, K., & Martinec, R. (2004). Consumer Perceptions of Iconicity and Indexicality and Their Influence on Assessments of Authentic Market Offerings. *The Journal of Consumer Research*, 31(2), 296–312. doi:10.1086/422109
- Grönroos, C. (2008). Service Logic Revisited: Who Creates Value? And Who Co-Creates? *European Business Review*, 20(4), 298–314. doi:10.1108/09555340810886585
- Haase, M., & Kleinaltenkamp, M. (2011). Property rights design and market process: Implications for market theory, marketing theory, and SD Logic. *Journal of Macromarketing*, 31(2), 148–159. doi:10.1177/0276146710397662
- Heath, J., & Potter, A. (2005). *Nations of Rebels: How the Counter Culture Became Consumer Culture*. New York: Harper Business.
- Hollenbeck, C. R., & Zinkhan, G. M. (2010). Anti-Brand Communities, Negotiation of Brand Meaning, and the Learning Process: The Case of Wal-Mart. *Consumption Markets & Culture*, 13(3), 325–345. doi:10.1080/10253861003787056
- Holt, D. B. (2002). Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding. *The Journal of Consumer Research*, 29(1), 70–90. doi:10.1086/339922
- Juric, B., Smith, S. D., & Wilks, G. (2016). Negative customer brand engagement: an overview of conceptual and blog-based findings. In R. J. Brodie, J. Conduit, & L. Hollebeck (Eds.), *Customer Engagement: Contemporary Issues and Challenges* (pp. 272–286). New York, NY: Routledge.
- Kotler, P. (1986). The prosumer movement: A new challenge for marketers. *Advances in Consumer Research*. *Association for Consumer Research (U. S.)*, 13(1), 510–513.
- Kozinets, R. V. (2007). Inno-Tribes: Star Trek as Wikimedia. In B. Cova, R. V. Kozinets, & A. Shankar (Eds.), *Consumer Tribes*. Burlington, MA: Butterworth -Heinemann.
- Kozinets, R. V., & Handelman, J. M. (2004). Adversaries of Consumption: Consumer Movements, Activism, and Ideology. *The Journal of Consumer Research*, 31(3), 691–704. doi:10.1086/425104
- Leigh, T. W., Peters, C., & Shelton, J. (2006). The Consumer Quest for Authenticity: The Multiplicity of Meanings within the Mg Subculture of Consumption. *Journal of the Academy of Marketing Science*, 34(4), 481–493. doi:10.1177/0092070306288403
- Li, L. P., Juric, B., & Brodie, R. J. (2017). Dynamic multi-actor engagement in networks: The case of United Breaks Guitars. *Journal of Service Theory and Practice*, 27(4), 738–760. doi:10.1108/JSTP-04-2016-0066
- Li, L. P., Juric, B., & Brodie, R. J. (2018). Actor engagement valence: Conceptual foundations, propositions and research directions. *Journal of Service Management*, 29(3), 491–516. doi:10.1108/JOSM-08-2016-0235
- McCracken, G. (1986). Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *The Journal of Consumer Research*, 13(1), 71–84. doi:10.1086/209048

Actor Engagement in Service Ecosystems

- McDonald, S., Oates, C. J., Young, C. W., & Hwang, K. (2006). Toward Sustainable Consumption: Researching Voluntary Simplifiers. *Psychology and Marketing*, 23(6), 515–534. doi:10.1002/mar.20132
- Mick, D. G., & Buhl, C. (1992). A Meaning-Based Model of Advertising Experiences. *The Journal of Consumer Research*, 19(3), 317–338. doi:10.1086/209305
- Moraes, C., Szmigin, I., & Carrigan, M. (2010). Living Production-Engaged Alternatives: An Examination of New Consumption Communities. *Consumption Markets & Culture*, 13(3), 273–298. doi:10.1080/10253861003787015
- Musso, F., & Druica, E. (Eds.). (2014). Handbook of Research on Retailer-Consumer Relationship Development. IGI Global. doi:10.4018/978-1-4666-6074-8
- Neilson, L. A. (2010). Boycott or Buycott? Understanding Political Consumerism. *Journal of Consumer Behaviour*, 9(3), 214–227. doi:10.1002/cb.313
- Newholm, T., & Shaw, D. (2007). Studying the Ethical Consumer: A Review of Research. *Journal of Consumer Behaviour*, 6(5), 253–270. doi:10.1002/cb.225
- Peñaloza, L., & Venkatesh, A. (2006). Further Evolving the New Dominant Logic of Marketing: From Services to the Social Construction of Markets. *Marketing Theory*, 6(3), 299–316. doi:10.1177/1470593106066789
- Rumbo, J. D. (2002). Consumer Resistance in a World of Advertising Clutter: The Case of Adbusters. *Psychology and Marketing*, 19(2), 127–148. doi:10.1002/mar.10006
- Russo Spena, T., Caridà, A., Colurcio, M., & Melia, M. (2012). Store experience and co-creation: The case of temporary shop. *International Journal of Retail & Distribution Management*, 40(1), 21–40. doi:10.1108/09590551211193586
- Schaefer, A., & Crane, A. (2005). Addressing Sustainability and Consumption. *Journal of Macromarketing*, 25(1), 76–92. doi:10.1177/0276146705274987
- Scott, W. R. (2014). *Institutions and Organizations Ideas, Interests & Identities* (4th ed.). Thousand Oaks, CA: Sage.
- Sebastiani, R., & Montagnini, F. (2014). Engaging social movements in developing innovative retail business models. In *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 336–350). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch018
- Sebastiani, R., Montagnini, F., & Dalli, D. (2013). Ethical Consumption and New Business Models in the Food Industry. Evidence from the Eataly Case. *Journal of Business Ethics*, 114(3), 473–488. doi:10.1007/10551-012-1343-1
- Spiggle, S. (1994). Analysis and Interpretation of Qualitative Data in Consumer Research. *The Journal of Consumer Research*, 21(3), 491. doi:10.1086/209413
- Storbacka, K., Brodie, R. J., Böhmman, T., Maglio, P. P., & Nenonen, S. (2016). Actor engagement as a microfoundation for value co-creation. *Journal of Business Research*, 69(8), 3008–3017. doi:10.1016/j.jbusres.2016.02.034

- Tashakkori, A., & Teddlie, C. (1998). *Mixed Methodology: Combining Qualitative and Quantitative Approaches*. Thousand Oaks, CA: Sage Publication.
- Thompson, C. J., & Coskuner-Balli, G. (2007). Countervailing Market Responses to Corporate Co-Optation and the Ideological Recruitment of Consumption Communities. *The Journal of Consumer Research*, 34(2), 135–152. doi:10.1086/519143
- Thompson, S. A., & Sinha, R. K. (2008). Brand Communities and New Product Adoption: The Influence and Limits of Oppositional Loyalty. *Journal of Marketing*, 72(6), 65–80.
- Van Doorn, J., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P., & Verhoef, P. C. (2010). Customer engagement behavior: Theoretical foundations and research directions. *Journal of Service Research*, 13(3), 253–266. doi:10.1177/1094670510375599
- Vargo, S. L., & Akaka, M. A. (2012). Value co-creation and service systems (re) formation: A service ecosystems view. *Service Science*, 4(3), 207–217. doi:10.1287/erv.1120.0019
- Vargo, S. L., & Lusch, R. F. (2011). It's all B2B... and beyond: Toward a systems perspective of the market. *Industrial Marketing Management*, 40(2), 181–187. doi:10.1016/j.indmarman.2010.06.026
- Vargo, S. L., & Lusch, R. F. (2016). Institutions and axioms: An extension and update of service dominant Logic. *Journal of the Academy of Marketing Science*, 44(5), 5–23. doi:10.1007/11747-015-0456-3
- Vargo, S. L., & Lusch, R. F. (2017). Service-dominant logic 2025. *International Journal of Research in Marketing*, 34(1), 46–67. doi:10.1016/j.ijresmar.2016.11.001

ADDITIONAL READING

- Askegaard, S., & Kjeldgaard, D. (2007). Here, There, and Everywhere: Place Branding and Gastro-nomical Globalization in a Macromarketing Perspective. *Journal of Macromarketing*, 27(2), 138–147. doi:10.1177/0276146707300068
- Bardhi, F., Ostberg, J., & Bengtsson, A. (2010). Negotiating Cultural Boundaries: Food, Travel and Consumer Identities. *Consumption Markets & Culture*, 13(2), 133–157. doi:10.1080/10253860903562148
- den Hond, F., & de Bakker, F. G. A. (2007). Ideologically motivated activism: How activist groups influence corporate social change activities. *Academy of Management Review*, 32(3), 901–924. doi:10.5465/amr.2007.25275682
- Denegri-Knott, J., Zwick, D., & Schroeder, J. E. (2006). Mapping consumer power: An integrative framework for marketing and consumer research. *European Journal of Marketing*, 40(9–10), 950–971. doi:10.1108/03090560610680952
- Farinetti, O. (2009). *Coccode*. Milano: Giunti.
- Ger, G. (1999). Localizing in the Global Village: Local Firms Competing in Global Markets. *California Management Review*, 41(4), 64–83. doi:10.2307/41166010

Actor Engagement in Service Ecosystems

- Hollenbeck, C. R., & Zinkhan, G. M. (2006). Consumer Activism on the Internet: The Role of Anti-Brand Communities. *Advances in Consumer Research*. Association for Consumer Research (U. S.), 33(1), 479–485.
- Holzer, B. (2006). Political consumerism between individual choice and collective action: Social movements, role mobilization and signalling. *International Journal of Consumer Studies*, 30(5), 405–415. doi:10.1111/j.1470-6431.2006.00538.x
- Kleinaltenkamp, M., Corsaro, D., & Sebastiani, R. (2018). The role of proto-institutions within the change of service ecosystems. *Journal of Service Theory and Practice*, 28(5), 609–635. doi:10.1108/JSTP-12-2017-0241
- Kozinets, R. V., Handelman, J. M., & Lee, M. S. W. (2010). Don't Read This; or, Who Cares What the Hell Anti-Consumption Is, Anyways? *Consumption Markets & Culture*, 13(3), 225–233. doi:10.1080/10253861003786918
- Micheletti, M., Føllesdal, A., & Stolle, D. (2004). *Politics, Products, and Markets: Exploring Political Consumerism Past and Present*. New Brunswick, N.J.: Transaction Publishers.
- Muñiz, A. M. Jr, & Schau, H. J. (2005). Religiosity in the Abandoned Apple Newton Brand Community. *The Journal of Consumer Research*, 31(4), 737–747. doi:10.1086/426607
- Peterson, R. A. (2005). In Search of Authenticity. *Journal of Management Studies*, 42(5), 1083–1098. doi:10.1111/j.1467-6486.2005.00533.x
- Petrini, C. (2005). *Buono, pulito e giusto: Principi di nuova gastronomia*. Torino: Einaudi.
- Petrini, C., & Padovani, G. (2006). *Slow Food Revolution: A New Culture for Eating and Living*. New York: Rizzoli.
- Pietrykowski, B. (2009). *The Political Economy of Consumer Behaviour: Contesting Consumption*. New York: Routledge. doi:10.4324/9780203882320
- Shankar, A., Cherrier, H., & Canniford, R. (2006). Consumer Empowerment: A Foucauldian Interpretation. *European Journal of Marketing*, 40(9/10), 1013–1030. doi:10.1108/03090560610680989
- Sims, R. (2009). Food, Place and Authenticity: Local Food and the Sustainable Tourism Experience. *Journal of Sustainable Tourism*, 17(3), 321–336. doi:10.1080/09669580802359293
- Tencati, A., & Zslonai, L. (2012). Collaborative enterprise and sustainability: The case of slow food. *Journal of Business Ethics*, 110(3), 345–354. doi:10.1007/10551-011-1178-1
- Thompson, C. J. (2004). Marketplace Mythology and Discourses of Power. *The Journal of Consumer Research*, 31(1), 162–180. doi:10.1086/383432
- Vargo, S. L., & Lusch, R. F. (Eds.). (2018). *The SAGE handbook of service-dominant logic*. SAGE Publications Limited. doi:10.4135/9781526470355
- Wilk, R. R. (2006). *Fast Food/Slow Food: The Cultural Economy of the Global Food System*. Lanham, MD: Altamira Press.

KEY TERMS AND DEFINITIONS

Actor Engagement: Both the actor's disposition to engage, and the activity of engaging in an interactive process of resource integration within a service ecosystem.

Collective Identity: Individual's cognitive, moral and emotional connection with a broader community that may form part of a personal identity.

Counter-Culture: Coherent system of norms and values that not only differ from those of the dominant system, but also comprise at least one norm or value that calls for commitment to cultural change—that is, a transformation of the dominant system of norms and values.

Customer Experience: The internal and subjective response customers have to any direct or indirect contact with a company. It is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to multiple stimuli that are only partially under the company's control.

Eataly: New retail concept founded by Oscar Farinetti in 2007 in collaboration with Slow Food. Its original formula allows consumers to be active participants in an innovative food and beverage experience where they shop, taste and learn about high quality traditional Italian food products and beverages along with local produce and artisanal products.

FICO – Eataly World: Founded in 2017 on the collaboration between Eataly and various public and private actors, it is a training ground for a sensorial and educational experience about food and its biodiversity. It encompasses hundreds of small and medium-sized Italian high-quality businesses that showcase live their manufacturing and crafting arts.

Service Ecosystem: A relatively self-contained, self-adjusting systems of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service exchange.

Slow Food: Social movement founded in Italy in 1989 to counteract fast food and a fast life, as well as the disappearance of local food traditions, by promoting “good, clean, and fair” food.

Social Movement: Collective acting with some continuity to promote or resist a change in the society or organization of which it is a part.

Chapter 19

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Mirian Palmeira

Federal University of Parana, Brazil

Fabio Musso

 <https://orcid.org/0000-0002-5189-2956>

Carlo Bo University of Urbino, Italy

ABSTRACT

The aim of this chapter is to identify the impact of different 3Rs of sustainability approaches on consumer behavior and people's values. Some results, through multi-method study, with ethnography and quantitative research, show that people's priority is on "recycling," performing few activities of "reduce," and lesser actions of "re-use." The focus is on reducing packaging and the use of lower levels of inputs (as energy and water), and to reduce the carbon foot print, mainly using public and/or alternative transport. People are concerned about sustainability; however, they present a low level of activities related to major societal concepts on behalf of the environment. The 3Rs of sustainability have changed from Reduce-Reuse-Recycle to Recycle-Reuse-Reduce. However, this new order does not cause such impact on consumer behavior and in people's values.

INTRODUCTION

Through the recent decades, people worldwide are becoming more concerned with the impact of human activities on the environment. In different *Zeitgeist*, countries are apprehensive with the extinction of animal species, with river pollution, air pollution, garbage recycling, reverse logistics, production of "green" goods, climate change and even the reduction of consumption. All these sets of activities rely on

DOI: 10.4018/978-1-7998-1412-2.ch019

a changing paradigm that mankind could interfere directly or indirectly on the destiny of the planet. For many years, the common word to express concern was “global warming”, until Europe winter season of 2004 with very low temperatures had weakened the theory of never ending growing temperatures that would melt North Polar ice cap and turn Antarctica into an immense ocean (Gore, 2016). Afterwards climate change and sustainability are the words to refer to subjects relate to preserve the planet. Sometimes the same expression brings different meanings and therefore, different uses and consequences. For example, the concept of 3Rs of Sustainability (Mohanty, 2011), highlights the sequence “Reduce, Re-use and Recycle”. This sequence has been adopted mainly in the northern hemisphere, while the Southern countries the sequence has changed to “Recycle, Re-use and Reduce”. It is not a simple word swap. It changes the logics of the 3Rs paradigm and the consequences in people’s life and values and its different impact on consumer behavior.

Retailers, like most of the companies of all industries, are aware that for achieving economic and market results they have to adopt responsible behavior towards the market, the environment, employees and consumers, in order to respond to the increasing awareness of stakeholders to sustainability issues. Retailers have more reasons for doing this, because retail companies are surrounded by a large number of stakeholders, and they play a dual role. On the one hand, they regularly communicate with consumers, for whom the information and image of the company are decisive in the choice of products. On the other hand, retailers act as intermediaries in the supply chain, so they do not operate alone in the market and are likely to pay more attention to sustainability related issues. As a matter of fact, sustainability is a key issue in this industry.

In this study, a comparison between retailing customers of two different countries – Brazil and Italy – respectively located in the southern and the northern hemisphere, has been conducted in order to identify the differences in consumers’ perceptions as regards sustainability values. The aim of the study was to identify the impact of the two different perspectives of the 3Rs of Sustainability Approach on consumer behavior and people’s values, and the consequences for retailers’ policies. In order to achieve this aim, in the following sections, the evolution of environment paradigms and concepts through time will be presented; then, the different uses and the impacts of 3Rs of Sustainability on customer’s behavior as well as the changes in people’s values will be analyzed through the empirical research. Finally, discussion, implications for management and future research directions will be proposed.

BACKGROUND

The subjects of this research are presented in four groups: Sustainability, 3Rs of Sustainability, Customers Behavior, and People’s values.

Sustainability

Sustainability is mentioned in many documents and research, however, most of the authors have linked it to the concept of sustainable development without really defining it (Castro and Avila, 2013; Faria, 2015; Parente and Barki, 2014; Tortato and Catapan, 2016). Sustainable Development “is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED, 1987).

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

In the literature, four primary dimensions have been identified as regards the concept of sustainable development: a) safeguarding long-term ecological sustainability, b) satisfying basic human needs, and c) promoting intragenerational and d) intergenerational equity (Holden et al, 2004). These dimensions can be considered as “fundamental objective values, not subjective individual preferences” Daly (2007), therefore not renounceable.

Nobre and Amazonas (2002) stated that “The concept of sustainable development does imply limits, not absolute limits but limitations imposed by the present state of technology and social organization on environmental resources, and by the ability of the biosphere to absorb the effects of human activities” (Brundtland, 1987:8; Mayr & Varvakis, 2008).

The link between sustainable development and sustainability is that the latter involves the perspective of both policymakers and companies. The term sustainability is derived from the Latin *sustĭnĕre*, “to hold up or support” (Brown et al., 1987) and its modern conception has its origins in forestry. Later on, it was transferred to the context of ecology, as a principle of respecting the ability of nature to regenerate itself (Duden, 2015). Among the several definitions of sustainability, it can be highlighted that of “a situation in which human activity is conducted in a way that conserves the functions of the earth’s ecosystems” (ISO 15392, 2008). McMichael et al. (2003), defined sustainability as a transformation of human lifestyle that optimizes the likelihood that living conditions will continuously support security, well-being, and health, particularly by maintaining the supply of non-replaceable goods and services. Therefore, to be sustainable means “using a resource in a way that the resource is neither depleted nor permanently damaged (Zaheer and Bach, 2014).

Sustainability can be viewed as “the ability to be maintained as steady level without exhausting natural resources or causing severe ecological damage” (Collins, 2014). It is the condition when an individual or a group of individuals is “capable of being continued with minimal long-term effect on the environment” (American Heritage, 2016).

On this basis, the need to make a change in production and consumption models clearly arises (Mendoza et al, 2017), by overcoming the linear model (cradle to grave), and adopt the circular model (cradle to cradle). This paradigm shift faces, in addition to the problem of scarcity of resources, the concept of zero-waste, according to which waste, properly managed, is a resource in itself since it can be reinserted into production processes (Lacy and Rutqvist, 2015). “The transition to a circular economy is a systemic change” (European Commission, 2015, p. 18) that involves the entire value chain of companies, and has positive effects on the environment, providing opportunities for sustainable development (European Commission, 2015).

Encouraging the circular economy allows to create new markets that have sustainability as a key element and competition focused on respect of the environment. Consequently, new type of business models allow companies to offer sustainable alternatives and safeguard profit (Lahti et al., 2018).

Therefore, pursuing the efficient use of resources enables economic and social advantages, favoring a sustainable business in which technological and social innovation can be combined with sustainability in order to influence economic performance (Mendoza et al. 2017). However, this approach is widely disregarded, especially in developing countries (Clark et al., 2009), and innovation processes need to count on organization, society, and finance policies (European Commission, 2014), together with higher education [Calder & Clugston, 2003], starting from schools and universities, towards environmental and ethical issues that are the basis of a sustainable design education (Haug, 2017).

The central point is represented by a socio-cultural transformations capable of influencing both market and production processes (Pla-Julian & Guevara, 2018; Dobrotă et al, 2017).

There are some approaches to evaluate if sustainability exists, and which is its levels of implementation. One of them is the 3Rs of Sustainability Approach.

3Rs of Sustainability

The starting point of the 3Rs of Sustainability is the hierarchy *Reduce-Reuse-Recycle*. Reduce the purchase and consumption of things; Reuse existing goods that people have already purchased; and Recycle goods when they are completely exhausted, transforming them as a resource. The sequence is not free. Faria (2015) presented this first sequence or 3Rs of Sustainability. This approach is a set of actions to achieve the so-called “conscious consumption” and avoid the excessive use of scarce Earth resources. “These different meanings for the 3Rs share a common goal of smaller consumption, better efficiency and the possibility of recycling. The 3Rs can be useful as a guiding principle for less impacting practices, and therefore more sustainable ones” (Mayr and Varvakis, 2008). However, the majority of the 3Rs studies are focus mainly on waste reduction (Elabras Veiga et al, 2008; Ekström, 2015; Castagna et al, 2013; Garkowski and Hostovsky, 2011; Rashid et al, 2015) and some in building construction (Mayr and Varvakis, 2008; Sabnis, 2012; Baggs, 2008).

More recently, the 3Rs approach swapped the sequence from *Reduce-Reuse-Recycle* to *Recycle-Reuse-Reduce*: Recycle the waste separating goods or materials that can be transformed for reuse; Reuse the new recycled goods; and Reduce waste.

Hanifah and Yusri (2016) stated “waste management is the mechanism used to reduce environmental pollution, particularly solid waste. Sustainable waste management is often known as a further sequence within the 3Rs approach: *Reduce, Recycle and Reuse*”. It is a different order of 3Rs, although it is also focus on reducing and recycling waste, not in reducing consumption. The Environmental Protection Agency (EPA, 2007) defines “waste reduction as the design and manufacture of materials that can be reduced in quantity or toxicity before consumer purchase or use. This practice is also included in minimizing waste production at each step in the manufacturing process or during the use of a product”. It does not focus on reducing consumption, either.

Generally speaking, the use of the 3Rs concept must be complemented by comprehensive information, education and communication programs, which should be carried out frequently and for a number of years (Diaz, 2015:9).

Customer Behavior

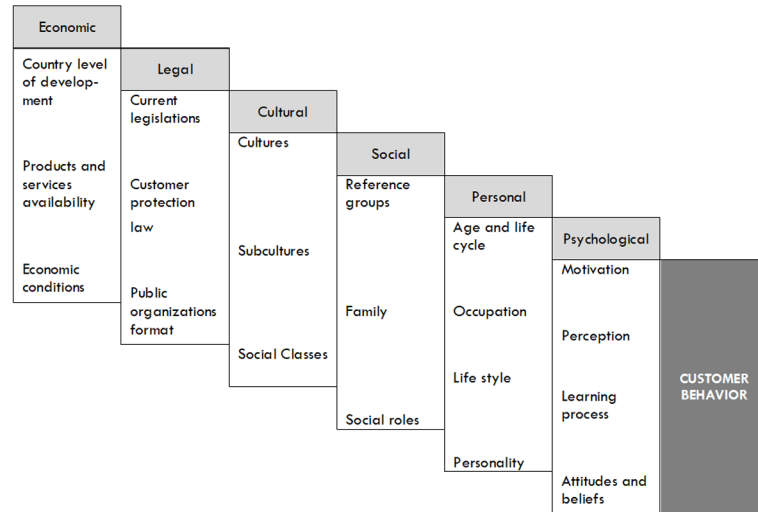
The term customer behavior includes a group of concepts and theories that cover different approaches of the consuming process. Initially the field refers to the “buyer behavior” (Solomon and Rabolt, 2009:26-27; Solomon et al, 2010), focusing on the interactions between customers and producers at the moment of purchase. Afterwards, a customer “is generally thought of a person who identifies a need or desire, makes a purchase, and then dispose of the product during [...] the consumption process” (Solomon and Rabolt, 2009:27). The customer behavior is influenced by different factors related to cultural, social, personal and psychological elements (Kotler and Armstrong, 2008:113-125), to which Urdan and Urdan (2010:236-238) added economic and legal elements (Figure 1).

A key role is played by perception. Perception starts with a first impression, which is the initial step of customer’s recognition process. According to Lindstrom (2005) and Schmitt (1999), perception is the process of recognition through the human senses (sight, sound, smell, touch, and taste). When an object is

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Figure 1. Factors that influence Customer Behavior

Source: Adapted from Kotler and Armstrong (2008) and Urdan and Urdan (2010).



exposed to prospects and customers, one or more senses can be activated and the process of recognition begins in people’s mind. Perception, also influenced by people’s past experiences (Brakus et al., 2009), prints a mark, an image in their brain, producing positive, neutral or negative judgement related to the exposed object (Engel, Blackwell and Miniard, 2000: 97). Perception is related to the customer attitude which “is the general evaluation of an alternative” (Engel, Blackwell and Miniard, 2000: 93), being positive, neutral or negative. The attitude influences the behavior and it addresses the future process of purchase. When it is crystallized in the customer’s mind, it is very hard to be changed, especially when it is related to services (Lovelock and Wright, 2007) and retailing (Musso and Druica, 2014).

Different readiness stages of customer behavior (awareness, knowledge, liking, preference, conviction and purchase) can influence one’s pattern of consuming (Kotler and Armstrong, 2008:363). The first stage of awareness is related to the level of consciousness of the product, service, or organization that the target audience has about them. The second readiness level is concerning of how much knowledge the prospect has about the product, the brand or any other item linked to the company. The third phase is the state of liking, which is how the target audience feels about the product, etc. The fourth element is the step where the prospect shows preference (or not) for the product/service/experience/brand or organization. The fifth component shows if the target audience develops a conviction about buying the organization’s offer. And, finally, the sixth element is related to the fact that the prospect has made the purchase.

People’s Values

“In Attitude research, values are ideas held by people about ethical behavior or appropriate behavior, what is right or wrong, desirable or despicable” (Scott and Marshall, 2009:788). According to Haralambos and Holborn (2009), the concept of value consensus is very important, which is a general agreement by members of a group or society concerning of what is good and “worthwhile”.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

People's values can be understood as groups of concepts that people share on social activities, in this case related to the way they implement environment-related approaches and their awareness in adopting eco-friendly practices. Some examples are: to educate people about environment policies, to advise people to use public transport, to promote conscious consumption, to give support for sustainable projects and products, do not littering the city, to talk in social media about sustainable actions, to educate children about the environment, to respect the space/public environments, just to mention some practices. "...adopting the green culture in people, needs the appropriate tools and training. The awareness of the green environment among employees should be measured on a consistent basis, as well as among citizens" (Rashid et al, 2015). The way people behave as employees and as citizens can affect the environment conditions for future generations. The main issue in organization is productivity; however, it is broader in people's daily life, considering the way they behave at home and in their social groups.

RESEARCH METHODOLOGY

In order to detect trends related to sustainability among retailing customers, three research questions have been considered:

1. How is the evolution of environment paradigms and concepts through time;
2. Which are the different uses of the 3Rs of Sustainability;
3. Which are the different impacts of the 3Rs of Sustainability Approach on customers' behavior; and
4. Which are the changes in people's values.

Nature of the Research

The methodology adopted was a multi-method approach, with a qualitative study (Creswell, 1998) based on an Ethnography research with emphasis in Historic Method and Content's Analyses, and with a quantitative study (Gill, 2002), based on a survey for data collection and primary data analyses (Malhotra, 2012; Mattar, 2007; Siegel and Castellan, 2006; Spiegel, 1971; Wonnacott and Wonnacott, 1981).

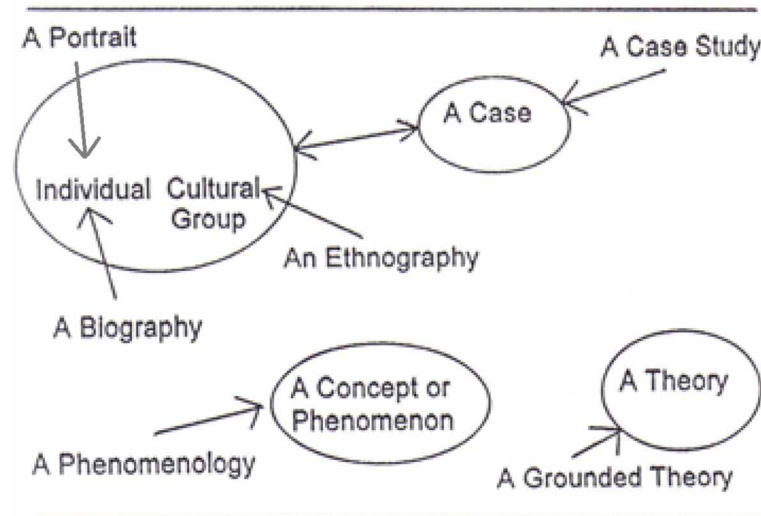
Ethnography (Figure 2), which was originated in Sociology and Anthropology, is developed to analyze the characteristics of defined social-cultural groups related to their approach to environment, the way they consume, and their social values. The elements of analysis are based on the description of the observed facts, the analysis itself and the interpretation of facts (Creswell, 1998).

Historic Method and Content's Analyses are used to describe different *Zeitgeists*, through a line of decades, from the beginning of 20th century to 2016. By analyzing different facts and events, Historic Method and Content's Analyses allowed to detect trends related to sustainability, particularly as regards the way in which people's concepts about the environment can impact the buying behavior in the retail context.

The quantitative study was conducted through a comparative analysis of two surveys on both Brazilian and Italian groups of customers of retail chains (Mattar, 2007; Malhotra, 2012). Rattam (1998) protocol was used to create social classification, based on the level of education, income, spatial residential area, size of residence and professional occupation. The Rattam social classification Model (Rattam, 1998) is based on the idea that education level, size of residence, and occupation are more important than income in order to format customers behavior, allowing to classify the social segments in five levels: A, B, C,

Figure 2. Focus of Ethnography

Source: Creswell, 1998.



D and E. Details on the criteria of classification are provided in Appendix 1. The protocol was used to identify in which segment the respondents were classified. In the Brazilian phase, the interaction with respondents was face-to-face. The interviewer supplied the questionnaires, the respondents answered the questions and they returned the document as soon as they filled in the forms. In the Italy phase, the survey was conducted through a web-based questionnaire, with the use of a tablet provided to the interviewee. Both the Brazilian and the Italian phase adopted the same questionnaire.

The questionnaire contained closed-ended questions, with only one open question. The use of the open question was necessary to avoid bias in the responses, even if it was time-demanding during the process of producing the tabs of analyses. Simple descriptive statistics have been used to present the interviewee responses about their actions to preserve the environment.

Population and Sampling

The target of the quantitative study was the population of Brazilian and Italian customers of retail stores, interviewed after exiting a (shopping center) after a shopping expedition. The interviews have been addressed to people up to 25 years old. The focus has been fixed on the youngest in order to better capture the emerging issues in customers' behavior. The samples have been selected by convenience in Curitiba, Parana, Brazil and Urbino, Marche, Italy. For reasons of simplification, the results are identified as Brazilian and Italian ones, without losing the focus that these are non-random samples. Table 1 shows the samples' structure. The survey has been conducted in March 2016 in Brazil and in June 2016 in Italy.

Although a random sample is technically more superior to produce precise results that explain the population, the following reasons addressed the selection of a sample by convenience (Mattar, 2007): (1) a database to list the population's members and to produce a random sample was not available; (2) the use of an open question was necessary to provide unbiased answers, causing however a complex organization of information during the analysis phase; (3) the volume of data is very high, with more

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 1. Sample structure

Sampling	Brazilian Phase		Italian Phase	
	Frequency	%	Frequency	%
Female	70	44	89	59
Male	88	56	73	41
Total	158	100	152	100

Source: Research, 2016.

than 7,000 cells of analyses; and (4) financial and human resources were limited for adopting a random sampling process.

RESULTS

The findings of the surveys are presented in three sections: the evolution of environment concepts through a century, the impact of 3Rs of Sustainability on customers' behavior, and in people's values.

The Evolution of Environment Paradigms and Concepts Through Time

Through Ethnography, which involves description, analyses and interpretation of facts, some major events, and some minor, were presented in a time lap of more than a one hundred year – from 1911 to 2016 – showing how the concern with the environment had evolved in Europe and Brazil. Using a chronological approach, 25 events have been described (Table 2), starting with a real fact that was highlighted in a fiction book about the scandal of Lady Diana Manners, who worn a gala dress twice in different important balls in the United Kingdom just before the First World War (Follet, 2010). The event had been commented in the social columns of the most important newspapers of that time. The fact could be seen as futile if an environment paradigm is not used as a frame to analyze the circumstance and *zeitgeist*. The upper class had all the resources and means and it could afford to pay for a different outfit for every different occasion. However, the working class had to wear the same clothes, probably inherited from the parents. The last fact shown in Table 2 is related to the Italian government that approved a law against food waste that results savings of 12 billion Euros per year (Akatu, 2016). Table 2 shows different events from UK and some European Countries and Brazil, that can characterize the view of different *Zeitgeist*. The list is not exhaustive and the Ethnography analyses have been summarized.

Different Uses of 3R's of Sustainability Approach

Figure 3 summarises the different outputs of each of the 3Rs sequences. On the left column, there are elements of the swapped ranking "Recycle-Re-use-Reduce". On the right one, there is information on the previous ranking of the 3Rs of Sustainability approach: "Reduce-Re-use-Recycle".

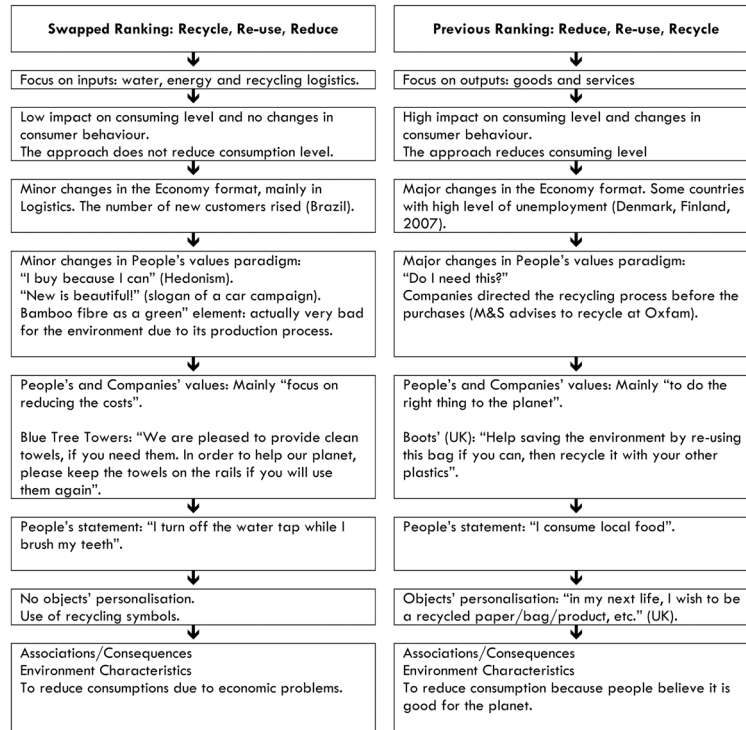
3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 2. More than a century of Zeitgeist from 1911 to 2016

Brazil	Years	Europe
	1914	Lady Diana Manners has been criticized for wearing the same dress to two different balls at the Savoy and Lord Winterton and F.E. Smith's party at Claridge's Hotel (Follet, 2010). Fiction that represents the view from the first decade of 20 th Century.
	Twenties, Thirties and Forties	Pre and post Second World War- the economy of scarcity.
Fifties' to Seventies' – Margaret Mee was concerned with the extinction of Amazon Rainforest plants (Mee, 2004).	1950 - 1970	
TV programs showing and alerting about the extinction of animal species.	Sixties	
Major Lerner of Curitiba – Parana launched the campaign “Lixo que não é Lixo” (Litter that is not Litter), the first recycling initiative in Brazil.	Seventies	
The questioning of Miss Kaye, a British lady, of what people were doing in Brazil to protect the planet.	1985	Safeway supermarkets started charging for plastic bags. They provided free paper bags.
Entrepreneurs started to see recycling business as a “pot of gold” in Brazil. The relaunching of the campaign “Lixo que não é Lixo, separe” (Litter that is not Litter, put it apart) (1993), in the inauguration of 300 th years of Curitiba's foundation.	Nineties	Both plastic and paper bags are hazardous for the planet: paper bags destroy trees and plastic ones pollute the planet.
	Nineties	Cartoon Lazy town (Iceland) – a way to reach adults through children – showed a superhero committed in saving the planet, combating the evil that wishes to destroy it.
	2003	Supermarkets in Ireland started charging for plastic bags, to incentive the use of paper bags.
	2005	Carbon foot print campaigns: “what do you do to reduce your carbon footprint?” (BBC, 2005). Prince Charles cut CO2 emissions reducing the number of travelling abroad by plane (BBC, 2005).
	2005	BBC reported in the day news of a wedding with all procedures to reduce CO2: guests invited to use public transport to come to the ceremony, church and ceremony flowers made of re-use plastic bags, engagement rings made of wood from a dead Oaktree to avoid purchasing golden rings (gold mining is very damaging to the environment), wedding dress inherited from the bride's grandmother, dinner was prepared just with local ingredients.
	2007	Prince Charles and local food producers organised a dinner to promote local ingredients. All the recipes were made of meat and veggies from the region.
In Curitiba, Brazil, an emerging country, since the Nineties had garbage collected twice a day	2007	The privatized litter collect system in Oxford (BBC, 2007) had been twice a week, causing problems of public health hazardous, due to the accumulation of full litter cans on the streets.
	2009 -2010	Princess Kate Middleton went shopping in High Street shops. Her wedding dress was fine but without excess. During official trips, she wore the same outfit twice or three times.
	2010	UK supermarkets Tesco, Waitrose and Sainsbury's started selling permanent bags made of recycled materials, mainly fibres – sisal, rough cotton – especially from communities of emergent countries, with stylist design.
	2010	Vivienne Westwood, famous UK designer, and Seventies' political activist launched a campaign called AR- Active Resistance, against the companies that wish to label persons as consumers. She advised not to buy, just when it is really necessary (Westwood and Kelly, 2016).
GNT TV Channel in Brazil broadcasted a programme showing the use of used car tires to produce playground equipment on working class and slum areas. And the use of car tires to refrain landslides in Rio's hills, especially in slums areas (“Favelas”).	2013	
	2016	French's government decided that cars by gas and diesel built before 1997 were not allowed to circulate anymore. Italian government approved a law against food waste that resulted savings of 12 billion euros per year (Akatu, 2016).

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Figure 3. Different Sequences of the 3Rs of Sustainability



The Impact of the 3Rs of Sustainability on Consumer Behavior

The analysis of the responses from the two surveys has been developed considering 5 different groups of environment activities and under the elements of the 3Rs of Sustainability (Reduce, Re-use and Recycle): (1) preserve the environment, (2) reduce consumption, (3) re-use products, (4) recycling, and (5) the use of recycled products.

1. “Preserve the Environment” Activities

91% of Brazilian respondents separate the residues considering their material and 95% of Italian ones have developed some kind of actions to help to preserve the planet (Table 3). The main difference is that Italian people recycle due to law’s issues. They can be fined if they do not recycle. On the other hand, Brazilian respondents recycle because they are motivated by regular government campaigns for recycling. In Brazil, the social pressure for recycling is very high. People who do littering are very badly judged by their equals, neighbors, friends, colleagues, acquaintances, or even by strangers in the surroundings. Brazilian respondents reported an average of 4.07 activities that they currently perform in their daily lives to help preserving the environment, considering 587 different actions, almost the double average of Italian sample, which provides an average of 2.75 activities of recycling, with 396 activities (Table 4). According to table 4, most of Brazilian sample’s averages are higher than the averages presented by the Italian respondents to the “preserve the environment” activities.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 3. “Preserve the environment” activities

Preserve	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	144	91	144	95
No	14	9	8	5
Total	158	100	152	100

Source: Authors’ research, 2016.

The following analyses focus on the responses that clearly indicate if respondents perform some kind of recycling activities. In Brazil, 14 interviewees did not report any activity; therefore, they have been excluded from the analysis, keeping only 144 respondents. In Italy, 8 interviewees declared they don’t do anything of recycling procedures. The remaining sample is, similarly to Brazil, 144 units.

2. “Reduce Consumption” Activities

Only 17% of both Brazilian and Italian interviewees perform reduce consumption activities in their daily life, with the average of 1.32 and 1.24 activities per respondent, respectively (Table 5).

The “reduce consumption” list of activities is short comparing to the recycling activities. Table 6 shows the results of Brazilian (33 activities) and Italian samples (31 actions).

Table 4. List of daily activities that can help to preserve the environment

Activities	Brazil (158 respondents)				Italy (152 respondents)			
	f	Resp	Average	%	f	Resp	Average	%
Preserve the planet	587	144	4.07	-	396	144	2.75	-
No recycling	-	14	-	-	-	8	-	-
Reduce consumption	33	25	1.32	17.36	31	25	1.24	17.36
Re-use products	19	19	1.00	13.19	2	2	1.00	1.39
Recycling	147	140	1.05	97.22	131	131	1.00	90.97
Use of recycled products	7	7	1.00	4.86	1	1	1.00	0.69
Reduce water	102	91	1.12	63.19	38	38	1.00	26.39
Save energy	55	49	1.12	34.03	61	61	1.07	41.67
Use of public transport, bike, motorbike, car sharing or walk	51	49	1.04	34.03	33	33	1.00	22.92
Consumption of local food	3	3	1.00	2.08	30	30	1.00	20.83
No littering	51	51	1.00	35.42	17	17	1.00	11.81
Use of low-impact products	12	12	1.00	8.33	1	1	1.00	0.7
Others - Miscellaneous	94	61	1.54	42.36	43	40	1.08	27.78
People’s values	13	12	1.08	8.33	8	8	1.00	5.56

Source: Authors’ research, 2016.

Table 5. “Reduce consumption” activities

Reduce consumption	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	25	17	25	17
No	119	83	119	83
Total	144	100	144	100

Source: Authors’ research, 2016.

Basically, the “reduce consumption” activities are related to save inputs, such as water consumption reduction and energy saving procedures. 91 respondents from Brazil and 38 from Italy reported to be concerned to reduce water consumption. Moreover, 49 respondents in Brazil and 61 in Italy stated to perform different actions to save energy (Table 7).

3. “Re-Use”Activities

Both samples do not perform many re-use actions. However, Brazilian respondents reported almost ten times more activities than Italian ones (13% of the sample and 1.4%, respectively) (Table 8).

Re-use activities seem to be not related to more important products in people’s daily life, such as clothes, electronics, furniture and automobiles (Table 9).

(4) “Recycling” activities

Basically, “Recycling” activities separate residues according to the different materials.

In Brazil, 140 respondents perform 147 activities of recycling (“Separar lixo que não é lixo”) and in Italy 131 respondents make at least one action (“Raccolta differenziata”). Brazilian respondents present an average of 1.05 and the Italian sample 1.00 (Table 10).

(5) Use of recycled products

Probably, respondents have been consuming products made of recycled materials, mainly in packaging. However, it seems they do not consciously seek for this type of product. Only 7 out of 144 Brazilian interviewees and 1 out of 144 Italian respondents reported to use recycled products (Table 11).

The Impact of 3Rs of Sustainability on People’s Values

92% of Brazilian respondents and 94% of Italian ones do not mention actions that show they have broader concerns about the environment (Table 12).

Only 13 and 8 activities are performed, respectively. It seems that people are concerned about environment issues, however it does not reflect in real actions, according to the results of table 13.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 6. List of “reduce consumption” activities

Brazil: 25 respondents (multiple choice)	Frequency	Avg.
1. To avoid/reduce consumption of red meat	8	
2. Do not consume meat or any other animal origin products	1	
3. Do not consume animal tested products	1	
4. To customise clothes in order to reduce purchasing	1	
5. Do not use pesticide or any other pollutant against the environment	1	
6. Do not purchase car/automobile	1	
7. To buy refill instead of new packaging	1	
8. To buy second-hand clothes and furniture	1	
9. Do not buy water in plastic bottles; to use filtered tap water instead	1	
10. Do not consume leathered products.	1	
11. Do not buy cleaning cloth	1	
12. Do not buy products from big companies that pollute the environment	1	
13. To reduce consumption of clothes, appliances and electronics. (306)	1	
14. Do not use plastic cups	9	
15. To reduce printed paper	4	
16. To reduce the consumption of plastic	1	
Total	33	1.32
Italy: 25 respondents (multiple choice)	Frequency	Avg.
1. Do not consume products that damage the environment (with pesticide, palm oil, that exploit animals and the ones that are not local)	1	
2. To consume mainly local products	16	
3. Do not to buy printed books; only e-books to preserve the forests	1	
4. To reduce travelling by plane	1	
5. Do not to use pesticide or any other pollutant against the environment	1	
6. To plant and consume vegetables produced at home	1	
7. Do not to consume palm oil	5	
8. To consume organic agricultural products	2	
9. Do not buy disposable products	1	
10. To recycle old objects	1	
11. Do not buy disposable diapers	1	
total	31	1.24

Source: Authors' research, 2016.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 7. “Water reduction” and “energy saving” activities

Water reduction	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	91	63	38	26
No	53	37	106	74
Total	144	100	144	100
Energy saving				
	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	49	34	61	42
No	95	66	83	58
Total	144	100	144	100

Source: Authors’ research, 2016.

Table 8. “Re-use” activities

Re-use	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	19	13	2	1.4
No	125	87	142	98.6
Total	144	100	144	100

Source: Authors’ research, 2016.

Table 9. List of re-use activities

Brazil: 19 respondents (multiple choice)		
	Frequency	%
1. To re-use PET bottles.	3	16
2. To re-use paper as draft.	11	58
3. To re-use any kind of materials.	3	16
4. To re-use plastic materials.	1	5
5. To re-use boxes.	1	5
Total	19	100
Italy: 2 respondents		
	Frequency	%
1. To reuse paper.	1	50
2. To use recyclable diapers.	1	50
TOTAL	2	100

Source: Authors’ research, 2016.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 10. “Recycling” activities

Recycling	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	140	97	131	91
No	4	3	13	9
Total	144	100	144	100

Source: Authors’ research, 2016.

Table 11. “Use of recycled products” activities

Use of recycled products	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	7	5	1	0.7
No	137	95	143	99.3
Total	144	100	144	100

Source: Authors’ research, 2016.

CONCLUSION, THEORETICAL CONTRIBUTION, MANAGERIAL IMPLICATIONS AND RESEARCH LIMITATIONS

The results of this study provide information about the impact of 3Rs different uses on retailing customers’ behavior and in people’s values. The respondents with valid answers were 158 in the Brazilian samples, 56% male and 44% female, and 152 in the Italian sample, 41% male and 59% female, mainly social segment B, according to the Rattam model (1998). Only 144 of each group had presented some action to preserve the environment. They have been the focus of analyses.

The main outcomes are, according to the 3Rs analyses:

1. Low level of “reduce consumption activities”, with both samples counting 25 indications out of 144;
2. Low level of “Re-use” activities, especially in the Italian sample (2 responses), comparing with Brazilian results (19 responses);

Table 12. “People’s values” activities

People’s values activities	Brazil		Italy	
	Frequency	%	Frequency	%
Yes	12	8	8	6
No	132	92	136	94
Total	144	100	144	100

Source: Authors’ research, 2016.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 13. List of “people’s values” activities

Brazil: 12 respondents (multiple choice)	Frequency	Avg.
1. To educate people about environment policies (litter collect) (155)	1	
2. To advise people to use public transport (155)	1	
3. Conscious Consumption (156) (180)	2	
4. To work in the environment field (162)	1	
5. To give support for sustainable projects and products (164)	1	
6. To try to make peers’ mind in public sector to reduce the use of printer and to re-use printed papers (188)	1	
7. To help to feed and find home for street animals, such as dogs (193)	1	
8. Do not littering the city (200)	1	
9. To talk in social media about sustainable actions (207)	1	
10. To try to keep public environment clean and organized (219)	1	
11. To work in a company that is very concerned with the environment (242)	1	
12. To educate the children about the environment (270)	1	
Total	13	1.08
Italy: 8 respondents	Frequency	Avg.
1. To turn off friends’ cars when they leave them switched on for no reason (2)	1	
2. To respect the space/public environments (21)	1	
3. To participate in a citizen volunteer group to collect litter from town sidewalks (24)	1	
4. Do not deface the environment (31)	1	
5. To collaborate with legal-environment initiatives in spare time (41)	1	
6. To use waste for Christmas chores’ purposes (55)	1	
7. To respect nature (plants and animals) (63)	1	
8. To participate in volunteer efforts to clean beaches (80)	1	
Total	8	1.00

Source: Authors’ research, 2016.

- High level of “recycling” actions in both groups (140 and 131, Brazilian and Italian samples, respectively);
- High concern of reducing water consumption among Brazilian respondents (91/144) and high level of energy saving activities in the Italian sample (61/144);
- Both groups, Brazilian and Italian, are concerned about the use of public transport or alternative means of transport, such as, riding bike, walking or car sharing, higher in Brazil (49/144) than in Italy (33/144), as a way to reduce the carbon footprint;
- The main issue to Italian respondents is the improvement of local food consumption (30/144), reducing the use of products with high impact on the environment. The main concern of Brazilian sample is to avoid littering on the streets (51/144);
- The respondents did not mention that they use recycled products, (7/144 in Brazil, and 1/144 in Italy), although they are probably buying products with recycled materials.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

8. The two samples are apparently very similar. Both Brazilian and Italian respondents present the same 3Rs hierarchy, which emphasis is *recycle, re-use and reduce*.

The main conclusion of this study are that people's priority is on *recycling*, they perform few activities of *reduce*, and lesser actions of *re-use*. The focus nowadays is on reducing packaging and the use of lower levels of inputs, such as energy and water. People are concerned about environment and sustainability; however it seems they are not conscious of how to really preserve the planet. To do recycling is important, but it is not enough. It is necessary that people embrace broader values, especially the youngest to produce and maintain conditions to preserve the planet under a sustainability concept.

The 3Rs of sustainability has changed, apparently almost everywhere, from Reduce-Reuse-Recycle to Recycle-Reduce-Reuse, therefore a further sequence compared to those found in the literature, and not only in the South Hemisphere. As a final consideration, by the time the hierarchy of 3Rs of Sustainability has been swapped, almost little had been changed in the customer behavior. The impact is in the recycling logistics, not in the best use of limited raw materials.

A theoretical contribution of this paper is to show that the hierarchy of 3Rs of sustainability has changed, but its new order does not cause a substantial impact on consumer behavior and in people's values.

The managerial implications for retailers are relevant for their sustainability-related policies, since they can focus on solutions which help reducing the consumption of water and energy in the product they sell, and also reduce the over packaging, or the perception of it, in short term. Assortment choices can be clearly addressed by the hierarchy of values which emerged, especially taking into account that such values arise from the younger customer, which will represent the reference target for retailers in the next decades. Moreover, other initiatives can be taken by retailers, such as providing incentives to customers for stimulating the reuse of old products/materials, organizing charity sales of used clothes or domestic appliances, organizing information initiatives for educating to a responsible consumption.

This study has some limitations. First, the sample is by convenience and is not representative of the population, and the number of respondents was limited. It can be considered a pilot study, on the basis of which addressing a wider survey on a more numerous sample. Second, Ethnography is a qualitative study that helps to highlight trends in order to subsidize more complex and quantitative research. Third, the use of open question in the questionnaire, although necessary to avoid bias in the responses, is time-demanding during the process of producing the tabs of analyses. Finally, the Rattam model adopted for social segments, which was used in both samples, has been developed for Brazilian society, and it could be not completely suitable for the society of other countries, included Italy.

Future research on the analyzed field could be addressed to deepen the research on the influence of different social segments, income, professional occupation, level of education on the values represented by the 3Rs. Furthers studies could be extended to other countries, in order to better identify differences depending on culture and norms. Looking at the retailer's side, future studies could analyze the retailers' perspective, deepening how they perceive the issue of sustainability and how they cope with the customers expectations.

REFERENCES

- Akatu. (2016). *Italia aprova lei contra desperdicio de comida e espera economizar 12 bilhoes de euros por ano*. Retrieved February 27th, 2017 from <http://www.akatu.org.br/Temas/Alimentos/Posts/Italia-aprova-lei-contra-desperdicio-de-comida>
- American Heritage. (2016). *American Heritage® Dictionary of the English Language, Fifth Edition*. Houghton Mifflin Harcourt Publishing Company.
- Baggs, D. (2008). Restorative sustainability, lean cities & low carb materials. In *World Conference SB08*, Melbourne, Australia.
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand Experience: What is it? How is it measured? Does it affect loyalty? *Journal of Marketing*, 73(May), 52–68. doi:10.1509/jmkg.73.3.52
- Brown, B. J., Hanson, M. E., Liverman, D. M., & Merideth, R. W. Jr. (1987). Global sustainability: Toward definition. *Environmental Management*, 11(6), 713–719. doi:10.1007/BF01867238
- Brundtland, G. H. (1987). Our common future: Report of the world commission on environment and development. *Medicine, Conflict, and Survival*, 4(1), 300. doi:10.1080/07488008808408783
- Calder W., & Clugston R. M. (2003). International efforts to promote higher education for sustainable development. *Planning for Higher Education Journal*, 1(3).
- Castagna, A., Casagrande, M., Zeni, A., Girelli, E., Rada, E. C., Ragazzi, M., & Apostol, T. (2013). 3r's from citizens' point of view and their Proposal from a case-study. *U.P.B. Sci. Bull., Series D*, 75(4).
- Castro, D. S. P., & Avila, A. D. S. (2013). O ensino da sustentabilidade e a formação etica do administrador: Um estudo bibliometrico sobre o estado da questao [Teaching Sustainability and Ethics Training Administrator: a Bibliometric Study on the State of the Question]. *Revista de Educacao do Cogeime*, 22(43), 37–51. doi:10.15599/0104-4834/cogeime.v22n43p37-51
- Clark, G., Kosoris, J., Hong, L. N., & Crul, M. (2009). Design for Sustainability: Current Trends in Sustainable Product Design and Development. *Sustainability*, 1(3), 409–424. doi:10.3390u1030409
- Collins. (2014). *Collins English Dictionary* (12th ed.). HarperCollins Publishers. Retrieved February 27th, 2017 from <http://www.thefreedictionary.com/sustainability>
- Creswell, J. W. (1998). *Qualitative Inquiry and Research Design: Choosing among five traditions*. SAGE Publications, Inc.
- Daly, H. E. (2007). *Ecological Economics and Sustainable Development, Selected Essays of Herman Daly*. Cheltenham, UK: Elgar. doi:10.4337/9781847206947
- Diaz, L. (2015). *3rd Regional 3R Forum*. Retrieved February 25th, 2017, from <https://www.rairarubi-abooks.com/related-pdf-sustainable-landfill-concept.html>
- Dobrotă, G., Dobrotă, D., & Petrecu, V. (2017), Circular economy - fundament of challenges for business environment. *10th International Conference on Engineering and Business Education*. 10.1515/cplbu-2017-0056

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Duden. (2015). *Deutsches Universal woorterbuch* (8th ed.). Berlin: Bibliographisches Institut GmbH.

Ekström, K. M. (2015). *Waste Management and Sustainable Consumption – Reflections on Consumer Waste*. New York: Routledge, Taylor and Francis Group.

Elabras Veiga, L. B., Magrini, A., & Szklo, A. S. (2008). Eco industrial parks: a tool towards the reduction, reuse and recycling (3R's) of by-products and wastes: case study in Paracambi EIP, Rio de Janeiro State. *WIT Transactions on Ecology and the Environment*, 109.

Engel, J. F., Blackwell, R. D., & Miniard, P. W. (2000). *Comportamento do Consumidor* [Consumer Behavior]. Rio de Janeiro: LTC Publishers.

EPA. (2007). *Environmental Protection Agency*. Retrieved February 27th from <https://www.epa.gov/>

European Commission. (2014). Towards a circular economy: A zero waste programme for Europe. COM(2014) 398, Brussels, 25/9/2014.

European Commission. (2015). Closing the loop - An EU action plan for the Circular Economy. COM(2015) 614, Brussels, 2/12/2015.

Faria, C. (2015). *Reduzir, Reutilizar e Reciclar* [Reduce, Re-use and Recycle]. Retrieved February 27th, from <http://www.infoescola.com/desenvolvimento-sustentavel/reduzir-reutilizar-e-reciclar/>

Follet, K. (2010). *Fall of Giants*. London: Macmillan.

Garkowski, J., & Hostovsky, C. (2011). Policy versus Practice in Municipal Solid Waste Diversion: The Role of the Waste Crisis in Ontario Waste Planning. *Canadian Journal of Urban Research*, 20(1), 81–102.

Gil, A. C. (2002). *Como elaborar projetos de pesquisa* [How to do research projects]. Sao Paulo: Atlas.

Gore, A. (2016). *10 Years after and inconvenient truth*. Retrieved February 27th, 2017 from <https://www.algore.com/news/10-years-after-an-inconvenient-truth-al-gore-may-actually-be-winning>

Hanifah, M., Suhaily, M., & Yusri, C. N. (2016). 3R practices among Moe preschool pupils through the Environmental education curriculum. *SHS Web of Conferences*, 23, 04002.

Haralambos, M., & Holborn, M. (2008). *Sociology – Themes and perspectives*. London: Collins.

Hart, S. (1997, January). Beyond greening: Strategies for a sustainable world. *Harvard Business Review*, 67–76.

Haug, A. (2017). Educating ethical designers. *Journal Technol Des Educ*, 27, 655–665.

Holden, E., Linnerud, K., & Banister, D. (2014). Sustainable development: Our Common Future revisited. *Global Environmental Change*, 26, 130–139. doi:10.1016/j.gloenvcha.2014.04.006

ISO 15392. (2008). *Sustainability in Building Construction. General Principles*. International Organization for Standardization.

Kotler, P., & Armstrong, G. (2008). *Principios de Marketing*. Rio de Janeiro: Prentice Hall do Brasil.

Lacy, P., & Rutqvist, J. (2015). *Waste to Wealth: The Circular Economy Advantage*. Basingstoke, UK: Palgrave Mcmillan.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

- Lafferty, W. M. (Ed.). (2004). *Governance for Sustainable Development. The Challenge of Adapting Form to Function*. Cheltenham, UK: Elgar. doi:10.4337/9781845421700
- Lahti, T., Wincent, J., & Parida, V. (2018). A Definition and Theoretical Review of the Circular Economy, Value Creation, and Sustainable Business Models: Where Are We Now and Where Should Research Move in the Future? *Sustainability*, 10.
- Lindstrom, M. (2005). *Brand Sense: How to build powerful brands through touch, taste, smell, sight & sound*. London: Kogan Page Limited.
- Lovelock, C., & Wright, L. (2007). *Servicos: marketing e gestao* [Services: marketing and management]. Sao Paulo: Saraiva.
- Malhotra, N. K. (2012). *Pesquisa de marketing: uma orientacao aplicada* [Marketing Research: an applied approach]. Porto Alegre: Bookman.
- Mattar, F. N. (2007). *Pesquisa de Marketing* [Marketing Research] (6th ed.). Sao Paulo: Atlas.
- Mayr, L., & Varvakis, G. (2008). 3Rs principles on the improvement of existing buildings. In *World Conference SB08*, Melbourne, Australia.
- McMichael, A. J., Butler, C. D., & Folke, C. (2003). New visions for addressing sustainability. *Science*, 302, 1919–1920. PMID:14671290
- Mee, M. (2004). *Margaret Mee's Amazon: The Diaries of an Artist Explorer Hardcover*. Woodbridge: Antique Collectors Club Dist.
- Mendoza, J. M. F., Sharmina, M., Gallego-Schmid, A., Heyes, G., & Azapagic, A. (2017). Integrating Backcasting and Eco-Design for the Circular Economy. *Journal of Industrial Ecology*, 21(3), 526–544. doi:10.1111/jiec.12590
- Mohanty, C. R. C. (2011). Reduce, reuse and recycle (the 3Rs) and resource efficiency as the basis for sustainable waste management. *Proceedings of the Synergizing Resource Efficiency with Informal Sector towards Sustainable Waste Management*.
- Musso, F., & Druica, E. (2014). *Handbook of Research on Retailer-Consumer Relationship Development*. Hershey, PA: IGI-Global. doi:10.4018/978-1-4666-6074-8
- OECD. (2002). Towards Sustainable Household Consumption? Trends and Policies. In *OECD Countries*. Paris: Organisation for Economic Co-operation and Development.
- Parente, J., & Barki, E. (2014). *Varejo no Brasil* (2nd ed.). Sao Paulo: Gestao Estrategica.
- Pla-Julian, I., & Guevara, S. (2018). Is circular economy the key to transitioning towards sustainable development? Challenges from the perspective of care ethics. *Futures*, 105, 67–77. doi:10.1016/j.futures.2018.09.001
- Rashid, M. A. A., Othman, M. N. A., Rashid, S. S., & Ali, M. B. (2015). Exploring Reduce, Recycle and Reuse (3Rs) Awareness, Practice among Oil and Gas Workers and its Influence on Their Productivity. *International Journal of Economics and Financial Issues*, 5(Special Issue), 281–285.

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

- Rattam, E. (1998). *Novo modelo de estratificacao socioeconomica para marketing e pesquisas de marketing* [New Social Classification Approach for Marketing and Marketing Research]. Retrieved from <http://www.anpad.org.br/enanpad/1998/dwn/enanpad1998-mkt-27.pdf>
- Sabnis, G. M. (2012). *Green Building with Concrete*. Boca Raton, FL: CRC Press, Taylor & Francis Group.
- Schmitt, B. H. (1999). *Experiential Marketing: How to get customers to sense, feel, think, act, relate to your company and brands*. New York: The Free Press.
- Scott, J., & Marshall, G. (2009). *Oxford dictionary of sociology*. Oxford, UK: Oxford University Press. doi:10.1093/acref/9780199533008.001.0001
- Siegel, S., & Castellan, J., Jr. (2006). *Estatistica Nao-parametrica para ciencias do comportamento* [Non-parametric Statistics for the Behavioral Sciences] (2nd ed.). Porto Alegre: Bookman.
- Solomon, M. R., & Rabolt, N. J. (2009). *Consumer Behavior in Fashion*. Pearson Education.
- Solomon, M. R., Bamossy, G., Askegaard, S., & Hogg, M. K. (2010). *Consumer Behavior – a European perspective*. Essex, UK: Pearson Education Ltd.
- Spiegel, M. R. (1971). *Estatistica* [Statistics]. Rio de Janeiro: McGraw-Hill do Brasil.
- Tortato, U., & Catapan, A. (2016). *Estrategias Sustentaveis – Praticas e Desafios* [Sustainable Strategies – practices and challenges]. Curitiba: PUC Press.
- Urdan, A. T., & Urdan, F. T. (2010). *Marketing Estrategico no Brasil* [Strategic Marketing in Brazil]. Sao Paulo: Atlas.
- Westwood, V., & Kelly, I. (2016). *Viviane Westwood*. Rio de Janeiro: Anfiteatro.
- Wonnacott, T. H., & Wonnacott, R. J. (1981). *Estatistica Aplicada a Economia e a Administracao* [Applied Statistics for Economy and Business]. Rio de Janeiro: LTC Publishers.
- Zaheer, I. S., & Bach, C. (2014). *Sustainability the new Mantra*. Retrieved February 27th, 2017 from http://www.academia.edu/8129477/Sustainability_the_new_Mantra

ADDITIONAL READING

- Clark, W., & Crutzen, P. (2005). Science for global sustainability: Toward a new paradigm. *KSG Work. Pap.*, 120, 1–28.
- Daly, H. E., & Townsend, K. N. (1993). *Valuing the Earth: Economics, Ecology, Ethics*. Boston: MIT Press.
- Elkington, J. (2004). Enter the triple bottom line. In A. Henriques & J. Richardson (Eds.), *The Triple Bottom Line. Does It All Add Up?* (pp. 1–16). London: Earthscan.
- Fess, T. L., & Benedito, V. A. (2018). Organic versus conventional cropping sustainability: A comparative system analysis. *Sustainability*, 10(1), 272. doi:10.3390/s10010272

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

- Hopwood, B., Mellor, M., & O'Brien, G. (2005). Sustainable development: Mapping different approaches. *Sustainable Development*, 13(1), 38–52. doi:10.1002d.244
- Kates, R. W., Parris, T. M., & Leiserowitz, A. A. (2005). What is sustainable Development? Goals, indicators, values, and practice. *Environmental Science & Policy*, 47, 8–21.
- Martinez-Harms, M. J., Gelcich, S., Krug, R. M., Maseyk, F. J. F., Moersberger, H., Rastogi, A., ... Pascual, U. (2018). Framing natural assets for advancing sustainability research: Translating different perspectives into actions. *Sustainability Science*, 13(6), 1519–1531. doi:10.100711625-018-0599-5 PMID:30546485
- McCartney, S. (2019). Stella McCartney show featured 'Upcycled' Clothes during Paris Fashion Week. *The Independent*. March 5. Retrieved June, 16th, 2019 from <https://www.independent.co.uk/life-style/fashion/stella-mccartney-upcycle-paris-fashion-week-sustainability-a8809271.html>
- McGowan, P. J. K., Stewart, G. B., Long, G., & Grainger, M. J. (2019). An imperfect vision of indivisibility in the sustainable development goals. *Nature Sustainability*, 2(1), 43–45. doi:10.103841893-018-0190-1
- Redclift, M. (2005). Sustainable development (1987–2005): An oxymoron comes of age. *Sustainable Development*, 13(4), 212–227. doi:10.1002d.281
- Trica, C. L., Banacu, C. S., & Busu, M. (2019). Environmental Factors and Sustainability of the Circular Economy Model at the European Union Level. *Sustainability*, 11.
- World Commission on Environment and Development. (1987). *WCED Report*. Oxford: Oxford University Press.

KEY TERMS AND DEFINITIONS

People's Values: A set of shared beliefs related to how to implement good practices to improve the environment conditions.

Reduce: It is the process of purchasing and consuming fewer things.

APPENDIX

To produce social segments, it is necessary to consolidate the amount of the four categories, according to the Rattam Protocol (Rattam, 1998) for social segments classification. The four categories are: Level of education (Table 14); Quantity of bedrooms in home residence (Table 14); Average monthly income (Table 15); Job occupation (Table 16). The average score of each category (Table 17) has been used in case the respondent did not fill out the proper data for up two categories. In cases with more than two categories without indication, the questionnaire has been withdrawn from the sample.

Table 14. Level of education and Quantity of bedrooms in home residence

LEVEL OF EDUCATION - Avg score: 28		QUANTITY OF BEDROOMS IN HOME RESIDENCE - Avg score: 21	
1. Unschoolled, incomplete school level	0	1	0
2. Complete school level, incomplete high school level	13	2	6
3. Complete high school level, incomplete undergraduate	27	3	15
4. Complete undergraduate level, incomplete graduate	40	4	21
5. Complete graduate level	56	5	30
		6 or more	42

Table 15. Average monthly income

AVERAGE MONTHLY INCOME - Avg score: 7	
1. Up to 500 €	0
2. Over 500 € up to 1000 €	4
3. Over 1000 € up to 1500 €	6
4. Over 1500 € up to 2000 €	8
5. Over 2000 € up to 2500 €	10
6. Over 2500 € up to 3000 €	11
7. Over 3000 € up to 3500 €	12
8. Over 3500 € up to 4000 €	13
9. Over 4000 €	14

3Rs of Sustainability Values for Retailing Customers as Factors of Influence on Consumer Behavior

Table 16. Job occupation

JOB OCCUPATION (if retired, job ranking when still working) - Avg score: 14	
1. Housewives, students, unemployed for more than 6 months, unhealthy or disable 2. people and the ones that depend on social services	0
3. Workers in non-formal activities without a job ranking	3
4. Blue collars workers/employees with no expertise	6
5. Blue collars workers/employees with some job expertise	10
6. White collars workers/employees and micro-business owners 7. (companies with less than 10 employees)	15
8. Middle level managers	18
9. Small business owners (companies with 10 up to 100 employees)	21
10. Owners of middle-sized business (companies with more than 100 up to 500 employees), executives of middle-sized companies, lawyers, accountants, and any other liberal or independent professionals, with moderate level of success, and university professors	24
11. Large companies' owners, CEOs of large companies, high level government staff, lawyers, accountants, and, any other liberal or independent professionals highly succeeded	28

Table 17. Total scores for classification

social segments	scores
A. High segment	118 or higher
B. Medium-high segment	67 to 118
C. Medium segment	33 to 66
D. Medium-low segment	16 to 32
E. Low segment	0 to 15

Chapter 20

Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions: An Overview of the Banking Sector

Elena Candelo

University of Turin, Italy

Cecilia Casalegno

University of Turin, Italy

Chiara Civera

University of Turin, Italy

ABSTRACT

The chapter aims at synthesizing past research on CSR into the new meaning of CR by investigating if CR is being pursued through an integrated approach with branding by the six major banking corporates in Italy and the UK. In particular, differences and similarities in the extent of implementation are addressed. The research adopts a qualitative approach based on case study development and data analysis according to a CR framework that allowed data extrapolation and systematization, which the authors have designed in accordance with theories of integrated CR. The findings reveal that the extent of integration between CR and branding varies depending on cultural contexts and consumers' perceptions. Most of the sample is undertaking CR policies and programmes with the intent of driving the whole company towards the execution of an integrated strategy, but the UK sample shows the higher extent of integration. The study favours the emerging of best practices for CR integration among banking players and can be adapted to further geographical areas.

DOI: 10.4018/978-1-7998-1412-2.ch020

INTRODUCTION

As extensively highlighted by academic literature and empirical research, for the past three decades mostly, corporates have started acknowledging their key role as good citizens in the society by including social, ethical, environmental concerns and sustainable and philanthropic activities in their business and communication (Carrol, 1991; Ahmed and Machold, 2004). The traditional and typical description of companies' attitudes, policies and practices developed around the inclusion of social matters into their everyday business in a responsive logic to the society's needs is commonly defined – despite the multiple characterizations and misinterpretations (Vallaster *et al.*, 2012) – with the name of Corporate Social Responsibility (CSR) (Carrol, 2008; Torres *et al.*, 2012; Vallaster *et al.*, 2012; Lopez De Pedro and Gilabert, 2012). Despite the classical definition, most recent researches have found that pursuing economic and social benefits in a separate way have not necessary conducted, in many cases (Visser, 2012, 2013), to the expected growing benefits for business and society (Candelo *et al.*, 2018). It is argued that the traditional separation of social and commercial objectives, typical for and contained into the Corporate Social Responsibility definition, represents itself a limit of CSR. Accordingly, new interpretations and applications of responsibility and sustainability integrated with the business model (Franceschielli *et al.*, 2018) and with companies' core strategies are being proposed. Corporate Responsibility (CR) – according to which environmental, social and economic logics are integrated and interlinked - represents the set of formalized activities and practices implemented by companies towards sustainability (both social, environmental and economic), ethics and responsibility addressed through a participatory and not merely responsive process and based on stakeholder engagement (Freeman *et al.*, 2010). Under the umbrella of Integrated Corporate Responsibility (Freeman *et al.*, 2010), Company Stakeholder Responsibility (Freeman and Velamuri, 2006) or Corporate Sustainability and Responsibility (Visser, 2013), similar activities and practices are conducted by companies (depending on their size) in order to engage multiple stakeholders in the value creation (Freeman and Phillips, 2002), with no separation between social and economic goals (Crane *et al.*, 2013; Vallaster *et al.*, 2012; Visser, 2012; Freeman *et al.*, 2010). This research acknowledges Integrated Corporate Responsibility as theoretical framework of investigation.

Under this theoretical framework, the implementation of integrated CR certainly implies a business repositioning, are configuration of products and services and their supply chains according to sustainability and, a shift in consumers' communication of such changes. Furthermore, literature suggests that, in this scenario, the increase in brand image (Aaker, 2009, 2010)-coming from consumers above all - and value are consistently connected to CR practices (Komodromos and Melanthiou, 2014) in a way that differs among countries and players. In particular, as the complexity of CR grows, the communication of it is acquiring more strategic meanings and plays a key role for improving stakeholders' perception and engagement (Sen and Bhattacharya; 2001; Nasruddin and Bustami, 2007). The relation between CR and brand communication is as interesting to be investigated as delicate, since it may raise issues of credibility, trust and perception, which scholars have been arguing back and forth about. Finding the balance and equilibrium between social and marketing objectives when linking brand communication and CR is a highly investigated issue that must deal with consumers' perception and company's communication strategy (Candelo, 2016). Within the logic of Integrated CR, empirical research on its communication is needed (Freeman *et al.*, 2010), to underline best practices of integrated CR communication that balances commercial and social objectives.

Accordingly, this paper provides a theoretical contribution as to the meaning of integrated CR communication by empirically describing the extent to which social and commercial goals are achieved when

communicating integrated CR. It applies the theories of integrated CR to a sample of corporate banks in Italy and the United Kingdom, which make peculiar cases of comparison and, eventually benchmarks. This study seeks to investigate whether CR is merely a driver of branding or a redefinition of business models coherently communicated within social and commercial purposes through brands are achieved. The managerial implications are developed around opportunities for the involved corporate banks in sharing the emerged best practices over integrated CR communication that achieve mutual benefits for the brand and the communities.

The remainders of the paper unfold as follows: literature review provides the theoretical background over CR and brand communication including their integration under the integrated CR logic; Research Methodology describes the adopted qualitative approach of investigation, the sample design and data analysis; discussion of findings report the main results; conclusions and further research describe the main implications of the study and possible avenues for future researches.

THE RELATION BETWEEN CORPORATE RESPONSIBILITY AND BRAND COMMUNICATION: TRADITIONAL VS. INNOVATIVE PARADIGMS

Under the Integrated CR approach, companies need to reposition their business models and transform their brand communication in a transparent and coherent engagement process with all stakeholders (Freeman et al., 2010). A growing number of companies with major evidence in specific sectors, like banking for instance, have strongly worked on their corporate brand (Markovic et al., 2018) and linked their image to successful CR programmes aiming at reaching a better impact among their audience. Some argue that CR is strongly linked to marketing and branding in the achievement of commercial benefits (Hur et al., 2014; Du et al., 2010; Lai et al., 2010; Sen and Bhattacharya, 2001; Pomeroy and Dolnicar, 2009) meaning that responsible actions and activities will more frequently appear and be perceived by customers as more oriented to a commercial purpose, which ultimately will affect the corporate image negatively (Jahdi and Acikdilli, 2009; Narsuddin and Bustami, 2007).

Companies' tendency of constantly rethinking and re-planning their brand strategies is the output of several factors such as: evolutionary changes in economic, technological and social complex environment, growing mistrust and loyalty crises, due to the difficulty of maintaining, in the long while, a same degree of customers' perceptions, above all in services (Markovic et al., 2018), issues in creating a long-term good reputation, growing needs emerging from stakeholders that force the brand to meet more ethics and sustainable requirements and growth in the number of branded products. Accordingly, it is increasingly difficult to differentiate products through tangible items and it is consequently harder to communicate this differentiation.

In this scenario, the brand and the intangible values associated with it become the most effective way of differentiating (Aaker, 2009; 2010; Balmer, 2008; Tischler, 2004). Therefore, during the past decades, CR, by definition, has represented a constant leveraging set of values that brands could use to enhance the perception and quality of companies' image (Du et al., 2010) and also of customers, who would be more likely to approach the brand and selling propositions (Sen and Bhattacharya, 2001; Pomeroy and Dolnicar, 2009). It is consumers' experiences that define corporate reputation (Uwins, 2014) and their attitudes and purchasing intentions driven by CR – if consumers are aware of them (Pomeroy and Dolnicar, 2009) – will ultimately impact on economic and brand image returns for business organizations (Brammer and Millington, 2005; Demetriou et al., 2009).

In order to influence brand perception positively and build a stronger corporate reputation, theorists have been argued around the implementation of CR under an integrated logic and in an innovative way (Crane et al., 2013; Visser, 2012; Freeman et al., 2010). According to those concepts, CR activities are linked to companies' core competitive advantages, reach concrete and measurable achievements and/or performances (Gangi et al., 2019) and therefore can be reflected into the brand image transparently, as they are easier and more coherent to be communicated. Hence, brands become witnesses of CR activities by communicating the true purpose of activities and companies' achievements with transparency to a multiple target audience (Hur et al., 2014; Polonsky and Colin, 2009; Du et al., 2010; de Ven, 2008).

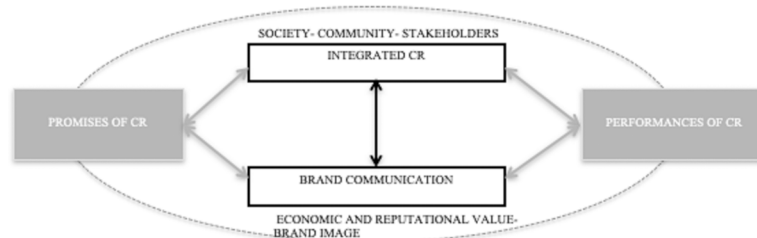
However, this is not happening in all sectors and companies. Saying, in fact, that messages related to ethics and sustainability can only contribute to increase stakeholders' perception and brand value is not always true (Jahdi and Acikdilli, 2009). CR communication, instead, might increase scepticism and mistrust among the audience and lower corporate and brand reputation ultimately if disequilibrium between social and marketing purposes occurs (Nasruddin and Bustami, 2007) and if the communication of promises of CR prevails on the communication of tangible performances (de Ven, 2008; Hur et al., 2014).

Figure 1 clearly shows that transparency and coherency become undisputable for brands in order to create a simultaneous dialogue with extended audiences (Kliatchko, 2008), with multidirectional connotations and reflect concrete CR performances with double and interlinked purposes of improving society and strengthening companies' image and reputation (Freeman and Velamuri, 2006). As the figure represents, customers expect brands to prove concrete and valuable CR actions and show homogenization between actions and communication and, specifically, between promises and performances, so that they can benefit external and internal interests simultaneously.

With increasing information available for consumers and stakeholders, and the failure that many brands have faced due to the gap and dystonia between promises and achieved performances (de Ven, 2008), companies' reputation is no longer based just on "good" brands communicating good behaviours; instead brands are asked to reflect concrete CR actions and become strategic mouthpieces (Hur et al., 2014).

In particular, the integration between CR communication and brand communication – according to which they serve each other's purposes - happens when CR becomes an integrated business function within the whole company and it does to that it is possible for a firm to fix problems coming from possible scandals, highlighted by media and word of mouth, which affect the reputation (Nurannabi et al., 2018). It is in this scenario that integrated CR is not just a driver for brand strategies and communication anymore; instead, the relation and the dependence are mutual.

Figure 1. CR Promises and Performances
Mosca et al., 2016



CORPORATE RESPONSIBILITY AND OVER-COMMUNICATION: LITERATURE AND EARLY ANSWERS

For the last three decades, CR has also dramatically risen in its contents and relevance for the corporate world in order for companies to meet customers' evolving expectations (De Pelsmacker et al., 2005) and respond to the mounting pressures and needs of stakeholders around environmental, sustainable, ethical and societal concerns. As a result, corporates have begun to attempt a business and brand re-positioning to be perceived as good citizens in the society (Ahmed and Machold, 2004; Casalegno et al., 2012; Torres et al., 2012; De Pedro and Gilabert, 2012; Kuepfer and Papula, 2010).

Given the several ethical goals that CR aims at achieving and the multiple conceptualizations through which it is described by academic literature and global researches (Vallaster et al., 2012; Candelo et al., 2014), in order to facilitate the understanding of CR as corporate mind-set addressed to multiple stakeholders, it is useful to group all the CR activities and strategies in a "CR Framework" (Candelo et al., 2014) including three dimensions that differ in their main objectives. That are: *Standards*, referring to the way companies give evidence of their ethical behaviour through reports and published documents; *Corporate Philanthropy*, identified as the sum of activities carried out in order to respond to various community needs by supporting projects of social interest and admired Third Sector Organizations; and, *Integrated Output* (Casalegno and Civera, 2016), which is related to the development of sustainable and ethical processes, goods/products and services primarily addressed to existing and potential customers.

Along with the growth of inclusion and development of such ethical behaviours and practices within corporates' business, clearly companies have realized the strategic impact that those practices might exert on branding and marketing communication and, obviously, on their customers. Literature and global researches show that customers' experiences define brand reputation (Uwins, 2014) and, customers' attitudes and purchase intentions are influenced by CSR initiatives – if consumers are aware of them (Pomeroy and Dolnicar, 2009). In other words, positive impacts of CSR communication happen on customers' preferences and perceptions that will ultimately produce better evaluation of the company (Sen and Bhattacharya, 2001; Pomeroy and Dolnicar, 2009); restoring of loyalty (Matute-Vallejo et al., 2011); creation of positive associations to corporates' brands which ultimately will strengthen corporate's reputation and its competitiveness on the market (Aaker, 2010; Wheeler, 2009; Werther and Chandler, 2005; Hur et al., 2014; Candelo et al., 2014).

Therefore, the amount and pressure of social responsible communication messages has considerably spread and extended to all the dimensions of CR, beyond the typical reporting system. In particular, different types of messages are used and vary depending on CR dimension and the target they are addressed to. For the purpose of the study, shaping on CR Framework, we argue that, generally, CR communication is set up as follows: General Stakeholder Communication, this is the institutional communication relevant to stakeholders such as policies and programmes designed within the area of CR for the environment, diversity, inclusion, sustainable policies, alignment to ethical values, adherence to standards and international policies; Community Communication, this is the communication addressed to the society as groups of individuals expecting a strong connection between the company and its surrounding community and territory and represents for corporates a possibility to enhance its image as good citizen and its effective role towards the preservation, growth and society's well being; Customer Communication, this is the communication destined to the potential and existent customers, in order to increase products or services value by associating them with good behaviours and conducts or creating new ones to meet specific clients needs and consequently generate an ethical perception by end users and attract new ones.

The extensive use of General Stakeholder Communication is given and the fact that for companies has become almost as compulsory as selling products and services is an understatement; almost all the world largest corporates report on CR (Frostenson et al., 2011; KPMG, 2013). What companies appear to have profoundly intensified are Community Communication and Customer Communication and it is the over-exploitation of those messages that, we argue, to be defined as CSR over-communication and that brings with it issues of different nature.

First of all, being these messages primarily focused on enhancing brand perception, companies generally, tend to spread unsubstantiated ethical messages without considering the strategic implication of them (Jahdi and Acikdilli, 2009). This, evidently, create growing misperceptions among a target market who has, much more than in the past, access to information over companies' conducts and misconducts and in other words greater awareness about their real behaviours. Secondly, consumers who, for the past decades, have mostly built their trust on business communication and marketing actions, are nowadays alike affected by responsible business activities that are communicated transparently and show alignment between promises of CR and achieved performances in the field (de Ven, 2008; Hur et al, 2014, Musso and Druica, 2014).

Any message that does not meet this requirement is most likely to turn perceptions and brand associations in a negative way (Nascuddin and Bustami, 2007) with sever repercussions on customers' trust and confidence and the effectiveness of CSR is therefore uncertain as well (Pomering and Dolnicar, 2009).

This is valid and undisputable especially in certain industrial sectors – like the banking one for instance, which has experienced the greatest crisis in customers' loyalty lately. Due the many corporates scandals happening in conjunction with the economic and financial meltdown, customers' trust has severely been put under risk and their scepticism about inconsistent CR communication messages grown the more actual behaviour has not corresponded to promises and good conduct stated by certain communication messages.

Here it is that, consistency; coherency and transparency of CSR communication messages seem to constitute the only reasonable communication strategy to first restore customers' confidence, and ultimately rebuild their trust over the company.

Since confidence and trust are two important topic to be considered when talking about the CR communication and its perception, a quick overview is here needed, because the majority of people, apparently, tend to merge the two concepts; instead it is important to note that the terms are not synonymous. Generally, people trust in the absence of knowledge or evidence whilst when people are in possession of concrete evidence (or they perceive that they are) they have confidence that an organisation will behave ethically and appropriately (Sargeant and Lee 2002). This is an important distinction when the behaviour of companies is considered as we perceive evidence of misdoings or good deeds through media coverage but rely on a level of trust that any given organisation will actually do what they say they will do (Beckley 2012).

In this scenario, consumers increase their confidence through CR communication messages that are truly addressed to show results and performances of responsible actions and coherence with the business model; otherwise they seem to associate the communication just to a practice of green washing (Motavalli, 2011), raising cynics and doubts about the veracity of a certain activity of CSR.

In the light of what said, also the real purpose behind a CR communication message leads to better perceptions if stated and clearly admitted (Candelo et al., 2018)

THE INTEGRATED FRAMEWORK FOR CR AND BRAND COMMUNICATION

Considering that perception is formed around the communication of solid brands and reputation refers to actions and alignment of those with brand values, it is imperative for companies to implement an integrated strategy between CR and branding. Residual “Corporate Social Responsibility” (Freeman et al., 2010) transforms, therefore, into Integrated Corporate Responsibility, where brand communication is facilitated by the more integrated CR practices and activities.

Table 1 outlines the activities that are included in the Integrated CR, where CR is a business function integrated with communication strategy under mutual benefits logic.

Authors' Personal Processing

From using CR (with a residual approach) as a driver to merely improving corporate image and just transmitting corporate values in a paternalistic and commercial logic (Porter and Kramer, 2002), it is argued that brands are addressed to prove and witness concrete achievements within standards (national and international), strategic philanthropy (from cash donations to strategic partnerships) and integrated outputs (products, processes and policies which are sustainable themselves) and spread with double and interlinked purposes: community and economic value (also in terms of brand reputation).

Concrete examples from banks are, for instance, to be found in the design of social responsible funds, created with ad-hoc brands, which are recognized to meet social and environmental needs while simultaneously delivering a financial return. Also philanthropy and Cause Related Marketing (CRM), in their strategic conceptualization (Liu and Ko, 2011), can avoid hypocrisy (La Cour and Kromann, 2011) by activating partnerships coherent with the core business and therefore, competitive in a long-term perspective (Porter and Kramer, 2002). If brands are sharing concrete and strategic CR actions and giving evidence to the value creation, CR will benefit multiple stakeholders.

Like in a virtuous cycle, the audience will create positive brand associations between promised CR purposes and achieved performances (Hur et al., 2014; Du et al., 2010; Pomeroy and Dolnicar, 2009) and this will have repercussions on the financial results of the company (Werther and Chandler, 2005), by increasing brand value and corporate reputation ultimately.

Table 1. Integrated CR communication Framework

INTEGRATED CR ELEMENTS	INTEGRATED CR COMMUNICATION
Standards	Communication of compliance with national or international standards which are considered almost compulsory
Strategic Philanthropy	Set of activities (Cash donations, In-kind donations, Partnerships, Employees' volunteering and Cause Related Marketing) to support social and good causes in areas of competitive advantage for the company and coherent to its mission and core business
Integrated Outputs	Communication of achievements and concrete development of sustainable processes, goods/products and services that meet social needs while achieving economic return

Based on the literature review, this study aims at synthesizing past research on CSR into the new meaning of CR by investigating if CR is being pursued through an integrated approach by banking corporates in Italy and the UK. In particular, differences and similarities in the extent of implementation will be underlined.

RESEARCH CONTEXT

The Banking Sector

For the past ten decades, the banking sector has been one of the most involved in CR activities (Osservatorio Socialis, 2014; Lillya et al., 2015). More than other industrial sectors, it is affected by the so-called industry effect (Reputation Institute, 2015), consisting in a lower customers' perception after the financial meltdown and severe corporate scandals involving banks top managers (Öberseder et al., 2011). The tendency of intensifying CR communications can be explained by general level of mistrust spread among the audience. However, despite the increase in CR activities, the communication of those still represents an issue that detracts from success (Perez and del Bosque, 2012). Customers have increased their awareness and capacity of obtaining information at the bank branches or online in order to monitor banks' actions and judge the coherence between communication and actual behaviours.

Italy and the United Kingdom

Given the fact that the shape of CR strategies hugely varies from country to country (Brammer and Pavelin, 2006), Italy and the UK have been chosen because of their peculiarities and configuration of integrated CR and communication (Brammer and Millington, 2005). The countries present many similarities in their geographical contexts and economies (United Nation Data, 2016) and, at the same time, quite remarkable differences in their cultural environments, where beliefs, personal attitudes and preferences of individuals are formed, especially around ethics and sustainability matters.

As evidence shows, United Kingdom has always revealed a stronger attitude towards charity both from private donors and companies with consequently more formal and strategic partnerships between the Third Sector and the corporate world. Reasons why can be interpreted by the historical context favouring the role of business philanthropy as part of "social welfare provision in response to social, economic and political needs" (CGAP, 2011) in order to maintain the social and economic wealth of the UK. In such a context, companies have become an active part in the process of creating societal changes through more responsible and sustainable practices. In Italy however, the growth and the weight of charitable and responsible activities have always been responding more to the influence of religion than to societal and strategic achievements (Assifero, 2010).

What looks similar is the general attitude in investing in CR policies, which appears to be positive and increasing in both countries as well as the communication of them. The number of companies involved in these kinds of activities has hugely increased from 2011 despite the effects of the financial crisis and a research conducted by KPMG in 2015 reports that Italy and the UK are above the market average in terms of quality of their CR reporting.

Despite these common tendencies, the extent to which CR is being undertaken in an integrated way with brand communication still differs between Italy and the UK.

Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions

In particular, the UK appears to be more involved financially in philanthropy with a more strategic logic of coherence with the core business (Lillya et al., 2015), while in Italy the average amount of CR investments per company decreases notably when considering philanthropy and its implementation is mostly randomly, with longer gestation processes and low strategic impact and a communication designed to obtain potential benefits for corporates' image and reputation (Markovic et al., 2018).

RESEARCH METHODOLOGY

The present study is part of a wider five-year research (Candelo et al., 2014; 2015) concerning the link between branding and CR in the development of communication and marketing strategies applied to various services sectors and comparing the matter of facts in Italy and the UK.

The aim of the present study is to compare two geographical areas and investigate a specific industrial sector, which presents its own contextual conditions relevant to the study and, point out how a particular behaviour from an organization is adopted. It was thus deemed appropriate to carry out the investigation using the case study methodology that better supports a closer examination of settings and contexts and pursue a holistic and in-depth investigation (Feagin et al., 1991; Yin, 2003; Bryman, 2004). In order to develop the descriptive and comparative case studies in a systematized way and then be able to extrapolate qualitative information for the purpose of the research, data were collected through content analysis and direct observations. Information, documents and records of CR implementation and communication have been analysed from companies' websites and annual reports (Sustainability Reports, Social Reports, Code of Ethics, Environmental Report).

Data Analysis

The collected information has been gathered around the CR governance mechanisms (if CR is an integrated business function a value equal to 1 has been assigned) and the communication of commercial intents (if the company communicates the real commercial purpose behind a CR action a value equal to 1 has been assigned) and the three dimensions of the Integrated CR Framework, specifically divided in the following activities:

Standards: Communication of National and International standards referring to Environment, Quality, People (ethics), Accounting Standards (both financial and social);

Strategic Philanthropy: Communication of actions and/or presence of Sponsorships, Cash/In-Kind Donations, Cause Related Marketing, Community Projects, Foundation, Employees Volunteering, Communication of commercial intents when activating partnerships and sponsorships;

Integrated Outputs: Communication of Sustainable and Ethical Products/Services, Sustainable Processes and Policies.

A value to the communication of each activity that reaches 1 overall has been assigned if all the activities are communicated within each dimension.

Sample Design

A total of six companies (three in the UK and three from Italy) have been investigated by using the above mentioned Integrated CR framework and the case analysis methodology (Yin, 2003). The three largest

banks in terms of assets in Italy the UK have been selected and named them “Case # IT” or “UK” to ensure anonymity to not negatively influence their stakeholder perceptions.

FINDINGS ANALYSIS AND DISCUSSION

The findings are articulated into the discussion of the approach adopted by the banks part of the sample around the three categories of the CR Framework reported in the literature review, around the CR governance mechanisms and the communication of commercial intents.

The main findings are reported in Figure 2 and discussed below.

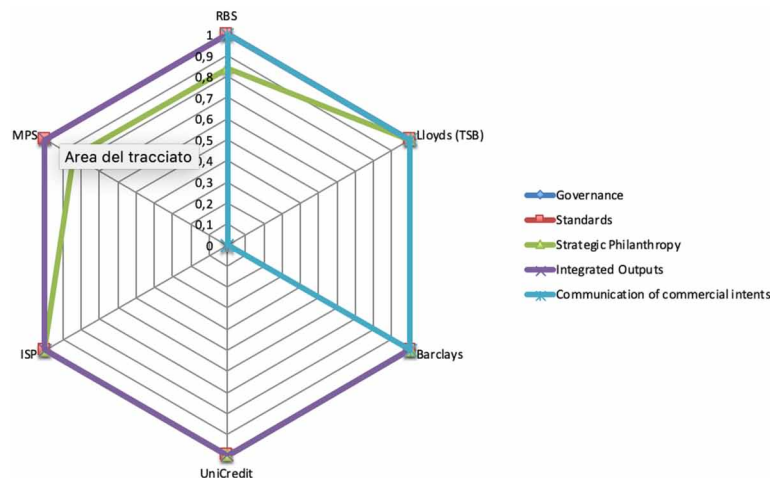
Authors' Personal Processing

Firstly, the discussion points out the extent to which players are integrating CR and its communication and the main differences between the two considered countries.

Standards: Given the many corporate scandals happening in the banking sector and the consequent reduced confidence from customers both in Italy and the UK, the companies under study are showing more awareness towards their role in influencing and impacting customers' perceptions and are including ethics, sustainable, responsible and philanthropic goals in their mission, vision, strategic values and strategic plans as part of their core business. Accordingly, communication messages defining companies' way of doing business, CR values and strategy appear to be compulsory to drive all the activities that each company aims to implement with a local and global impact.

Strategic Philanthropy: Creating a network of not for profit organizations and business realities similar or strategically complementary to the banking companies seems to be the main driver to orientate the

Figure 2. Summary of the Findings



Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions

philanthropic choices of the sample in order to strengthen their brand value. The execution and communication of philanthropy as such however appears to be more structured and standardized in the UK. Despite all players formulating and communicating clear plans describing the nature and mechanisms of their community investments and partnership development, in the UK philanthropic initiatives present a longer gestation and life cycle where economic and financial efforts and achievements are clearly stated in order to generate stronger relationships with partners, sponsors and clients. All UK companies have embraced the technique of employees volunteering for good causes for instance, proving the necessity for philanthropy to become a tangible strategy recognized and embedded at all levels and units in the company. UK players seem to have better understood that they have to set up an integrated strategy that has to be effective in its establishment and communication, match with CR goals and be coherent with the companies' brand strategy.

It is no surprise that despite the fact that all the banks within the sample adopt Cause Related Marketing (CRM), the strategic implication of it greatly differs between the countries. Italian banks' CRM projects appear not to be strategically connected with their core business and the logic behind their achievement seems to be more addressed to merely increasing the perception of their brand in a marketing-oriented process rather than having long-term impacts on both brand competitiveness and the community.

Integrated Outputs: All the companies investigated concretely develop processes, products and services that meet environmental and sustainable requirements and create ad-hoc brands with the purpose of communicating those efforts. In particular, the development of social responsible funds, investments in green and renewable energy projects, the activation of processes for suppliers' responsible selection and the creation of training programmes for human resources over sustainability and CR appear to be the most implemented.

Moreover, the governance of CR confirms the similarities just stated: all the players provide a high level of formalization with Corporate Social Responsibility Units or Committees being business functions dependent on the Board of Directors and/or the Chairman. In the UK, Units and Committees manage to handle strategic and operational duties even concerning the Brand governance, which is supposed to reflect and balance the economic and social impact of responsible and sustainable strategies.

However, despite the high common propensity to include CR in their business concerns, huge differences emerge in the methods of communicating CR for achieving brand enhancement and fostering the community well being at the same time, in an integrated logic.

The strategy for brand communication reflects the extent to which the investigated companies integrate CR and Communication within the whole business model. Brand communication appears to be more transparent and result-oriented in the UK. Clearly, all the players still have the tendency to use CR as a lever for enhancing their brand perception, with differences emerging in the way they state the real purpose (even when commercial) behind CR actions.

To this regard, only UK companies seem to have embraced this strategy: all the UK players clearly state and communicate to their stakeholders which CR activity is carried out primarily with a commercial intent and the purpose of strengthening their brands competitiveness. In Italy this practice is still greatly under communicated.

CONCLUSIONS, FURTHER IMPLICATIONS AND RESEARCH LIMITATIONS

The main theoretical contribution of this study is provided to the integrated CR literature through an empirical application of its main theories. In particular, with the aim of synthesizing past researches around Corporate Social Responsibility into the new meanings of integrated Corporate Responsibility, the research investigated the extent of implementation and integration among bank players. Moreover, the study adds further insights to the definition of frameworks to qualitatively describe and evaluate integrated CR and its communication, through the proposal of a framework of CR considering the main CR actions emerging from the literature review.

The findings reveal that the extent of integration between CR and branding, as well as CR integration within the business model varies depending on cultural contexts. That is why the study has considered Italy and the UK.

Generally, it is possible to conclude that CR does not represent a driver of branding any longer, as far as the banking corporates of the sample are concerned. Evidence demonstrates that both in Italy and the UK, the banking sector is considering CR differently than the past (before the economic crisis) and they are undertaking policies and programmes with the intent of driving the whole company towards the execution of an integrated strategy. This integrated strategy combines business and non-business oriented actions that need to be effectively disseminated both inside and outside the company, through the brand.

The role that banks play within their community pushes them to include the communication of their CR initiatives in the dialogue with their investors, customers and employees. Companies need to deliver valuable concepts rather than just products or services, intangible and tangible benefits from their activities and operations, and they must state the truth, with coherency and transparency, being more oriented to the communication of performances of Corporate Responsibility (Hur et al., 2014; Du et al., 2010; Pomeroy and Dolnicar, 2009). What looks quite different from the traditional mere inclusion of CR in companies' activities is that CR needs to be embedded in the whole communication and brand strategy of the company and all the issues related to it are also functional for the business and need to become companies' core competences and skills. Brand communication needs therefore to transform into a result-oriented activity, which becomes a company-wide endeavour and gives customers reasons to believe that the responsibility stated by the brand is true and concrete, as a means for banks to regain trust, by making more tangible and closer to the audience, in general, and the customers, in particular, something intangible and affected by people perceptions as services are (Markovic et al., 2018).

Throughout the paper the authors have underlined how CR practices have started to be implemented in the banking sector, with a more integrated CR and brand communication approach in the UK-based banks. The study can function as a benchmark for Italian banking companies and it is useful for developing a further discussion among the players of the sector over CR and branding for achieving commercial, financial, communication and social goals at the same time.

The main limitation of the study is that it focuses only on banking companies' activities in only two European Countries and it considers only the six largest ones: in this way it is not taken into account a significant part of players which is evolving in the considered territories, especially in Italy. Furthermore, authors have not tested brother groups of stakeholders. Future avenues of research can be oriented to the investigation of CR communication by analysing stakeholders' perception. In particular, a spectrum of CR communications may be set up based on the developed case studies in order to test both consumers' and other groups of stakeholders' reactions to certain CR communication messages, for describing the

extent to which the pressure over the ethical content of a message is, in fact, starting to raise doubts about the brand reliability and veracity.

REFERENCES

- Aaker, D. A. (2009). *Strategic Market Management*. New York: Wiley.
- Aaker, D. A. (2010). *Brand relevance: Making competitors irrelevant*. New York: John Wiley & Sons.
- Ahmed, P. K., & Machold, S. (2004). The quality & ethics connection: Toward virtuous organizations. *Total Quality Management & Business Excellence, Routledge, 15*(4), 527–545. doi:10.1080/1478336042000183604
- Assifero. (2010). *La filantropia istituzionale in Italia. Le fondazioni private di erogazione: Crescita e Ruolo* [Institutional Philanthropy in Italy. Private Foundations: Development & Role]. Report.
- Balmer, J. M. T. (2008). Identity based views of the corporation: Insights from corporate identity, organisational identity, social identity, visual identity, corporate brand identity & corporate image. *European Journal of Marketing, 42*(9/10), 879–906. doi:10.1108/03090560810891055
- Brammer, S., & Millington, A. I. (2005). Corporate Reputation & philanthropy: An empirical analysis. *Journal of Business Ethics, 61*(1), 29–44. doi:10.1007/10551-005-7443-4
- Brammer, S. J., & Pavelin, S. (2006). Corporate Reputation & Social Performance: The Importance of Fit. *Journal of Management Studies, 43*(3), 435–455. doi:10.1111/j.1467-6486.2006.00597.x
- Bryman, A. (2004). *Social Research Methods*. Oxford University Press.
- Candelo, E., Casalegno, C., & Civera, C. (2014). Meanings and implications of corporate social responsibility and branding in grocer retailers: A comparative study over Italy and the UK. In *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 351-369). IGI Global. doi:10.4018/978-1-4666-6074-8.ch019
- Candelo, E., Casalegno, C., & Civera, C. (2015). Towards Corporate Shared Value in Retail Sector: A Comparative Study over Grocery & Banking Between Italy & the UK. *The International Journal of Economic Behavior-IJEB, 5*(1), 105–120.
- Candelo, E., Casalegno, C., & Civera, C. (2016). Enhancing Retailer-Consumers Relationship through Everyday Sustainability: McDonald's in Italy. In *Perspectives on Consumer Engagement and Buying Behavior* (pp. 312–324). IGI Global.
- Candelo, E., Casalegno, C., Civera, C., & Mosca, F. (2018). Turning Farmers into Business Partners through Value Co-Creation Projects. Insights from the Coffee Supply Chain. *Sustainability, 10*(4), 1018. doi:10.3390/u10041018
- Carrol, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons, 34*(4), 39–48. doi:10.1016/0007-6813(91)90005-G

- Carrol, A. B. (2008). A History of Corporate Social Responsibility, Concepts & Practices. In A. Crane, D. Matten, A. McWilliams, J. Moon, & D. Siegel (Eds.), *The Oxford handbook of Corporate Social Responsibility*. Academic Press.
- CGAP. (2011). How generous is the UK? Charitable giving in the context of household spending. CGAP Briefing Note 7.
- Crane, A., Matten, D., & Spence, L. J. (2013). Corporate Social Responsibility: in a global context. In A. Crane, D. Matten, & L. J. Spence (Eds.), *Corporate social responsibility: readings & cases in a global context*. Abingdon, UK: Routledge.
- De Ven, B. (2008). An Ethical Framework for the Marketing of Corporate Social Responsibility. *Journal of Business Ethics*, 82(2), 339–352. doi:10.1007/10551-008-9890-1
- Demetriou, M., Pappasolomou, I., & Vrontis, D. (2009). Cause-related Marketing: Building the corporate image while supporting worthwhile causes. *Journal of Brand Management*, 17(4), 266–278. doi:10.1057/bm.2009.9
- Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. *International Journal of Management Reviews*, 12(1), 8–19. doi:10.1111/j.1468-2370.2009.00276.x
- Feagin, J., Orum, A., & Sjoberg, G. (1991). *A case for case study*. Chapel Hill, NC: University of North Carolina Press; doi:10.1108/BFJ-01-2018-0049.
- Franceschielli, M. V., Santoro, G., & Candelo, E. (2018). Business model innovation for sustainability: A food start-up case study. *British Food Journal*, 120(10).
- Freeman, R. E. (2002). Stakeholder theory: A libertarian defense. *Business Ethics Quarterly*, 12(3), 331–333. doi:10.2307/3858020
- Freeman, R. E., & Velamuri, R. (2006). A new approach to CSR: company stakeholder responsibility. In *Corporate Social Responsibility: Reconciling Aspiration with Application* (pp. 9–23). Basingstoke, UK: Palgrave Macmillan. doi:10.1057/9780230599574_2
- Freeman, R. E., Wicks, A., Harrison, J., Parmar, B., & De Colle, S. (2010). *Stakeholder Theory: The State of The Art*. Cambridge University Press.
- Gangi, F., Mustilli, M., & Varrone, N. (2019). The impact of corporate social responsibility (CSR) knowledge on corporate financial performance: Evidence from the European banking industry. *Journal of Knowledge Management, Volume*, 23(1).
- Hur, W. M., Kim, H., & Woo, J. (2014). How CSR Leads to Corporate brand Equity: Mediating Mechanisms of Corporate brand Credibility & Reputation. *Journal of Business Ethics*, 125(1), 75–86. doi:10.1007/10551-013-1910-0
- Jahdi, K. S., & Acikdilli, G. (2009). Marketing communications & corporate social responsibility (CSR): Marriage of convenience or shotgun wedding? *Journal of Business Ethics*, 88(1), 103–113. doi:10.1007/10551-009-0113-1

Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions

Kliatchko, J. (2008). Revisiting the IMC construct: A revised definition & four pillars. *International Journal of Advertising*, 27(1), 133–160. doi:10.1080/02650487.2008.11073043

Komodromos, M., & Melanthiou, Y. (2014). Corporate Reputation through Strategic Corporate Social Responsibility: Insights from service industry companies. *Journal of Promotion Management*, 20(4), 470–480. doi:10.1080/10496491.2014.930284

KPMG. (2015). *Survey of Corporate Responsibility Reporting*. Report.

La Cour, A., & Kromann, J. (2011). Euphemisms & hypocrisy in corporate philanthropy. *Business Ethics (Oxford, England)*, 20(3), 267–279. doi:10.1111/j.1467-8608.2011.01627.x

Lai, C. S., Chiu, C. J., Yang, C. F., & Pai, D. C. (2010). The effects of corporate social responsibility on brand performance: The mediating effect of industrial brand equity & corporate reputation. *Journal of Business Ethics*, 95(3), 457–469. doi:10.1007/10551-010-0433-1

Lillya, D., Zagnojute, G., & Reynolds, J. (2015). *The guide to UK Corporate Giving (10th ed.)*. Directory of Social Change.

Liu, G., & Ko, W. W. (2011). An Analysis of Cause-Related Marketing Implementation Strategies through Social Alliance: Partnership Conditions & Strategic Objectives. *Journal of Business Ethics*, 100(2), 253–281. doi:10.1007/10551-010-0679-7

Lopez-De-Pedro, J. M., & Rimbau-Gilabert, E. (2012). Stakeholder Approach: What Effects Should We Take into Account in Contemporary Societies? *Journal of Business Ethics*, 107(2), 147–158. doi:10.1007/10551-011-1029-0

Markovic, S., Iglesias, O., Singh, J. J., & Sierra, V. (2018). How does the perceived ethicality of corporate services brands influence loyalty and positive word-of-mouth? Analyzing the roles of empathy, affective commitment, and perceived quality. *Journal of Business Ethics*, 148(4), 721–740. doi:10.1007/10551-015-2985-6

Mosca, F., Casalegno, C., & Civera, C. (2016). Opportunities and Peculiarities of the Online for Communicating Corporate Social Responsibility. A cross investigation on luxury players and consumers' perceptions. *British Academy of Management Journal*, 2016, 1–26.

Musso, F., & Druica, E. (Eds.). (2014). *Handbook of Research on Retailer-Consumer Relationship Development*. IGI Global. doi:10.4018/978-1-4666-6074-8

Nasruddin, E., & Bustami, R. (2007). The Yin & Yang of CSR Ethical branding. *Asian Academy of Management Journal*, 12(2), 83–100.

Nurunnabi, M., Alfakhri, Y., & Alfakhri, D. H. (2018). Consumer perceptions and corporate social responsibility: what we know so far. *International Review on Public and Nonprofit Marketing*, 1-27.

Öberseder, M., Schlegelmilch, B. B., & Gruber, V. (2011). Why don't consumers care about CSR? A qualitative study exploring the role of CSR in consumption decisions. *Journal of Business Ethics*, 104(4), 449–460. doi:10.1007/10551-011-0925-7

Osservatorio Socialis. (2014). *VI Rapporto sull'impegno sociale delle aziende in Italia* [6th Report on Italian Companies' Social Effort]. Report.

Pérez, A., & Del Bosque, I. R. (2012). The role of CSR in the corporate identity of banking service providers. *Journal of Business Ethics*, 108(2), 145–166. doi:10.1007/10551-011-1067-7

Polonsky, M., & Jevons, C. (2009). Global branding & Strategic CSR: An overview of three types of complexity. *International Marketing Review*, 26(3), 327–347. doi:10.1108/02651330910960816

Pomering, A., & Dolnicar, S. (2009). Assessing the Prerequisite of Successful CSR Implementation: Are consumers aware of CSR initiatives? *Journal of Business Ethics*, 85(2), 285–301. doi:10.1007/10551-008-9729-9

Porter, E. M., & Kramer, R. M. (2002). The Competitive Advantage of Corporate Philanthropy. *Harvard Business Review*, 80(12), 57–68. PMID:12510538

Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *JMR, Journal of Marketing Research*, 38(2), 225–243. doi:10.1509/jmkr.38.2.225.18838

Tischler, L., (2004). Brand the good brand. *Fast Company*, 85, 47-49.

Torres, A., Bikmolt, T., Tribò, J., & Verhoef, P. (2012). Generating global brand equity through corporate social responsibility to key stakeholders. *International Journal of Research in Marketing*, 29(1), 13–24. doi:10.1016/j.ijresmar.2011.10.002

Uwins, S. (2014). *Creating Loyal brands*. Publish Green.

Vallaster, C., Lindgreen, A., & Maon, F. (2012). Strategically Leveraging Corporate Social Responsibility: A corporate brand perspective. *California Management Review*, 54(3), 34–60. doi:10.1525/cm.2012.54.3.34

Visser, W. (2012). *The Future of CSR: Towards Transformative CSR, or CSR 2.0*. Kaleidoscope Futures Paper Series, 1

Visser, W. (2013). *CSR 2.0: Transforming corporate sustainability & responsibility*. Springer.

Werther, W. B. Jr, & Chandler, B. (2005). Strategic corporate social responsibility as global brand insurance. *Business Horizons*, 48(4), 317–324. doi:10.1016/j.bushor.2004.11.009

Yin, R. K. (2003). *Case study research: Design and methods* (3rd ed.). Thousand Oaks, CA: Sage.

ADDITIONAL READING

Beckett, R. (2004). Communication Ethics: Principle and Practice. *Journal of Communication Management*, 8(1), 41–52. doi:10.1108/13632540410807538

Belch, G. E., & Belch, M. A. (2003). *Advertising and Promotion. An Integrated marketing communication Perspective*. New York: McGraw-Hill.

Using Integrated Corporate Responsibility to Enhance Consumers' Perceptions

- Cheung, Y. L., Tan, W., & Wang, W. (2018). National Stakeholder Orientation, Corporate Social Responsibility, and Bank Loan Cost. *Journal of Business Ethics*, 150(2), 505–524. doi:10.1007/10551-016-3140-8
- Gal, G., Akisik, O., & Wooldridge, W. (Eds.). (2018). *Sustainability and Social Responsibility: Regulation and Reporting*. Springer Singapore. doi:10.1007/978-981-10-4502-8
- Grönroos, C. (2001). *Service management and marketing* (2). New York, NY: Wiley.
- Kitchen, P. J., & Burgmann, I. (2004). *Integrated marketing communication*. John Wiley & Sons, Ltd.
- Walton, T. (2005). Identifying the Creative Frontiers in Consumer Products and Branding. *Design Management Review*, 16(2), 6–9. doi:10.1111/j.1948-7169.2005.tb00186.x
- Weitzer, D., & Darroch, J. (2009). Why Moral Failures Precede Financial Crises. *Critical Perspectives on International Business*, 5(1/2), 6–13. doi:10.1108/17422040910938640

KEY TERMS AND DEFINITIONS

Branding: The strategy used to create a unique name and image for a product in consumers' mind.

Cause-Related Marketing: A commercial activity in which businesses and charities form a partnership with each other to market an image, service or product for mutual benefit. **Corporate Shared Value:** A set of profit-able activities that aim at improving at the same time both the economic value and the conditions of the society companies' activities directly or indirectly affect.

Corporate Responsibility: The sum of policies concerning a corporate self-regulation integrated in its business model.

Integrated Corporate Social Responsibility: Part of core management concepts and processes; it represents an integration of economic with social, ethical and environmental decision-making criteria for corporate strategy.

Integrated Marketing Communication: The strategy of communicating simultaneously to different targets with different schemes in order to create a synergy among communication channels so that the effect resulting from their integration will be more powerful than any single undertaken communication action.

Integrated Output: Achievements and concrete development of sustainable processes, goods/products and services that meet social needs while achieving economic return.

Standards: Compliance with national or international standards which are considered almost compulsory.

Strategic Philanthropy: Set of activities (cash donations, in-kind donations, partnerships, employees' volunteering, and cause-related marketing) to support social and good causes in areas of competitive advantage for the company and coherent to its mission and core business.

Sustainability: The combination of environmental, societal and ethical concerns in processes, goods/products, and services development.

Chapter 21

Sustainable Initiatives and Organizational Reshaping in Food Retailers

Mario Risso

Niccolo Cusano University, Italy

Susanna Tavino

Niccolo Cusano University, Italy

ABSTRACT

This chapter analyses the adoption by large food retailers of corporate social responsibility (CSR) programs targeted at employees and their families. The authors propose an exploratory research. A qualitative approach has been used to examine the emerging redefinition of the organizational approach to improve effectiveness of retail CSR initiatives. The multiple case study analysis is a useful research tool that investigates a contemporary phenomenon in its real-life context, especially when the boundaries between phenomenon and context are not clearly evident. This methodology highlights nine different cases which explain some organizational tools to implement CSR in retail companies that operate in EU. Findings reveal the need for a redefinition of organizational structures and processes for implementing a successful CSR strategy in the retail sector. The selected cases show the importance of closer coordination among the organizational dimensions to implement CSR in retail sector. Some cases show a delay in the implementation of organizational tools and employee engagement.

INTRODUCTION

Recent economic-financial crises and consumer pressure have prompted the development of enterprises' strategies towards corporate social responsibility (CSR) implemented through sustainable business practices. In doing so, large food retailers are intensifying their efforts to develop CSR initiatives that simultaneously achieve economic, environmental and social objectives.

DOI: 10.4018/978-1-7998-1412-2.ch021

Sustainable Initiatives and Organizational Reshaping in Food Retailers

Many studies investigate the strategies and activities of large retailers in the upstream and downstream supply chain (Schramm-Klein et al., 2015). Only a few studies have examined how the internal organization of large retailers is reshaping to foster responsible and sustainable activities and to improve corporate reputation and customer satisfaction.

The aim of this paper is to investigate the adoption of CSR internal programs by large food retailers, including the reshaping of their organizational structures and processes.

The paper begins with an overview of socially responsible activities by large food retailers, mainly through the review of sustainable labor strategies and practices in the European Union market. Then, the paper presents nine case studies. In particular, organizational solutions developed by some innovative retailers are discussed. Finally, some conclusions and areas for future research are proposed.

RETAILERS, CSR AND ORGANIZATIONAL RESOURCES

Over the last decades the importance of CSR has grown significantly. In particular, recent economic and financial crises, as well as environmental degradation and serious social imbalances have increased consumer demand for more ethical and responsible corporate behaviours, through their purchasing practices.

The importance of CSR has increased in all economic sectors, including in the retail sector, where large international retailers are investing relevant resources to cope with consumers' ethical demands (Whysall, 2000; Pepe, 2003; Jones, Comfort, & Eastwood, 2005). Key international retailers have begun to offer ethical products and services, consolidating their approach to CSR through activities related to sustainable development, fairness, and a balanced distribution of value among all stakeholders involved in their activities as well as along their supply chains (Musso & Risso, 2006; Risso, 2012a).

In particular, Anselmsson and Johansson (2007) pointed out that there are three general attitude-based dimensions for CSR positioning of retailers: human responsibility, product responsibility, and environmental responsibility.

The dimension of environmental responsibility means that a company is perceived to produce environmental-friendly, ecological, and non-harmful products. It implies that a clear regime of environmental policies exists and that product packaging is recyclable. Product responsibility means that all products come with a full and complete list of content, that country of origin is stated, that the company will uphold to its declarations of intent and assume liability for its products (Anselmsson & Johansson; 2007).

Human responsibility means that the company deals with suppliers who adhere to principles of natural and good breeding and farming of animals, and also maintains fair and positive working conditions and work-place environments for their own employees.

Jones et al. (2010) studied the sustainability reports of the worlds' leading retailers. In particular, Jones et al. (2011) show how UK retailers tend to shape their sustainability agenda in a weak and opportunistic manner in order to encourage consumption. Souza-Monteiro and Hooker (2017) examine how socio-economic and institutional factors impact UK food retailers' CSR strategies, as revealed in corporate communications and product marketing. They argue that CSR strategies are increasingly being used by food businesses not only improve firms' goodwill and reputation but also as a competitive tool.

Meanwhile, a recent study (Kim et al., 2014) on consumer perception of community and employee oriented CSR program indicates that when retailers are perceived to adhere to social norms through their CSR actions, they gain legitimacy and support from consumers within the community.

Soobramoney, and Ledimo (2016) explore the relationship between corporate social responsibility and organisational commitment within retail organisations. They indicate that corporate social responsibility is related to employees' commitment and CSR can contribute to corporate success because CSR activities enhance an organisation's image.

However only a few studies have investigated the role of organizational resources in retail sector to gain a competitive advantage through sustainability (Bartels et al. 2015; Cuesta-Valiño et al. 2019; Musso & Angioni 2019). Moreover, there is a lack of specific analysis on CSR programs related to employees learning and engagement.

Wagner et al. (2008) tried to identify which business practices lead to perceptions of corporate social irresponsibility from the customers' perspective. Based on quantitative data, they describe the factors that stand for corporate social irresponsibility in the retail sector including, amongst others societal rules, employee benefits and wages, and sales practices.

Organizational Resources Determining Sustainable Competitive Advantage

The resources of the organisation are crucial in acquiring and maintaining a competitive advantage. The connections between organisational resources and competitive advantage have been analysed by several studies founded on the resources-based approach (Barney, 1991; 2001).

Especially in last two decades the importance of intangible resources of the organisation is emphasized as a means of creating value to the customer and maintaining corporate competitive advantage.

Research in the field of intellectual capital concept (Ross et al., 1997; Bontis, 2001) and the studies on knowledge management (Kogut & Zander, 1992; Nonaka, Takeuchi, 1995) highlight the importance of intangible organisational resources for a suitable development and deployment of company's knowledge assets and consequently for strategic decision-making and company's success. Some studies identified how organisational competencies are necessary for a successful organisation (Hamel & Prahalad, 1994; Hamel & Heene, 1994; Heene & Sanchez, 1997).

The identification of strategic organisational resources is one of the key factors to gain competitive advantage in all sectors of the economy at the national and international level.

For this reason, it is important to identify the main strategic resources that influence the acquisition and maintenance of sustainable competitive advantage in the retail sector.

The Importance of Taking Care of Employees for the Effectiveness of CSR Strategies in the Retail Sector

The retail is the biggest sector in the EU non-financial business economy in terms of number of enterprises and persons employed, generating 4.5% of total EU value added, providing 8.6% of all jobs in the EU and employing no less than 20 million citizens (EC, 2018; Martinuzzi et al. 2011).

The retail sector also offers job opportunities especially for youth, women and people with lower skills or qualifications. Nevertheless, labour rules and collective agreements considerably vary across the EU, and within countries. Enforcement is inadequate as shown by the presence of an informal economy in the retail sector. This, combined with a mismatch between employees' ICT skills and retailers' ICT needs, is undermining the economic performance of retail services within the EU.

The need to improve the framework conditions to better match worker supply and demand as well as further cooperation by social partners are crucial. It is also important to target all different groups of

workers (young people, old workers, women, etc.). Better identification and anticipation of skills needs, improved education and training systems as well as better support for training activities for SMEs are priorities to be achieved (EC, 2010).

The critical issue for job quality in the retail sector is the level of wages, which is up to 30% lower than comparable private services; job stability and security are also an issue. Gender discrimination is a “blind spot” within the industry: working conditions discriminate against women, who tend to accept worse conditions to minimise work-family life conflict. Part-time workers tend to be discriminated against full-time workers. Social dialogue varies nationally but tends to be fragmented. Safety, working environment conditions, and intrinsic work quality are of no particular concern.

METHODOLOGY OF THE RESEARCH AND DATA

In order to report on the CSR policies related to organizational reshaping and working conditions, a descriptive and exploratory research has been carried out using a qualitative case study approach (Eisenhardt, 1989; Yin, 2003). The multiple case study analysis is a useful research tool that investigates “a contemporary phenomenon in its real-life context, especially when the boundaries between phenomenon and context are not clearly evident” (Yin, 2003). The need to identify standards among large retailers in order to avoid contradictory activities in the implementation of CSR strategies and to support their effectiveness is currently emerging in the retail sector, but the non-systematic literature on this phenomenon does not allow a hypothesis-testing approach. The results from case studies cannot be subject to statistical generalisation or theory-testing, but case studies can be used to generate theoretical constructs, propositions, and/or midrange theories (Eisenhardt, 1989; Yin, 2003).

This paper offers nine examples of large food retailers’ CSR implementation strategies that consider the reshaping of their internal organization to improve their CSR initiatives. The research aims at investigating what strategies, systems, and tools are implemented by large retail companies. Such cases were selected on the basis of several factors: the geographic area of the headquarters, weight of domestic turnover, level of internationalization (number of countries served and the presence of stores network in the EU (see Table 1). Italian retailers (Coop and Conad) were included in consideration of their shares in the Italian market as a relevant component of the EU retail market. The US-based retailers are also included to compare the results of the analysis with non-EU retailers that operate in EU countries. The data were collected through a desk-based literature analysis, company reports and internet web site consultations during May –February 2019.

The data analysis of food retailers documentation is based on different issues related to the organization and development of CSR programs and tools for employees.

The presence of internal organization programs and external activities towards the employees’ families is organized around different topics.

Table 2 shows the topics investigated and the results emerging from the documentation analysis.

FINDINGS

Table 2 gives an overview of the analysis of the nine large retailers, with a view to identifying how companies pay attention to the various dimensions of CSR in their organizational development.

Sustainable Initiatives and Organizational Reshaping in Food Retailers

Table 1. Retailers investigated

Retailers	Country of origin	% Domestic turnover	No. Countries served
Aldi	Germany	n.a.	17
Auchan	France	35%	16
Carrefour	France	46%	33
Conad	Italy	100%	5
COOP	Italy	100%	1
Costco	USA	72%	11
Metro Group	Germany	16%	35
Tesco	UK	76%	8
Wal-Mart	USA	76%	28

The analysis focused on two dimensions: (1) internal organization and (2) external programs (i.e. family programs). The *Internal organization* program is composed of four topics (Industrial relations and work conditions; Health and safety; Education and training; Equal opportunity and Gender). Each topic considers a combination of different items:

Industrial relations and work conditions, such as employee engagement in strategic decisions, respect of employees' rights; working conditions; mechanisms and resources to ensure that employees can bring complaints, concerns or suggestions to improve business and working environment; best employee award, working hours; social dialogue, including consultation of employees and social partners;

Health and safety related to the conditions of the working environment;

Equal opportunity and Gender such as sexual discrimination, disability, early retirement, ethnicity, young, unskilled.

Table 2. Findings of the data analysis

Retailers	Internal organization program				External activities: Family program	
	Industrial relations and work conditions	Health and safety	Education and training	Equal opportunity and Gender	Benefits for employees and relatives	Initiatives for members and stakeholders
Aldi	+++	+++	+++	+++	+++	+
Auchan	+++	+++	++	+	++	+
Carrefour	+++	+++	++	+++	++	+
Conad	++	++	++	++		+
COOP	+++	++	+++	+++	+	++
Costco	+	+	+	+	+	+
Metro Group	+++	++	+++	+++	+++	+
Tesco	++	+++	+++	++	++	+
Wal-Mart	++	+++	+++	+++	++	++

Sustainable Initiatives and Organizational Reshaping in Food Retailers

The section on “Family program” is based on two topics: benefits for employees and relatives; initiatives for members and stakeholders. The benefits for employees and relatives include: nurseries, pension programs, insurance and complementary health care programs for families, activities or sports and leisure. Initiatives for members and stakeholders include discounts for members.

Internal Organizational Program

Industrial Relations and Working Conditions

Industrial relations and working conditions are important for all companies investigated. Carrefour in 2001 joined the United Nations Global Compact, pledging to respect and promote the ten fundamental principles of human rights, labour standards, the environment and the fight against corruption. In 1997, the French retailer also launched a collaboration with FIDH (International Federation for Human Rights) to comply with the fundamental labour rights of International Labour Organisation (ILO) on freedom of association and the right to collective bargaining, abolition of forced or compulsory labour, abolition of child labour and the elimination of discriminatory practices. Carrefour declares to be compliant with the OECD Guidelines for Multinational Enterprises, designed to help international companies to act in accordance with government policies and societal expectations. Carrefour has adopted a code of conduct applicable in all countries where it operates. It establishes a framework for Carrefour employees to use during the execution of their duties, with particular attention to ethical and legal compliance. To support the dissemination and implementation of the principles of the code of professional conduct, in 2010 Carrefour also established a Committee of Ethics in all countries of operations. Already 80% of employees signed up to it. A constructive partnership between Carrefour and UNI America made it possible to create and support the trade union representation in the company, through the establishment of a modern trade union chosen directly by employees. Carrefour wants to be a responsible employer, in fact it has intensified the listening of staff through an opinion poll. The Group, which shared the rules across the board, engages in a permanent and constructive dialogue and is committed to respect diversity.

Auchan periodically conducts polls to measure employee satisfaction. The data obtained are used to establish new action plans. In line with its objective to create a more participatory management, Auchan has created platforms for social interaction among various employees and top management.

Metro Group is committed to respect, protect and help employees grow professionally, by building trusted relationships, and create a positive working environment. The aim of Metro is to create a work environment characterized by open dialogue, the diversity of opinions and the systematic implementation of the decisions. Employees are also involved in the development of leadership. The German retailer has recently made some changes to the workforce but did not draw up plans for dismissal. A consulting firm will provide assistance to employees for their placement outside the Metro Group.

ALDI staff are highly motivated, energetic and have a hands-on can-do attitude. They offer extensive training and feedback. The management structure is clear and simple. The relationships between Aldi and their employees are built on the principles of cooperation, honesty, trust, respect, individual empowerment and accountability, mutual support and learning. Wages paid for regular working hours, overtime hours and overtime differentials shall meet or exceed legal minimums or industry standards whichever is more stringent. Illegal, unauthorized or disciplinary deductions from wages are not accepted. Employees working in ALDI's operations work flexibly and perform a full range of tasks, limited only

by their skills, knowledge, training and capability. Employees may be engaged to work on a full-time, part-time, limited roster or casual basis.

Tesco promotes anonymous annual staff viewpoint survey and staff appraisals, which can be used to identify what is working well and what isn't quite on track. The adoption of ad hoc feedback via a range of channels, such as "Listen and Fix" program which aims to facilitate communication with their employees, are fostering a general improvement of the working conditions.

The US retailers, Costco and Wal-Mart, develop programs to improve working conditions but they do not communicate explicitly the tools and modalities they are using. Costco describes its working environment as challenging and fun. The Open Door Policy allows all members access to higher levels of management for troubleshooting. Wal-Mart promotes an annual survey to measure associate engagement. Further, the big retailer is developing appropriate channels for workers to bring issues to management.

The Italian retailers Coop and Conad are very engaged in this topic. In particular, Conad shows respect for its employees and seeks to ensure a peaceful and homely atmosphere for its employees trying to offer a steady job. It promotes corporate culture and entrepreneurship training for employees, particularly retail outlets, so as to facilitate the admission of new members. Those who occupy positions of responsibility must also spread the culture of respect and provide a peaceful atmosphere, where everyone can collaborate expressing their inclination to work.

Coop Italy has carried out initiatives to raise awareness and direct involvement of employees through: interdepartmental working groups that prepare proposals for the improvement of work processes; team improvement aimed at the identification of the main problems and related best solutions to be proposed to management; outreach activities to bring the workers to express their views on aspects of management and service, and on listening to customers and partners; opportunities for consultation of the workforce through the intranet.

Health and Safety

Safety, health and welfare at work are some of the priorities of the Carrefour Group, which is committed to implementing innovative organizational structures and operational excellence in support of a culture of effective work that respects its employees. In addition to outreach activities that go beyond legal requirements, they carry out programs to prevent diseases (such as anti stress courses, etc.) and reduce the number of accidents at work. The absence rate due to injuries is very limited (-11.3% compared to 2010).

ALDI's business goal is to offer its customers the highest quality products at the lowest possible prices. To assist in achieving this outcome, ALDI is careful to select the best people available to work in its operations in order to create a safe working environment that fosters teamwork and co-operation amongst employees at all levels in the company. In ALDI's experience this environment will facilitate a high degree of job satisfaction for all employees, high productivity and the ongoing investment of funds in the business that will result in real benefits for employees and customers alike. Aldi and its employees are expected to observe safety legislation in all its operations.

Metro Group reports to comply with laws, guidelines, standards, codes to ensure socially responsible operations within its value and supply chains. The aim is to protect the safety, health and basic rights of its employees as well as its suppliers. Concerning occupational safety and health management, the German METRO group companies implemented a reporting system in order to identify areas with high accident rates or vulnerable employee groups, to evaluate the causes of accidents and to define targeted countermeasures. The reporting system covered 98% of employees of German METRO group companies

Sustainable Initiatives and Organizational Reshaping in Food Retailers

in the financial year 2017/18. These companies were able to reduce the number of accidents compared to the equivalent period in the financial year 2016/17. This reporting system is now to be implemented group-wide. In the financial year 2017/18, the Lost Time Injury Frequency Rate (LTIFR) was 41.8. This system records the number of accidents that cause a downtime of at least one day (excluding the day of the accident) per 1 million working hours. Deaths and long-term incapacity or disability are also included, but commuting accidents are not. In order to increase awareness amongst employees that occupational safety is also the responsibility of each individual employee, the German METRO group companies conduct numerous programmes and events in their sales lines and service companies on topics like nutrition, sports, medical screening and mental health. Furthermore, in their METRO Wholesale national subsidiaries, the employees responsible for occupational safety and health management are increasingly collaborating in an international network to discuss and improve occupational health and safety measures and to achieve positive results for employees in a timely manner. In 2017/18, an Occupational Health and Safety Circle was established in 21 out of 34 legal entities.

In Tesco, qualified health and safety professionals in every operating market and every business aim to ensure that every store is a safe place to work and shop. These teams are working to improve safety performance to reduce the amount of work time lost through injuries year-on-year. In May 2017, they held their first ever health month for employees and customers, including helpful 'little swaps' with products that are lower in saturated fat, salt and sugar. Regarding workplace safety standards, Tesco has a business-wide, risk-based safety framework which defines how they implement safety controls to ensure that employees, contractors and customers have a safe place to work and shop. Each business is required to maintain a Safety Improvement Plan to document and track enhancements. Overall governance is provided by the Group Risk and Compliance Committee, with each business unit operating their own Health and Safety Committee. Their annual employee survey programme allows them to measure safety behaviour improvements group-wide. The survey results alongside other inputs through the year, informs the delivery of safety initiatives and targeted communications.

The safety programs in place at Wal-Mart U.S. are focused on preventing associate and customer injuries. Each store has a safety team with an assigned safety team leader. Through this team and all associates inside the stores, Wal-Mart addresses prevention through programs such as inclement weather plans, strategic maintenance, spill stations, associate training and safety surveys. Wal-Mart creates additional standards for factory dormitories and canteens, focused on health and safety, which are now included in the audit process. Wal-Mart develops additional standards for protecting workers who use high-risk chemicals or machinery.

Conad is committed to taking all necessary measures to ensure the safety of the workplace and endeavours to guarantee the physical and psychological integrity of its employees, in accordance with applicable legislation. Also it adopts a proper policy on risk prevention.

COOP Italy continues to invest on health and safety at work, recording a constant reduction in accidents at work, (in the three-year period 2009-2011).

Education and Training

Education and training issues are less covered by large retailers. Carrefour is committed to developing the skills of its employees, offering them career opportunities to develop a management style that reflects the values and core competencies of the business and to improve employee leadership and motivation. Carrefour offers a broad training programme based on developing knowledge and expertise in key areas

of food safety and quality, digital transformation and customer relations. At the same time, the company is creating a cooperative network, spanning across the entire Group and open to its partners, to share its strategic objectives, accelerate innovation, and exchange best practices. Carrefour is also reinforcing its policy of equality and inclusion, realising that having diverse talent within the group is the best way to understand the diversity of its customers and their expectations. Carrefour developed a special e-learning course on organic products for Carrefour France's 110,000 employees. Made up of 10 modules, the online course has 2 aims: to enhance their knowledge of organic agriculture and to learn in detail about the Group's strategy and initiatives to promote affordable local and organic food. The course alternates among different modes of teaching, including videos, informational summaries, and self-assessment tests, to help participants acquire knowledge. Through e-learning, they can provide a basic level of training on a broad scale. They are also implementing specialised courses that meet the specific needs of both the various business functions and their ambitious goals in organics.

Auchan promotes the continuous training of employees and collaborators but they do not explicitly disclose their programs. The Auchan Retail's Executive Graduate Programme aims to prepare future managers and is divided into several stages of workplace immersion (six months discovering the holding company's businesses, one year in-store experience, 1 year in practical management training and six months of project management in a foreign country). Alongside this hands-on experience, the graduates attend an annual academic session run by the Centrale Supélec school of engineering and the ESSEC business school. By the end of 2018, the Auchan Executive Graduate Programme had 62 participants, of whom two-thirds were young graduates and one-third were young employees identified in-house. Gender equality is respected with 53% women and 47% men.

Employees of the German retailer Metro, are offered individual qualification measures. This includes, for example, e-learning modules that allows employees to improve their skills when and where they want (content: consulting, sales and product knowledge). METRO University is developing new programs for leadership development, assisting managers to expand their expertise in a targeted manner.

In Tesco, each employee is trained, mentored and connected with colleagues around the world, benefiting from technology-led learning.

The Wal-Mart programs stem from partnership between Wal-Mart and the American Public University (APU). U.S. associates receive: 15 percent tuition grant, and book grants for all required undergraduate textbooks. In Europe, ASDA Skills Academy provides associates with the opportunity to work toward nationally recognized qualifications. Further progress is possible through training and sharing best practices. The Mentor Me program is designed to assist in creating and sharing diverse knowledge, experiences and perspectives among associates. It empowers associates to take an active role in their development by providing resources, tools and suggestions to drive effective mentorships.

Costco promotes training and staff involvement in environmental management (with associated communications) but none of the activities of the retailer are reported in writing.

In Conad, employee training is considered an important way to achieve improvements in the quality of work and knowledge/skills of employees and collaborators.

Also in Coop Italy, the training is aimed at updating and developing the skills of employees of cooperatives. In 2001, Coop founded the School Coop, a place for meeting and discussion of values, knowledge, and cooperative corporate culture. During 2017 the Cooperative dedicated over 31 thousand days to training activities, up 61% compared to 2016, for a total investment of 7.6 million euro. In addition to the "law" training, Coop has also given ample space to managerial, technical and institutional training, for a total of over 17 thousand days (+ 59% compared to 2016). A relevant part for these training activities

Sustainable Initiatives and Organizational Reshaping in Food Retailers

has carried out at the internal school of Coop. Furthermore, the commitment on the side of professional training in support continued, with the direct involvement of senior managers and employees, called to transfer knowledge and skills to younger colleagues. Finally, Coopedia.it, the training portal for Cooperative workers, each employee can find information to deepen their knowledge, including by following online courses, previewing products news, consulting the encyclopaedia of trades, but also exchanging ideas and advice with colleagues, through the dedicated forum.

Equal Opportunity and Gender

Carrefour is present in 33 countries and this facilitates the diversity of its workforce, which is composed of men and women of all ages, from all countries and with very different career paths. In many countries, Carrefour encourages diversity and equal opportunities through a program to employ young people, people with disabilities and people who have difficulty finding work through partnerships with key players. In addition, with the Women Leaders program, Carrefour intends to encourage a better mix between men and women in management positions.

Auchan has also developed specific training and support programs for people with disabilities. The company also strives to eliminate inequalities between men and women. It also promotes programs, such as “1000 possibilities for use” or “Sans recruter CV”, to help all those who have low qualifications. Gender equality is taken into account in education and training opportunities.

Metro aims to play an active role to ensure diversity in the workforce by respecting, appreciating and promoting the diversity of employees. The German retailer provides job opportunities for people with disabilities or health limitations. For example, it is reported that more than 7 percent of the employees of the hypermarket in the city of Hallstadt are people with severe disabilities.

Aldi is an equal opportunities employer too. This means that at Aldi there should be no discrimination or harassment of any employee or job applicant on the grounds of sex, race, ethnic origin, disability, age, marital status, sexual orientation, religion or belief. It means that Aldi offers equal treatment and equal opportunities to all employees and job applicants.

Over the past 11 years, Tesco has provided over 13,000 jobs in total, of which over 4,500 going to the long-term unemployed and veterans. Since 2007 the number of female Directors at Tesco has increased by 45, an increase of nearly 76%, and women in senior management positions account for 31% across the Group.

Wal-Mart has recently launched the women’s economic empowerment initiative. This initiative aims to improve women’s employment, education and business opportunities. The Wal-Mart Foundation focuses on helping veterans reintegrate into their communities through job training and education. The U.S. based retailer has increased the number of black store managers up to 31 percent. Their focus on diverse talent in their recruiting process is key to retaining, growing and advancing their associates. For example, they recruit from a wide range of institutions, events and conferences, including those that serve diverse populations, such as Historically Black Colleges and Universities. But, hiring is only one part of the equation. The corporate pipeline, starting from entry-level and leading all the way to the C-suite, needs better representation from women and black people if they are to move beyond the status quo.

For Costco the objective is to have a diverse workforce that is representative of the communities where they do business, and to foster an inclusive environment. It has always been Costco’s policy that employees should be able to enjoy a work environment free from all forms of unlawful employment discrimination on the basis of race, colour, national origin, ancestry, sex, sexual orientation, gender identity

or expression, religion, age, pregnancy, disability, work-related injury, covered military or veteran status, political ideology or expression, genetic information, marital status, or any other protected status. Men and women who perform substantially similar work are paid equally, subject to adjustments reflecting key factors such as job, company seniority and hours worked.

Conad shows commitment not to discriminate on gender and in the recruitment of employees. This is also demonstrated by the presence of 60% of women employees. The company engages in the policies of equal opportunities and the role of women in the organization as a key lever for development.

Recently in Coop, women in management positions increased up to 16.1% (2011). There are three steps that Coop intends to do to promote gender equality: (1) work on the organization of work, that supports the reconciliation of family life and working hours; (2) paths spreading the values of corporate culture oriented to equal opportunities (Codes of ethics, protocol of positive actions in the field of solidarity and equal opportunities); (3) projects to make career paths transparent and genuinely open and inclusive.

External Activities: Family Programs

Benefits for Employees and Relatives

In all countries where Carrefour operates, the Group consults and works to ensure its employees adequate social protection. Where necessary, this is supplemented by complementary health insurance and prevention. The French retailer Auchan guarantees health care, and social benefits for all its employees in the countries in which these benefits are not generalized.

German retailers Metro and Aldi are both involved in family programs. Since 2012, the German law allowed employees to reduce working hours to just 15 hours per week up to 24 months, while retaining 75 percent of their salary, to assist sick relatives. Based on this since 2008 METRO employees were able to put their working relationship on hold in order to take care of a family member, initially for one year and then, from 2011, for two years. This makes it easier for employees to reconcile family life with work.

Instead, ALDI employees receive generous wages and benefits (e.g.: generous vacation time and paid holidays) that are significantly higher than the national average. Employees averaging more than 20 hours a week receive full health insurance benefits.

Wal-Mart provides low cost health plans for associates and their families, including preventive care, check-ups, immunizations and mammograms, free quit tobacco programs, including telephone counseling, online coaching and tools for support, and nicotine replacement therapy. Further, Wal-Mart promotes free HIV testing and treatment, free antiretrovirals (for infected permanent staff and spouses), access to peer counselling and to a variety of education initiatives.

Costco seeks to provide competitive wages and benefits to their employees. The vast majority of Costco's workforce consists of hourly employees in warehouse locations. The good remuneration of these employees by retail standards helps Costco in the long run by minimising turnover and maximising employee productivity, commitment and loyalty. In the U.S., they provide generous benefits, including affordable health care coverage for full-time and part-time employees, and sizable contributions to employees' company-sponsored retirement plans, based on years of service. They provide twice-yearly extra checks for long-tenured employees. They believe their paid sick time and vacation time policies for hourly employees are very competitive by retail standards. They have adopted operational practices designed to benefit their hourly workforce, such as a 50% full-time ratio, guarantees of minimum scheduled hours, and weekly schedules posted well in advance. Their worldwide policies and practices are designed to

Sustainable Initiatives and Organizational Reshaping in Food Retailers

mirror their practices in the U.S., subject to local regulations and customs. For salaried management in their locations, as well as positions in the corporate and regional offices, they also seek to provide competitive compensation and benefits. Although many salaried employees might be able to find higher compensation or better perks at other companies, Costco's retention rates, particularly for longer-term employees, are very high. They believe this is motivated by their competitive compensation and benefits, opportunities for growth and advancement, and the stability and overall culture of the company.

Initiatives for Communities and Stakeholders

Initiatives for communities and stakeholders are marginally developed by the retailers investigated.

ALDI's activities in this direction consist of the development of pilot projects for sustainable consumption; introduction of guidelines for dealing with food that is close to the expiration date; continuation and expansion of efforts to foster health awareness among customers and employees; expansion of dialogue with major stakeholder groups.

Coop provides members with benefits of a financial nature (promotions, price cuts and discounts on the receipt, collection points to enjoy awards and special services or can donate the collection points or support charitable initiatives); other services and opportunities dedicated to shareholders (financial services, tourism, convention and other services to improve the daily life like paying bills in coatings; domicile delivery for elderly and people with disability). In general, Coop Alleanza 3.0 has worked to ensure the inclusiveness and representativeness of its stakeholders, also with the conduct of specific assemblies, interviews and focus groups.

Auchan supports initiatives for solidarity stores, seeking to improve communities' lifestyles and consumer behaviours.

Conad has added since 2015 an important chapter dedicated to listening to the local communities and further develop the ability to involve them in a project for common growth.

Tesco recognises its responsibility to take into consideration the needs and concerns of stakeholders as part of its discussion and decision-making processes. Tesco's board believes that maintaining strong stakeholder relationships is key to building a sustainable business.

DISCUSSION AND CONCLUSION

This paper examined CSR/sustainability dimensions as reported by the largest food international retailers which operate in European countries.

Over the past few years, the economic and management literature has stressed the importance of CSR and organizational assets to enhance corporate competitiveness. Grounded on the CSR activities focused on organizational issues and employees, this paper, through the analysis of nine case studies, emphasises the importance of taking knowledge assets into consideration to support CSR strategies and performance improvements in the companies analysed.

The leadership and the involvement of top management is essential for any sustainability program. Aldi, Carrefour, Wal-mart, Tesco, Coop Italy and Conad are making progress on in this front.

The importance of the involvement of top management in the design and implementation of a sustainability program is further demonstrated by the practice of appointing CSOs (Corporate Sustainability

Officers). Indeed, some companies have reshaped their governance structures to ensure that a senior executive is responsible for all activities related to sustainability (Weinreb Group, 2011).

If the CEO wants to quickly mainstream sustainability into corporate organisation, it is crucial to establish a program of effective communication targeted at internal and external audiences, through specific strategies and tactics (Reisch et al., 2008). The objective of the company is to get from employees and partners a real commitment to implement the corporate sustainability program and, at the same time, to enhance the reputation of the company (Fortuna et al., 2015). Retail managers should fully communicate CSR practices to employees to increase their engagement (Potdar et al., 2018).

Another driving force for sustainability within the organisation is related to the development of skills, knowledge and attitudes, to be achieved through a strong commitment to education and training of employees. Some large retailers have begun to promote training courses for their employees on CSR issues, but there is still a lack of specific programming in many businesses. Large retailers have difficulty in retaining employees who have the necessary talent, skills and knowledge to give the company a competitive edge in the global market, thus emphasising the need for organisational commitment (Schramm-Klein et al. 2015). The training is done through different ways that promote a stronger involvement of employees so that they can become in turn the means of disseminating information. The personal involvement of managers and employees in the organization is strictly connected with sustainable lifestyles. That's why companies like Carrefour, Coop, Conad, are increasingly investing in these fields.

CSR can be effectively developed if the organization applies the principle of enhancing knowledge and experience sharing. Retailers with high intensity of knowledge management have a greater ability to develop organizational leadership capability, which in turn, allows them to behave in innovative ways towards their stakeholders (Kivipõld, 2015). In this perspective, a suitable development and deployment of company's knowledge assets become a strategic decision for corporate competitiveness and success.

The selected cases show the existence of different approaches and various tools implemented. Some of them reveal a delay in the implementation of organizational tools and employees' engagement. Sometimes, they also show the lack of systemic coordination across initiatives. Therefore, closer coordination between organizational activities is strongly recommended in the following CSR area: (1) CEO leadership; (2) internal and external communications; (3) knowledge management; (4) education and training; (5) development of CSR corporate operations for employees and their families. The development of strategies and tools to increase employees engagement can contribute to the achievements of the objectives of CSR retail programs and their performance. This qualitative review highlights some trends in large food retailers and it is based mainly on the desk-analysis. Therefore, integrating this qualitative analysis with quantitative data using the same sample would be desirable. In addition this research focuses on the differences among company policies, without thoroughly investigating the drivers behind them.

Furthermore, for future research on CSR strategies and programs for employee involvement in large food retailers, it would be useful analyse employees' satisfaction and perception related to the CSR programs implemented by their companies.

REFERENCES

- ALDI North Group. (2017). *Sustainability Report 2017*. Author.
- ALDI South Group. (2017). *International Corporate Responsibility Report 2017*. Author.
- Anselmsson, J., & Johansson, U. (2007). Corporate social responsibility and the positioning of grocery brands: An exploratory study of retailer and manufacturer brands at point of purchase. *International Journal of Retail & Distribution Management*, 35(10), 835–856. doi:10.1108/09590550710820702
- AUCHAN. (2018). *Annual Financial Report Auchan Holding and Annual results*. Author.
- Barney, J. B. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99–120. doi:10.1177/014920639101700108
- Bartels, J., Reinders, M., & Van Haaster- De Winter, M. (2015). Perceived sustainability initiatives: Retail managers' intrinsic and extrinsic motives. *British Food Journal*, 117(6), 1720–1736. doi:10.1108/BFJ-11-2014-0362
- Bateman, T. S., & Organ, D. W. (1983). Job satisfaction and the good soldier: The relationship between affect and employee “citizenship”. *Academy of Management Journal*, 26(4), 587-595.
- CARREFOUR. (2018). *Activity Report and Half-Year Financial Report June 30, 2018*. Author.
- CONAD. (2018). *Annual report 2018*. Author.
- COOP. (2018). *Annual report 2018*. Author.
- COSTCO. (2018). *Wholesale Annual Report 2018*. Author.
- Cuesta-Valiño, P., Rodríguez, P. G., & Núñez-Barriopedro, E. (2019). The impact of corporate social responsibility on customer loyalty in hypermarkets: A new socially responsible strategy. *Corporate Social Responsibility and Environmental Management*, 26(4), 761–769. doi:10.1002/csr.1718
- Davenport, T. H., & Prusak, L. (1998). *Working knowledge: How organizations manage what they know*. Boston: Harvard Business School Press.
- EC. (2010). *Retail Market Monitoring Report: Frequently Asked Questions*. European Commission.
- EC. (2018). *A European retail sector fit for the 21st century Retail Market Monitoring Report: Frequently Asked Questions*. European Commission.
- Eisenhardt, K. (1989). Building theories from case study research. *Academy of Management Review*, 14(4), 532–550. doi:10.5465/amr.1989.4308385
- Fortuna, F., Doni, F., & Paolon, P. (2015). *Gender Diversity, Corporate Governance Disclosure and Financial Performance: Empirical Evidence from South Africa*. Paper presented at the “10th International Conference IFKAD, Bari, Italy.
- Fortuna, F., Testarmata, S., & Ciaburri, M. (2015). *The innovative forms of corporate responsibility disclosure: The sustainability reporting and the use of social media*. Paper presented at the “10th International Conference IFKAD, Bari, Italy.

- Freestone, O. M., & McGoldrick, P. J. (2008). Motivations of the Ethical Consumer. *Journal of Business Ethics*, 79(4), 445–467. doi:10.1007/10551-007-9409-1
- Ganesan, S., George, M., Jap, S., Palmatier, R. W., & Weitz, B. (2009). Supply chain management and retailer performance: Emerging trends, issues, and implications for research and practice. *Journal of Retailing*, 85(1), 84–94. doi:10.1016/j.jretai.2008.12.001
- Gupta, S., & Pirsch, J. (2008). The influence of a retailer's corporate social responsibility program on re-conceptualizing store image. *Journal of Retailing and Consumer Services*, 15(6), 516–526. doi:10.1016/j.jretconser.2008.02.003
- Hamel, G., & Prahalad, C. K. (1994). *Competing for the Future, 1994*. Boston: Harvard Business School Press.
- Harrison, R., Newholm, T., & Shaw, D. (2005). *The Ethical Consumer*. London: Sage.
- Heene, A., & Sanchez, R. (1997). *Competence-Based Strategic Management*. Chichester, UK: John Wiley & Sons.
- Hemingway, C. A., & Maclagan, P. W. (2004). Managers' personal values as drivers of corporate social responsibility. *Journal of Business Ethics*, 50(1), 33–44. doi:10.1023/B:BUSI.0000020964.80208.c9
- Jones, P., Comfort, D., & Hillier, D. (2010). Sustainability in the global shop window. *International Journal of Retail & Distribution Management*, 39(4), 256–271. doi:10.1108/09590551111117536
- Jones, P., Comfort, D., & Hillier, D. (2012). Marketing Sustainable Consumption within Stores: A Case Study of the UK's Leading Food Retailers. *Journal of Food Products Marketing*, 18(2), 96–108. doi:10.1080/10454446.2012.653779
- Jones, P., Hillier, D., & Comfort, D. (2011). Shopping for tomorrow: Promoting sustainable consumption within food stores. *British Food Journal*, 113(7), 935–948. doi:10.1108/00070701111148441
- Khan, N., & Korac, K. N. (2014). CSR: The co-evolution of grocery multiples in the UK (2005–2010). *Social Responsibility Journal*, 10(1), 137–160. doi:10.1108/SRJ-06-2012-0069
- Kim, J., Ha, S., & Fong, C. (2014). Retailers' CSR: The effects of legitimacy and social capital. *International Journal of Retail & Distribution Management*, 42(2), 131–150. doi:10.1108/IJRDM-10-2012-0092
- Kivipõld, K. (2015). Organizational leadership capability – a mechanism of knowledge coordination for inducing innovative behavior. *Baltic Journal of Management*, 10(4), 478–496. doi:10.1108/BJM-10-2014-0152
- Kogut, B., & Zander, U. (1996). What firms do? Coordination, identity, and learning. *Organization Science*, 7(5), 502–518. doi:10.1287/orsc.7.5.502
- Koh, H. C., & El'fred, H. Y. (2004). Organisational ethics and employee satisfaction and commitment. *Management Decision*, 42(5), 677–693. doi:10.1108/00251740410538514
- Kolk, A., Hong, P., & van Dolen, W. (2010). Corporate social responsibility in china: An analysis of domestic and foreign retailers' sustainability dimensions. *Business Strategy and the Environment*, 19, 289–303.

Sustainable Initiatives and Organizational Reshaping in Food Retailers

- Korschun, D., Bhattacharya, C. B., & Swain, S. D. (2014). Corporate Social Responsibility, Customer Orientation, and the Job Performance of Frontline Employees. *Journal of Marketing*, 78(3), 20–37. doi:10.1509/jm.11.0245
- Lai, K., Cheng, T. C. E., & Tang, A. K. Y. (2010). Green retailing: Factors for success. *California Management Review*, 52(2), 6–31. doi:10.1525/cmr.2010.52.2.6
- Martinuzzi, A., Kudlak, R. F., & Wiman, A. (2011). *CSR Activities and Impacts of the Retail Sector*. RIMAS Working Papers No. 4.
- METRO GROUP. (2018). *Annual Report 2017-2018*. Author.
- Musso, F., & Angioni, M. (2019). Corporate Social Responsibility of Large Retailers. An International Comparison. In S. Mărginean, C. Ogrean, & R. Orăștean (Eds.), *Organizations And Performance In A Complex World*. Cham: Springer.
- Musso, F., & Druica, E. (Eds.). (2014). *Handbook of Research on Retailer-Consumer Relationship Development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8
- Musso, F., & Risso, M. (2006). CSR within Large Retailers International Supply Chains. *SYMPHONYA Emerging Issues in Management*, 1.
- Nadeem, K., & Korac, K. N. (2014). CSR: The co-evolution of grocery multiples in the UK (2005-2010). *Social Responsibility Journal*, 10(1), 137–16. doi:10.1108/SRJ-06-2012-0069
- Nonaka, I. O., & Takeuchi, H. (1995). *The knowledge-creating company: how Japanese companies create the dynamics of innovation*. New York: Oxford University Press.
- Pepe, C. (2007). Corporate values in global supply chains. *SYMPHONYA Emerging Issues in Management*, 2.
- Potdar, B., Guthrie, J., Gnoth, J., & Garry, T. (2018). Yours ethically: The role of corporate social responsibility and employee engagement in shoplifting prevention. *International Journal of Retail & Distribution Management*, 46(9), 835–849. doi:10.1108/IJRDM-02-2018-0029
- Preuss, L. (2009). Ethical Sourcing Codes of Large UK-Based Corporations: Prevalence, Content, Limitations. *Journal of Business Ethics*, 88(4), 735–747. doi:10.1007/10551-008-9978-7
- Reisch, L., Spash, G. L., & Bietz, S. (2008). *Sustainable Consumption and Mass Communication: A German Experiment*. Socio-Economics and the Environment in Discussion (SEED) Working Paper Series, 12.
- Risso, M. (2012a). A horizontal approach to implementing corporate social responsibility in international supply chains. *International Journal of Technology Management*, 58(1-2), 64–82. doi:10.1504/IJTM.2012.045789
- Risso, M. (2012b). Large Retailers' Responsible Initiatives in Support of Local Communities. *International Journal of Applied Behavioral Economics*, 1(4), 53–63. doi:10.4018/ijabe.2012100105
- Risso, M. (2012c). Exploring Partnership for Social Innovations. *Symphonya. Emerging Issues in Management*, 2.

- Schramm-Klein, H., Morschett, D., & Swoboda, B. (2015). Retailer corporate social responsibility. *International Journal of Retail & Distribution Management*, 43(4/5), 403–431. doi:10.1108/IJRDM-04-2014-0041
- Shaw, D., & Clarke, I. (1998). Culture, Consumption and Choice: Towards a Conceptual Relationship. *Journal of Consumer Studies & Home Economics*, 22(3), 163–168. doi:10.1111/j.1470-6431.1998.tb00727.x
- Shaw, D., & Clarke, I. (1999). Belief formation in ethical consumer groups: An exploratory study. *Marketing Intelligence & Planning*, 17(2-3), 109–119. doi:10.1108/02634509910260968
- Shaw, D., & Shui, E. (2003). Ethics in consumer choice: A multivariate modelling approach. *European Journal of Marketing*, 37(10), 1485–1498. doi:10.1108/03090560310487202
- Sims, R. L., & Kroeck, K. G. (1994). The influence of ethical fit on employee satisfaction, commitment and turnover. *Journal of Business Ethics*, 13(12), 939–947. doi:10.1007/BF00881663
- Souza-Monteiro, D., & Hooker, N. (2017). Comparing UK food retailers corporate social responsibility strategies. *British Food Journal*, 119(3), 658–675. doi:10.1108/BFJ-04-2016-0152
- Strong, C. (1996). Features Contributing to the Growth of Ethical Consumerism – A Preliminary Investigation. *Marketing Intelligence & Planning*, 14(5), 5–13. doi:10.1108/02634509610127518
- TESCO PLC. (2018). *Annual Report 2018*. Author.
- van Herpen, E., Pennings, J. M. E., & Meulenberg, M. (2003). *Consumers' evaluations of socially responsible activities in retailing*. Maastricht, The Netherlands: Maastricht University.
- Wagner, T., Bicen, P., & Hall, Z. R. (2008). The dark side of retailing: Towards a scale of corporate social irresponsibility. *International Journal of Retail & Distribution Management*, 36(2), 124–142. doi:10.1108/09590550810853075
- WAL-MART. (2018). *Annual-Report 2018*. Author.
- Weinreb Group. (2011). CSO Back Story. How Chief Sustainability Officers Reached the C-Suite. *Weinreb Group*. Retrieved from: <http://weinrebgroup.com/wp-content/uploads/2011/09/CSO-Back-Story-by-Weinreb-Group.pdf>
- Whysall, P. (2000). Addressing ethical issues in retailing: A stakeholder perspective. *International Review of Retail, Distribution and Consumer Research*, 10(3), 305–318. doi:10.1080/095939600405992
- Yin, R. K. (2003). *Case Study Research: Design and Methods* (3rd ed.). Thousand Oaks, CA: Sage Publications.

ADDITIONAL READING

Aoula, E., & Guedira, M. (2013). Corporate Social Responsibility and Human Resources Management: What Joint? *International Journal of Humanities and Social Science*, 3(13), 206–211.

Blau, G., Merriman, K., Tatum, D. S., & Rudmann, S. V. (2001). Antecedents and consequences of basic versus career enrichment benefit satisfaction. *Journal of Organizational Behavior*, 22(6), 669–688. doi:10.1002/job.105

Marr, B., & Schiuma, G. (2001). Measuring and Managing Intellectual Capital and Knowledge Assets in New Economy Organisations. In *Handbook of Performance Measurement, Gee*. London: M. Bourne.

Wernerfelt, B. (1984). A Resource-Based View of the Firm., *Strategic Management Journal*, Vol. 5, No. (2), pp. 171-180.

KEY TERMS AND DEFINITIONS

Education: Education is the process of facilitating learning, or the acquisition of knowledge, skills, values, beliefs, and habits. Educational methods include storytelling, discussion, teaching, training, and directed research.

Equal Opportunity and Gender: The state of equal ease of access to resources and opportunities regardless of gender, including economic participation and decision-making; and the state of valuing different behaviors, aspirations and needs equally, regardless of gender.

Health and Safety: Regulations and procedures intended to prevent accident or injury in workplaces or public environments.

Industrial Relations: The multidisciplinary academic field that studies the employment relationship; that is, the complex interrelations between employers and employees, labor/trade unions, employer organizations and the state.

Internal Organization: The way in which commercial organization is structured to carry out its various activities. A lot of attention needs to be given to structure. The structure needs to be determined by the organisation's objectives and the communications networks that need to be built up both internally and externally.

Knowledge Management: Efficient handling of information and resources within a commercial organization.

Sustainability: Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. The concept of sustainability is composed of three pillars: economic, environmental, and social—also known informally as profits, planet, and people.

Taking Care of Employees: Companies are increasingly looking for ways to support their employees as the complex humans they are. That means working for an organization that sees employee as more than simply workers who works, but also, as a parent, a volunteer, a soldier, and a person who has needs and interests outside of work.

Working Conditions: It refers to the working environment and aspects of an employee's terms and conditions of employment. This covers such matters as: the organization of work and work activities; training, skills and employability; health, safety and well-being; and working time and work-life balance.

Compilation of References

- (2000). Antecedents of customer loyalty for strategic intent. In Vasquez-Parraga, A. Z., & Alonso, S. (Eds.), *Proceedings of Marketing Theory and Applications*. Chicago, IL: American Marketing Association.
- <conf>Lazaris, C., Vrechopoulos, A., & Doukidis, G. (2016). Store atmosphere in “Physical Web” retailing: An IoT disruption to omnichannel evolution. In Proceedings 4th International Conference on Contemporary Marketing Issues (ICCM), June 22-24, 2016, Heraklion, Greece. doi:10.13140/RG.2.1.2367.9604</conf>
- <jrn>Fournier, S. (2009). Lessons learned about consumers’ relationships with brand. In Handbook of brand relationships. N.Y. Society for Consumer Psychology and M.E. Sharp.
- <unknown>Parker, B. T. (2009). A comparison of brand personality and brand user-imagery congruence. *Journal of Consumer Marketing*, 26(3), 175–184. doi:10.1108/07363760910954118
- Aaker, D. A. (2007). Innovation: Brand it or lose it. *California Management Review*, 50(1), 8–24. doi:10.2307/41166414
- Aaker, D. A. (2009). *Strategic Market Management*. New York: Wiley.
- Aaker, D. A. (2010). *Brand relevance: Making competitors irrelevant*. New York: John Wiley & Sons.
- Aaker, D. A., & Keller, K. L. (1990). Consumer evaluation of brand extensions. *Journal of Marketing*, 54(1), 27–41. doi:10.1177/002224299005400102
- Aaker, D. A., Kumar, V., & Day, G. S. (2001). *Marketing Research* (7th ed.). New York, NY: John Wiley and Sons.
- Aaker, J. (1997). Dimensions of brand personality. *JMR, Journal of Marketing Research*, 34(3), 347–357. doi:10.1177/002224379703400304
- Agarwal, A., & Singh, M. R. P. (2018). The relationship between retail experience, customer satisfaction, and behavioral intention: exploring the consumer shopping behavior in unorganized retail settings. *Indian Journal of Marketing*, 48(1), 9–27. doi:10.17010/ijom/2018/v48/i1/120733
- Agergaard, E., Olsen, P. A., & Allpass, J. (1970). The interaction between retailing and the urban center structure: A theory of spiral movement. *Environment & Planning*, 2(1), 55–71. doi:10.1068/a020055
- Agrawal, R. (2009). Threat of a metooperception: A case of Café Coffee Day. *The Marketing Review*, 9(3), 251–271. doi:10.1362/146934709X467811
- Aguirre-Rodriguez, A., Bosnjak, M., & Sirgy, J. M. (2012). Moderators of the self-congruity effect on consumer decision-making: A meta-analysis. *Journal of Business Research*, 65(8), 1179–1188. doi:10.1016/j.jbusres.2011.07.031

Compilation of References

- Ahearne, M., Bhattacharya, C. B., & Gruen, T. (2005). Antecedents and consequences of customer–company identification: Expanding the role of relationship marketing. *The Journal of Applied Psychology, 90*(3), 574–585. doi:10.1037/0021-9010.90.3.574 PMID:15910151
- Ahmed, P. K., & Machold, S. (2004). The quality & ethics connection: Toward virtuous organizations. *Total Quality Management & Business Excellence, Routledge, 15*(4), 527–545. doi:10.1080/1478336042000183604
- Ailawadi, K. L., & Harlam, B. (2004). An empirical analysis of the determinants of retail margins: The role of store brand share. *Journal of Marketing, 68*(1), 147–166. doi:10.1509/jmkg.68.1.147.24027
- Ailawadi, K. L., Neslin, S. A., & Gedenk, K. (2001). Pursuing the value-conscious consumer: Store brands versus national brand promotions. *Journal of Marketing, 65*(1), 71–89. doi:10.1509/jmkg.65.1.71.18132
- Ailawadi, K., Pauwels, K., & Steenkamp, J.-B. (2008). Private-label use and store loyalty. *Journal of Marketing, 72*(6), 19–30. doi:10.1509/jmkg.72.6.019
- Ainsworth, J., & Foster, J. (2017). Comfort in brick and mortar shopping experiences: examining antecedents and consequences of comfortable retail experiences. *Journal of Retailing and Consumer Services, 35*, 27–35. doi:10.1016/j.jretconser.2016.11.005
- Akatu. (2016). *Italia aprova lei contra desperdicio de comida e espera economizar 12 bilhoes de euros por ano*. Retrieved February 27th, 2017 from <http://www.akatu.org.br/Temas/Alimentos/Posts/Italia-aprova-lei-contra-desperdicio-de-comida>
- Akerlof, G., & Shiller, R. (2009). *Animal spirit: how human psychology drives the economy, and why it matters for global capitalism*. New Jersey: Princeton University Press.
- Alderson, W., & Cox, R. (1948). Towards a theory of marketing. *Journal of Marketing, 13*(2), 137–152. doi:10.1177/002224294801300201
- ALDI North Group. (2017). *Sustainability Report 2017*. Author.
- ALDI South Group. (2017). *International Corporate Responsibility Report 2017*. Author.
- Alexander, M. J., Jaakkola, E., & Hollebeek, L. D. (2018). Zooming out: Actor engagement beyond the dyadic. *Journal of Service Management, 29*(3), 333–351. doi:10.1108/JOSM-08-2016-0237
- Algharabat, R. & Dennis, C. (2009). *Modelling 3d product visualisation for online retail atmospherics*. Retrieved from <http://dspace.brunel.ac.uk/handle/2438/3766>
- Alho, A. R., You, L., Lu, F., Cheah, L., Zhao, F., & Ben-Akiva, M. (2018). Next-generation freight vehicle surveys: Supplementing truck GPS tracking with a driver activity survey. In *2018 21st International Conference on Intelligent Transportation Systems (ITSC)* (pp. 2974-2979). IEEE, November.
- Alhouthi, S., Gillespie, E. A., Chang, W., & Davis, L. (2015). The thin line between love and hate of attention: the customer shopping experience. *Journal of Marketing Theory and Practice, 23*(4), 415–433. doi:10.1080/10696679.2015.1049687
- Aliawadi, K. L., & Keller, K. L. (2004). Understanding retail branding: Conceptual insights and research priorities. *Journal of Retailing, 80*(4), 331–342. doi:10.1016/j.jretai.2004.10.008
- Allegra World Coffee Portal. (2019). *What is the 5th wave?* Retrieved from <http://www.allegraceforum.com/what-is-the-5th-wave/>
- Al-maghrabi, T., & Dennis, C. (2010). Driving online shopping: Spending and behavioral differences among women in Saudi Arabia. *International Journal of Business Science and Applied Management, 5*(1), 30–47.

- Almagor, O. (2019, Jan. 12). *A look into the future of the Italian coffee scene with professor Morris*. Retrieved from <https://europeancoffeetrip.com/future-of-italian-coffee-with-professor-morris/>
- Alpert, J. I., Alpert, M. I., & Maltz, E. N. (2005). Purchase occasion influence on the role of music in advertising. *Journal of Business Research*, 58(3), 369–376. doi:10.1016/S0148-2963(03)00101-2
- Altmann, M. (2007). Coffee Shop Industry – A Strategic Analysis. *Scholarly Research Paper Katz-Graduate School of Business Pittsburgh/ USA Doc. N. V111348*. Retrieved from <http://www.grin.com>
- American Heritage. (2016). *American Heritage® Dictionary of the English Language, Fifth Edition*. Houghton Mifflin Harcourt Publishing Company.
- Amodio, L. V. (1998). Mood makers: An in-depth look at how scents claim to boost your spirit and de-stress your nerves. *Good Housekeeping (New York, N.Y.)*, 227(5), 53–55.
- Andajani, E. (2015). The influence of social environment on customer experience in retail mall. *International Journal of Applied Business and Economic Research*, 13(5), 2743–2749.
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411–423. doi:10.1037/0033-2909.103.3.411
- Andersson, T. D., & Mossberg, L. (2004). The dining experience: Do restaurants satisfy customer needs? *Food Service Technology*, 4(4), 171–177. doi:10.1111/j.1471-5740.2004.00105.x
- Andrade, E. B., Kaltcheva, V., & Weitz, B. (2002). Self-disclosure on the web: the impact of privacy policy, reward and company reputation. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 29(1), 350–353.
- Andreassen, T. W., & Olsen, L. L. (2012). Customer service: does it matter? In J. Kandampully (Ed.), *Service management: the new paradigm in retailing*. New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_3
- Andreu, L., Bigné, E., Chumpitaz, R., & Swaen, V. (2006). How does the perceived retail environment influence consumers' emotional experience? evidence from two retail settings. *International Review of Retail, Distribution and Consumer Research*, 16(5), 559–578. doi:10.1080/09593960600980097
- Andreu, L., Sánchez, I., & Mele, C. (2010). Value co-creation among retailers and consumers: New insights into the furniture market. *Journal of Retailing and Consumer Services*, 17(4), 241–250. doi:10.1016/j.jretconser.2010.02.001
- Ang, S. H. (2001). Personality influences on consumption: insight from the Asian economic crisis. *Journal of International Consumer Marketing*, 13(1), 5–21. doi:10.1300/J046v13n01_02
- Ang, S. H., Leong, S. M., & Kotler, P. (2000). The Asian apocalypse: Crisis marketing. *Long Range Planning*, 33(1), 97–119. doi:10.1016/S0024-6301(99)00100-4
- Anić, I. D., & Radas, S. (2006). The impact of situational factors on purchasing outcomes in the Croatian hypermarket retailer. *Ekonomski Pregled*, 57(11), 730–752.
- Anitsal, I., & Anitsal, M. M. (2011). Emergence of entrepreneurial retail forms. *Academy of Entrepreneurship Journal*, 17(2), 1–17.
- Annett, J. (1996). Olfactory memory: A case study in cognitive psychology. *The Journal of Psychology*, 130(3), 309–319. doi:10.1080/00223980.1996.9915012 PMID:8667286
- Anon. (2013a). European consumers want choices and convenience when shopping online. *ComScore*. Retrieved from <http://pressroom.ups.com/Press+Releases/Current+Press+Releases/ci.European+Consumers+Want+Choices+And+Convenience+When+Shopping+Online.print>

Compilation of References

- Anon. (2013b). "Majority" care about high street decline; but parking prevents use. *AMT*, 1. Retrieved from <http://towns.org.uk/2013/06/10/majority-care-about-high-street-decline-but-parking-prevents-use/>
- Anon. (2018). The High Street Report. *UK Government*. Retrieved from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/766844/The_High_Street_Report.pdf
- Anon. (2019a). Five shops a week close their doors across Scotland. *DailyBusiness*. Retrieved from <https://dailybusinessgroup.co.uk/2019/04/five-shops-a-week-close-their-doors-across-scotland/>
- Anon. (2019b). PwC: Store closures across Scotland fall to six-year low. BBC. Retrieved from <https://www.bbc.com/news/uk-scotland-scotland-business-47872986>
- Anselmsson, J., & Johansson, U. (2007). Corporate social responsibility and the positioning of grocery brands: An exploratory study of retailer and manufacturer brands at point of purchase. *International Journal of Retail & Distribution Management*, 35(10), 835–856. doi:10.1108/09590550710820702
- Anselmsson, J., & Johansson, U. (2009). Retailer brands and the impact on innovativeness in the grocery market. *Journal of Marketing Management*, 25(1-2), 75–95. doi:10.1362/026725709X410043
- Antébliau, B., Filser, M., & Roederer, C. (2014). Consumption experience in retail environments: a literature review. *Recherche et Applications en Marketing*, 28(3), 82–109. doi:10.1177/2051570713505471
- Apelbaum, E., Gerstner, E., & Naik, P. A. (2003). The effects of expert quality evaluations versus brand name on price premiums. *Journal of Product and Brand Management*, 12(2–3), 154–165. doi:10.1108/10610420310476915
- Aquino, R. P., Barile, S., Grasso, A., & Saviano, M. (2018). Envisioning smart and sustainable healthcare: 3D Printing technologies for personalized medication. *Futures*, 103, 35–50. doi:10.1016/j.futures.2018.03.002
- Aral. (2018). Las ventas en los centros y parques comerciales crecen un 3.5% en 2017. Retrieved from <http://www.revistaaral.com/es/noticias/2018/02/las-ventas-en-los-centros-y-parques-comerciales-crecen-un-3-5-en-2017-79317.php#.WrtUGojFJhE>
- Areni, C. S., & Kim, D. (1993). The influence of background music on shopping behavior: classical versus top-forty music in a wine store. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 20, 336–340.
- Areni, C. S., & Kim, D. (1994). The influence of in-store lighting on consumers' examination of merchandise in a wine store. *International Journal of Research in Marketing*, 11(2), 117–125. doi:10.1016/0167-8116(94)90023-X
- Arnett, D. B., German, S. D., & Hunt, S. D. (2003). The identity salience model of relationship marketing success: The case of nonprofit marketing. *Journal of Marketing*, 67(2), 89–105. doi:10.1509/jmkg.67.2.89.18614
- Arnett, D. B., Laverie, D. A., & Meiers, A. (2003). Developing parsimonious retailer equity indexes using partial least squares analysis: A method and applications. *Journal of Retailing*, 79(3), 161–170. doi:10.1016/S0022-4359(03)00036-8
- Arnold, M. J., & Reynolds, K. E. (2003). Hedonic shopping motivations. *Journal of Retailing*, 79(2), 77–95. doi:10.1016/S0022-4359(03)00007-1
- Arnold, M. J., Reynolds, K. E., Ponder, N., & Lueg, J. E. (2005). Customer delight in a retail context: investigating delightful and terrible shopping experiences. *Journal of Business Research*, 58(8), 1132–1145. doi:10.1016/j.jbusres.2004.01.006
- Arnott, G. (2016). Why people buy online vs. in store – not what you think. *PowerRetail*. Retrieved from <https://www.powerretail.com.au/news/online-vs-store-research/>
- Arnould, E. J., & Price, L. L. (1993). River magic: Extraordinary experience and the extended service encounter. *The Journal of Consumer Research*, 20(1), 24–45. doi:10.1086/209331

- Arnould, E. J., & Price, L. L. (2000). Authenticating Acts and Authoritative Performances: Questing for Self and Community. In D. G. Mick, S. Ratneshwar, & C. Huffman (Eds.), *The Why of Consumption: Contemporary Perspectives on Consumer Motives, Goals and Desires* (pp. 140–163). London: Routledge.
- Arnould, E. J., Price, L. L., & Tierney, P. (1998). Communicative staging of the wilderness service escape. *Service Industries Journal*, 18(3), 90–115. doi:10.1080/02642069800000034
- Arnould, E. J., & Thompson, C. J. (2005). Consumer Culture Theory (Cct): Twenty Years of Research. *The Journal of Consumer Research*, 31(4), 868–882. doi:10.1086/426626
- Arvanitis, S., Loukis, E., & Diamantopoulou, V. (2013). The effect of soft ICT capital on innovation performance of Greek firms. *Journal of Enterprise Information Management*, 26(6), 679–701. doi:10.1108/JEIM-07-2013-0048
- Assifero. (2010). *La filantropia istituzionale in Italia. Le fondazioni private di erogazione: Crescita e Ruolo* [Institutional Philanthropy in Italy. Private Foundations: Development & Role]. Report.
- Atinc, M. & Walton, M. (1998), Social consequences of the East Asian financial crisis, 1-59. Retrieved from <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.198.2871&rep=rep1&type=pdf>
- AUCHAN. (2018). *Annual Financial Report Auchan Holding and Annual results*. Author.
- Babakus, E., Bienstock, C. C., & Van Scotter, J. R. (2004). Linking perceived quality and customer satisfaction to store traffic and revenue growth. *Decision Sciences*, 35(4), 713–737. doi:10.1111/j.1540-5915.2004.02671.x
- Babin, B. J., Chebat, J.-C., & Michon, R. (2004). Perceived appropriateness and its effects on quality, affect and behavior. *Journal of Retailing and Consumer Services*, 11(5), 287–298. doi:10.1016/j.jretconser.2003.09.002
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Work and/or fun: Measuring hedonic and utilitarian shopping value. *The Journal of Consumer Research*, 20(4), 644–656. doi:10.1086/209376
- Babin, B. J., Hardesty, D. M., & Suter, T. A. (2003). Colour and shopping intentions: The intervening effect of price fairness and perceived affect. *Journal of Business Research*, 56(7), 541–551. doi:10.1016/S0148-2963(01)00246-6
- Bäckström, K. (2006). Understanding recreational shopping: a new approach. *International Review of Retail, Distribution and Consumer Research*, 16(2), 143–158. doi:10.1080/09593960600572167
- Bäckström, K. (2011). Shopping as leisure: an exploration of manifoldness and dynamics in consumers shopping experiences. *Journal of Retailing and Consumer Services*, 18(3), 200–209. doi:10.1016/j.jretconser.2010.09.009
- Bäckström, K., & Johansson, U. (2006). Creating and consuming experiences in retail store environments: comparing retailer and consumer perspectives. *Journal of Retailing and Consumer Services*, 13(6), 417–430. doi:10.1016/j.jretconser.2006.02.005
- Bäckström, K., & Johansson, U. (2017). An exploration of consumers' experiences in physical stores: comparing consumers' and retailers' perspectives in past and present time. *International Review of Retail, Distribution and Consumer Research*, 27(3), 241–259. doi:10.1080/09593969.2017.1314865
- Baek, E., Choo, H. J., Yoon, S. Y., Jung, H., Kim, G., Shin, H., ... Kim, H. (2015). An exploratory study on visual merchandising of an apparel store utilizing 3D technology. *Journal of Global Fashion Marketing*, 6(1), 33–46. doi:10.1080/020932685.2014.971502
- Bagdare, S. (2013). Antecedents of retail customer experience. *Journal of Marketing Communications*, 8(3), 45–51.
- Bagdare, S. (2014). Convenience and atmospherics as predictors of retail customer experience. *International Journal of Marketing & Business Communication*, 3(2), 9–16.

Compilation of References

- Bagdare, S. (2015). Emotional determinants of retail customer experience. *International Journal of Marketing & Business Communication*, 4(2), 9–16. doi:10.21863/ijmbc/2015.4.2.010
- Bagdare, S. (2016). Retail customer experience: a research agenda. *International Journal of Research in Commerce & Management*, 7(4), 55–58.
- Bagdare, S., & Jain, R. (2013). Measuring retail customer experience. *International Journal of Retail & Distribution Management*, 41(10), 790–804. doi:10.1108/IJRDM-08-2012-0084
- Baggett, P. (1984). Role of temporal overlap of visual and auditory material informing dual media associations. *Journal of Educational Psychology*, 76(3), 408–417. doi:10.1037/0022-0663.76.3.408
- Baggs, D. (2008). Restorative sustainability, lean cities & low carb materials. In *World Conference SB08*, Melbourne, Australia.
- Bagozzi, R. P. (1980). *Causal models in marketing*. New York, NY: Wiley.
- Bagozzi, R. P., Bergami, M., Marzocchi, G., & Morandin, G. (2012). Customer–organization relationships: Development and test of a theory of extended identities. *The Journal of Applied Psychology*, 97(1), 63–76. doi:10.1037/a0024533 PMID:21766998
- Bailey, N., & Areni, C. S. (2006). When a few minutes sound like a lifetime: Does atmospheric music expand or contract perceived time? *Journal of Retailing*, 82(3), 189–202. doi:10.1016/j.jretai.2006.05.003
- Baker, J. (1986). The role of environment in marketing services: the consumer perspective in the services challenge: integrating for competitive advantage. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), (pp. 79–84). Chicago, IL: American Marketing Association.
- Baker, J. (1986). The role of the environment in marketing services: the consumer perspective. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), *The Services Challenge* (pp. 79–84). Chicago, IL: American Marketing Association.
- Baker, J. (1987). The role of the environment in the marketing service: the consumer perspective. In J. A. Czepiel, C. A. Congram, & J. Shanahan (Eds.), *The services challenge: integrating for competitive advantage* (pp. 79–84). Chicago, IL: American Marketing Association.
- Baker, J., Levy, M., & Grewal, D. (1992). An experimental approach to making retail store environmental decisions. *Journal of Retailing*, 68(4), 445–460.
- Baker, J., Parasuraman, A., Grewal, D., & Voss, G. B. (2002). The influence of multiple store environment cues on perceived merchandise value and patronage intentions. *Journal of Marketing*, 66(2), 120–141. doi:10.1509/jmkg.66.2.120.18470
- Baker, M. J. (2000). Writing a literature review. *The Marketing Review*, 1(2), 219–247. doi:10.1362/1469347002529189
- Baldinger, A. L., & Ruben, J. (1996). Brand loyalty: The link between attitude and behaviour. *Journal of Advertising Research*, 36(2), 22–34.
- Ballantine, P. W., & Creery, S. (2010). The Consumption and Disposition Behaviour of Voluntary Simplifiers. *Journal of Consumer Behaviour*, 9(1), 45–56. doi:10.1002/cb.302
- Ballantyne, D. (2004). Dialogue and its role in the development of relationship specific knowledge. *Journal of Business and Industrial Marketing*, 19(2), 114–123. doi:10.1108/08858620410523990
- Balmer, J. M. T. (2008). Identity based views of the corporation: Insights from corporate identity, organisational identity, social identity, visual identity, corporate brand identity & corporate image. *European Journal of Marketing*, 42(9/10), 879–906. doi:10.1108/03090560810891055

- Baltas, G. (1997). Determinants of store brand choice: A behavioral analysis. *Journal of Product and Brand Management*, 6(5), 315–324. doi:10.1108/10610429710179480
- Baltas, G., & Argouslidis, P. C. (2007). Consumer characteristics and demand for store brands. *International Journal of Retail & Distribution Management*, 35(5), 328–341. doi:10.1108/09590550710743708
- Baltas, G., Doyle, P., & Dyson, P. (1997). A model of consumer choice for national vs store brands. *The Journal of the Operational Research Society*, 48(10), 988–995. doi:10.1057/palgrave.jors.2600454
- Bamfield, J. A. N. (2013). *Retail futures 2018: Shop numbers, online and the High Street, a guide to retailing in 2018*. The Centre for Retail Research. Nottingham, UK: Centre for Retail Research.
- Banat, A. & Wandebori, H. (2012). Store design and store atmosphere effect on customer sales per visit, *PSRC - Planetary Scientific Research Center Proceeding of the 2nd International Conference on Business, Economics, Management and Behavioural Sciences*, Oct. 13-14, Bali, Indonesia. Retrieved from <http://psrcentre.org/images/extraimages/1012545.pdf>
- Barile, S. (2009). *Management sistemico vitale*. Torino, Italy: Giappichelli.
- Barile, S., Lusch, R., Reynoso, J., Saviano, M., & Spohrer, J. (2016). Systems, networks, and ecosystems in service research. *Journal of Service Management*, 27(4), 652–674. doi:10.1108/JOSM-09-2015-0268
- Barile, S., Montella, M., & Saviano, M. (2012). A service-based systems view of cultural heritage. *Journal of Business Market Management*, 5(2), 106–136.
- Barile, S., Pels, J., Polese, F., & Saviano, M. (2012). An introduction to the viable systems approach and its contribution to marketing. *Journal of Business Market Management*, 5(2), 54–78.
- Barile, S., & Polese, F. (2010). Linking the viable system and many-to-many network approaches to service-dominant logic and service science. *International Journal of Quality and Service Sciences*, 2(1), 23–42. doi:10.1108/17566691011026586
- Barile, S., Polese, F., Saviano, M., & Carrubbo, L. (2017). Service innovation in translational medicine. In *Innovating in Practice* (pp. 417–438). Cham, Switzerland: Springer. doi:10.1007/978-3-319-43380-6_18
- Barile, S., & Saviano, M. (2011). Foundations of systems thinking: the structure-system paradigm. In *various authors, Contributions to theoretical and practical advances in management. A Viable Systems Approach (vSA)* (pp. 1–26). Avelino, Italy: International Printing.
- Barile, S., & Saviano, M. (2018). Complexity and sustainability in management: insights from a systems perspective. In *Social dynamics in a systems perspective* (pp. 39–63). Cham, Switzerland: Springer. doi:10.1007/978-3-319-61967-5_3
- Barile, S., Saviano, M., & Polese, F. (2014). Information asymmetry and co-creation in health care services. [AMJ]. *Australasian Marketing Journal*, 22(3), 205–217. doi:10.1016/j.ausmj.2014.08.008
- Barile, S., Saviano, M., Polese, F., & Di Nauta, P. (2012). Reflections on service systems boundaries: a viable systems perspective. The case of the London Borough of Sutton. *European Journal of Management*, 30(5), 451–465. doi:10.1016/j.emj.2012.05.004
- Barile, S., Saviano, M., & Simone, C. (2015). Service economy, knowledge, and the need for T-shaped innovators. *World Wide Web (Bussum)*, 18(4), 1177–1197. doi:10.1007/11280-014-0305-1
- Barnes, J. G. (2003). Establishing meaningful customer relationships: Why some companies and brands mean more to their customers. *Managing Service Quality*, 13(3), 178–186. doi:10.1108/09604520310476445

Compilation of References

- Barnes, J. G., & Wright, J. W. (2012). A framework for applying customer insight and context to the development of a shopping experience strategy. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 43–65). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_4
- Barnes, L., & Lea-Greenwood, G. (2006). Fast fashioning the supply chain: Shaping the research agenda. *Journal of Fashion Marketing and Management*, 10(3), 259–271. doi:10.1108/13612020610679259
- Barney, J. B. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99–120. doi:10.1177/014920639101700108
- Barra, C., Pressgrove, G., & Torres, E. (2018). Trust and commitment in the formation of donor loyalty. *Service Industries Journal*, 38(5-6), 360–377. doi:10.1080/02642069.2017.1405937
- Bartels, J., Reinders, M., & Van Haaster- De Winter, M. (2015). Perceived sustainability initiatives: Retail managers' intrinsic and extrinsic motives. *British Food Journal*, 117(6), 1720–1736. doi:10.1108/BFJ-11-2014-0362
- Bart, Y., Shankar, V., Sultan, F., & Urban, G. L. (2005). Are the drivers and role of online trust the same for all web sites and consumers? a large-scale exploratory empirical study. *Journal of Marketing*, 69(4), 133–152. doi:10.1509/jmkg.2005.69.4.133
- Bateman, T. S., & Organ, D. W. (1983). Job satisfaction and the good soldier: The relationship between affect and employee “citizenship”. *Academy of Management Journal*, 26(4), 587-595.
- Bates, A. D. (1989). The extended specialty store: a strategic opportunity for the 1990s. *Journal of Retailing*, 65(3), 379–389.
- Batra, R., Ahuvia, A., & Bagozzi, R. P. (2012). Brand Love. *Journal of Marketing*, 76(2), 1–16. doi:10.1509/jm.09.0339
- Batra, R., & Sinha, I. (2000). Consumer-level factors moderating the success of private label brands. *Journal of Retailing*, 76(2), 175–191. doi:10.1016/S0022-4359(00)00027-0
- Bauman, Z. (2007). *Liquid times: living in an age of uncertainty*. Cambridge, UK: Polity Press.
- Bazeley, P., & Jackson, K. (2013). *Qualitative data analysis with NVivo*. London, UK: Sage.
- Beard, N. D. (2008). The branding of ethical fashion and the consumer: a luxury niche or mass-market reality? *Fashion Theory*, 12(4), 447–467. doi:10.2752/175174108X346931
- Beata, R. (2016). Information and communication technologies as a source of marketing innovations in retail—trends. *Journal of Economics & Management*, 23, 45–53.
- Beckmann, S. C. & Roy Langer, C. (2005). *Netnography: Rich insights from online research*. Retrieved from http://frontpage.cbs.dk/insights/pdf/670005_beckmann_langer_full_version.pdf
- Beem, E. R., & Oxenfeldt, A. R. (1966). A diversity theory for market processes in food retailing. *Journal of Farm Economics*, 48(3), 69–95. doi:10.2307/1236319
- Beerli, A., Díaz Meneses, G., & Gil, S. M. (2007). Self-congruity and destination choice. *Annals of Tourism Research*, 34(3), 571–587. doi:10.1016/j.annals.2007.01.005
- Beer, S. (1972). *Brain of the firm: a development in management cybernetics*. Herder and Herder.
- Bekin, C., Carrigan, M., & Szmigin, I. (2005). Defying Marketing Sovereignty: Voluntary Simplicity at New Consumption Communities. *Qualitative Market Research*, 8(4), 413–429. doi:10.1108/13522750510619779

- Belk, R. W. (1988). Possessions and the extended self. *The Journal of Consumer Research*, 15(2), 139–168. doi:10.1086/209154
- Belk, R. W., Guliz, G., & Soren, A. (2003). The fire of desire: a multi sited inquiry into consumer passion. *The Journal of Consumer Research*, 30(3), 326–352. doi:10.1086/378613
- Bellizzi, J. A., & Hite, R. E. (1992). Environmental color, consumer feelings, and purchase likelihood. *Psychology and Marketing*, 9(5), 347–363. doi:10.1002/mar.4220090502
- Bellizzi, J. A., Krueckeberg, H. F., Hamilton, J. R., & Martin, W. A. (1981). Consumer perceptions of national, private, and generic brands. *Journal of Retailing*, 57(4), 56–70.
- Bellman, S., Johnson, E. J., Lohse, G. L., & Mandel, N. (2006). Designing marketplaces of the artificial with consumers in mind: Four approaches to understanding consumer behavior in electronic environments. *Journal of Interactive Marketing*, 20(1), 21–33. doi:10.1002/dir.20053
- Bennison, D., Warnaby, G., & Pal, J. (2010). Local shopping in the UK: Towards a synthesis of business and place. *International Journal of Retail & Distribution Management*, 38(11/12), 846–864. doi:10.1108/09590551011085948
- Bergen, M., Levy, D., Ray, S., Rubin, P. H., & Zeliger, B. (2008). When little things mean a lot: on the inefficiency of item pricing laws. *The Journal of Law & Economics*, 51(2), 209–250. doi:10.1086/589660
- Berman, B., & Evans, J. R. (2010). *Retail management: a strategic approach* (11th ed.). Upper Saddle River, NJ: Pearson Education, Prentice Hall.
- Berry, L. L. & Barnes, J. A. (1987). Retail positioning strategies in the USA. In G. Johnson (Ed.), *Business strategy and retailing* (107-115). Chichester, UK: John Wiley & Sons.
- Berry, M., & Linoff, G. (1999). *Mastering data mining: the art and science of customer relationship management*. New York, NY: John Wiley & Sons.
- Bertoldi, G., Giachino, C., & Marengo, S. (2012). Bringing gourmet coffee to India: Lessons of an Italian firm in an emerging market. *Business Strategy Review*, 33, 32–43. doi:10.1108/02756661211282777
- Bettman, J. R. (1974). Relationship of information-processing attitude structures to private brand purchasing behavior. *The Journal of Applied Psychology*, 59(1), 79–83. doi:10.1037/h0035817
- Beverfood. (2019). *La storia del caffè, un'innovazione continua*. Retrieved from https://www.beverfood.com/la-storia-del-caffe-uninnovazione-continua_zwd_148005/
- Beverland, M. B. (2006). The real thing: branding authenticity in the luxury wine trade. *Journal of Business Research*, 59(2), 251–258. doi:jbusres.2005.04.007 doi:10.1016/j.jbusres.2006.07.001
- Beverland, M. B., & Farrelly, F. J. (2010). The Quest for Authenticity in Consumption: Consumers' Purposive Choice of Authentic Cues to Shape Experienced Outcomes. *The Journal of Consumer Research*, 36(5), 838–856. doi:10.1086/615047
- Beverland, M., Lim, E. A. C., Morrison, M., & Tezivoski, M. (2006). In-store music and consumer-brand relationships: Relational transformation following experiences of (mis)fit. *Journal of Business Research*, 59(9), 982–989. doi:10.1016/j.jbusres.2006.07.001
- Bèzes, C. (2019). What kind of in-store smart retailing for an omnichannel real-life experience? *Recherche et Applications en Marketing*, 34(1), 91–112. doi:10.1177/2051570718808132
- Bhattacharya, C. B., & Sen, S. (2003). Consumer-company identification: A framework for understanding consumers' relationships with companies. *Journal of Marketing*, 67(2), 76–88. doi:10.1509/jmkg.67.2.76.18609

Compilation of References

- BICE – Boletín Información Comercial Española. (2011). *La distribución comercial en España en 2010. Boletín Económico de ICE*, 3015. Retrieved from <http://www.revistasice.com/es-ES/BICE/Paginas/ultimo-boletin.aspx?numero=3015>
- Biers, K., & Richards, L. (2011). Color as a factor of product choice in e-commerce. *Review of Business Information Systems*, 9(4), 33–40. doi:10.19030/rbis.v9i4.4442
- Bignell, P. & Lefty, M. (2013). High Street blues: the slow death of retail Britain. *The Independent*. Retrieved from <http://www.independent.co.uk/news/business/analysis-and-features/high-street-blues-the-slow-death-of-retail-britain-8458766.html>
- Bilgihan, A. (2016). Gen Y customer loyalty in online shopping: An integrated model of trust, user experience and branding. *Computers in Human Behavior*, 61, 103–113. doi:10.1016/j.chb.2016.03.014
- Bilgihan, A., Kandampully, J., & Zhang, T. (2016). Towards a unified customer experience in online shopping environments: antecedents and outcomes. *International Journal of Quality and Service Sciences*, 8(1), 102–119. doi:10.1108/IJQSS-07-2015-0054
- Billings, W. L. (1990). Effects of store atmosphere on shopping behaviour. *Honors Projects*. Paper 16. Retrieved from http://digitalcommons.iwu.edu/busadmin_honproj/16
- Binkley, J., Eales, M., Jekanowski, M., & Dooley, R. (2001). Competitive behavior of national brands: The case of orange juice. *Agribusiness*, 17(1), 139–160. doi:10.1002/1520-6297(200124)17:1<139::AID-AGR1007>3.0.CO;2-4
- Binninger, A. S. (2008). Exploring the relationships between retail brands and consumer store loyalty. *International Journal of Retail & Distribution Management*, 36(2), 94–110. doi:10.1108/09590550810853057
- Bishop, D. (2013). Customer service lessons from the High Street. *The Marketing Donut*, para.15. Retrieved from <http://www.marketingdonut.co.uk/marketing/customer-care/understanding-your-customers/customer-service-lessons-from-the-high-street>
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56(2), 57–71. doi:10.1177/002224299205600205
- Blasco, L., Hernandez, B., & Jimenez, J. (2011). Co-creation processes and engagement: an empirical approach. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service dominant logic, Network & Systems Theory and Service Science*. Napoli, Italy: Giannini.
- Blázquez, M. (2014). Fashion shopping in multichannel retail: the role of technology in enhancing the customer experience. *International Journal of Electronic Commerce*, 18(4), 97–116. doi:10.2753/JEC1086-4415180404
- Blocker, C. P., & Barrios, A. (2015). The transformative value of a service experience. *Journal of Service Research*, 18(3), 265–283. doi:10.1177/1094670515583064
- Bloemer, J. M., & Kasper, H. D. (1995). The complex relationship between consumer satisfaction and brand loyalty. *Journal of Economic Psychology*, 16(2), 311–329. doi:10.1016/0167-4870(95)00007-B
- Bloemer, J., & De Ruyter, K. (1998). On the relationship between store image, store satisfaction and store loyalty. *European Journal of Marketing*, 32(5/6), 499–513. doi:10.1108/03090569810216118
- Boaventura, P., Abdallà, C., Araujò, C., & Arakelian, J. (2018). Value co-creation in the specialty coffee value chain: The third wave coffee movement. [Journal of Business Management]. *RAE-Revista de Administração de Empresas*, 58(3), 254–266. doi:10.15900034-759020180306

- Bohl, P. (2012). The effects of store atmosphere on shopping behaviour – A literature review, *Corvinus Marketing Studies*, 1, Retrieved from http://unipub.lib.uni-corvinus.hu/669/1/CMT_2012-1.pdf
- Bojei, J. & Shahabudin, S. F. S. O. (2005). An analysis of the online store atmosphere: Influence on consumer. In *International Conference on E-Commerce (ICoEC) 2005*, pp. 10-11. The Summit Hotel, Subang USJ, Selangor, Malaysia. Retrieved from <http://icoec.my/index.php/proceedings?view=author&id=83:sharifah-fauziah-syed-omar-shahabudin>
- Bollen, K. A. (1989). *Structural equations with latent variables*. New York, NY: Wiley Interscience. doi:10.1002/9781118619179
- Bolton, L. E., & Reed, A. I. I. (2004). Sticky priors and identification based judgments. *JMR, Journal of Marketing Research*, 41, 397–410. doi:10.1509/jmkr.41.4.397.47019
- Bolton, R. N., Lemon, K. N., & Verhoef, P. C. (2004). The theoretical underpinnings of customer asset management: A framework and propositions for future research. *Journal of the Academy of Marketing Science*, 32(3), 271–292. doi:10.1177/0092070304263341
- Bone, P. F., & Ellen, P. S. (1999). Scents in the marketplace: Explaining a fraction of olfaction. *Journal of Retailing*, 75(2), 243–262. doi:10.1016/S0022-4359(99)00007-X
- Bonera, M. (2011). The propensity of e-commerce usage: The influencing variables. *Management Research Review*, 34(7), 821–837. doi:10.1108/01409171111146706
- Bonnin, G., & Goudey, A. (2012). The kinetic quality of store design: an exploration of its influence on shopping experience. *Journal of Retailing and Consumer Services*, 19(6), 637–643. doi:10.1016/j.jretconser.2012.08.006
- Borges, A., Chebat, J. C., & Babin, B. J. (2010). Does a companion always enhance the shopping experience? *Journal of Retailing and Consumer Services*, 17(4), 294–299. doi:10.1016/j.jretconser.2010.02.007
- Borusiak, B. (2014). The mechanisms for the emergence and evolution of retail formats. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch007
- Boulding, K. E. (1956). General systems theory—The skeleton of science. *Management Science*, 2(3), 197–208. doi:10.1287/mnsc.2.3.197
- Brace-Govan, J., & Binay, I. (2010). Consumption of disposed goods for moral identities: A nexus of organization, place, things and consumers. *Journal of Consumer Behaviour*, 9, 69–82.
- Brakus, J. J., Schmitt, B. H., & Zarantonello, L. (2009). Brand experience: What is it? How is it measured? Does it affect loyalty? *Journal of Marketing*, 73(3), 52–68. doi:10.1509/jmkg.73.3.52
- Brammer, S. J., & Pavelin, S. (2006). Corporate Reputation & Social Performance: The Importance of Fit. *Journal of Management Studies*, 43(3), 435–455. doi:10.1111/j.1467-6486.2006.00597.x
- Brammer, S., & Millington, A. I. (2005). Corporate Reputation & philanthropy: An empirical analysis. *Journal of Business Ethics*, 61(1), 29–44. doi:10.1007/10551-005-7443-4
- Brando, C. H. J. (2013). Trends in new coffee consuming markets – Out of home consumption. *P&A International Marketing*. Retrieved from http://www.ico.org/event_pdfs/ seminar-consumption/peamarketing-e.pdf
- Bravo, M., Vasquez-Parraga, A. Z., & Zamora, J. (2005). Loyalty in the air: Real and fictitious factors in the formation of loyalty of airline passengers. *Studies and Perspectives in Tourism*, 14(2), 101–126.

Compilation of References

- Breebaart, J., Yang, B., Buhan-Dulman, I., & Busch, C. (2009). Biometric template protection. *Datenschutz und Datensicherheit-DuD*, 33(5), 299–304. doi:10.1007/11623-009-0089-0
- Brehm, S. S., Kassin, S. M., & Fein, S. (1999). *Social psychology*. New York, NY: Houghton Mifflin.
- Breitenbach, C., & Doren, D. (1998). Value-added marketing in the digital domain: Enhancing the utility of the Internet. *Journal of Consumer Marketing*, 5(6), 558–575. doi:10.1108/07363769810241436
- Brengman, M., & Geuens, M. (2004). The four dimensional impact of color on shopper's emotions. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 31(1), 122–128.
- Briggs, F. (2013). Local shops and town centres are top choice for European shoppers, CBRE finds. Retailtimes, para.1. Retrieved from <http://retailtimes.co.uk/local-shops-and-town-centres-are-top-choice-for-european-shoppers-cbre-finds/#>
- Broadway, M., Legg, R., & Broadway, J. (2017). Coffeehouses and the art of social engagement: an analysis of Portland coffeehouses. *Geographical Review*, 108(3), 433–456. doi:10.1111/gere.12253
- Brocato, E. D., Baker, J., & Voorhees, C. M. (2015). Creating consumer attachment to retail service firms through sense of place. *Journal of the Academy of Marketing Science*, 43(2), 200–220. doi:10.1007/11747-014-0381-x
- Brodie, R. J., Fehrer, J. A., Jaakkola, E., & Conduit, J. (2019). Actor engagement in networks: Defining the conceptual domain. *Journal of Service Research*.
- Brodie, R. J., Hollebeek, L. D., Jurić, B., & Ilić, A. (2011). Customer engagement: Conceptual domain, fundamental propositions, and implications for research. *Journal of Service Research*, 14(3), 252–271. doi:10.1177/1094670511411703
- Broeckelmann, P. (2010). Exploring consumers' reactions towards innovative mobile services. *Qualitative Market Research*, 13(4), 414–429. doi:10.1108/13522751011078827
- Broekemier, G., Marquardt, R., & Gentry, J. W. (2008). An exploration of happy/sad and like/disliked music effects on shopping intentions in a women's clothing store service setting. *Journal of Services Marketing*, 22(1), 59–67. doi:10.1108/08876040810851969
- Brown, B. J., Hanson, M. E., Liverman, D. M., & Merideth, R. W. Jr. (1987). Global sustainability: Toward definition. *Environmental Management*, 11(6), 713–719. doi:10.1007/BF01867238
- Browne, M. W., & Cudeck, R. (1993). Alternative ways of assessing model fit. In K. A. Bollen & J. S. Long (Eds.), *Testing structural equation models*. Newbury Park, CA: Sage.
- Brown, S. (1987). Institutional change in retailing: a review and synthesis. *European Journal of Marketing*, 21(6), 5–36. doi:10.1108/EUM000000004701
- Brown, S. (1990). The wheel of retailing: past and future. *Journal of Retailing*, 66(2), 143–149.
- Brown, S. (1991). Variations on a marketing enigma: the wheel of retailing theory. *Journal of Marketing Management*, 7(2), 131–155. doi:10.1080/0267257X.1991.9964146
- Brundtland, G. H. (1987). Our common future: Report of the world commission on environment and development. *Medicine, Conflict, and Survival*, 4(1), 300. doi:10.1080/07488008808408783
- Bruner, G. C. II. (1990). Music, mood and marketing. *Journal of Marketing*, 54(4), 94–104. doi:10.1177/002224299005400408
- Brunetti, F., & Bonfanti, A. (2015). Crowdcrafting as a new manufacturing model: The experience of Berto Salotti. *Sinergie Italian Journal of Management*, 33, 151–168.
- Bryman, A. (2004). *Social Research Methods*. Oxford University Press.

- Bucklin, L. P. (1972). *Competition and evolution in the distributive trades*. Englewood Cliffs, NJ: Prentice Hall.
- Buechler, S. M. (2010). *Understanding Social Movements: Theories from the Classical Era to the Present*. Boulder, CO: Paradigm Publishers.
- Bulearca, M., & Tamarjan, D. (2010). Augmented reality: A sustainable marketing tool? *Global Business Management Research: International Journal*, 2, 237–252.
- Burger, P. C., & Schott, B. (1972). Can private brand buyers be identified? *JMR, Journal of Marketing Research*, 9(May), 219–222. doi:10.1177/002224377200900217
- Burke, R. R. (2002). Technology and the customer interface: what consumers want in the physical and virtual store. *Journal of the Academy of Marketing Science*, 30(4), 411–432. doi:10.1177/009207002236914
- Burt, S. (2000). The strategic role of retail brands in British grocery retailing. *European Journal of Marketing*, 34(8), 875–890. doi:10.1108/03090560010331351
- Burt, S. L., & Davies, K. (2010). From the retail brand to the retail-er as a brand: Themes and issues in retail branding research. *International Journal of Retail & Distribution Management*, 38(11/12), 865–878. doi:10.1108/09590551011085957
- Burt, S., & Davis, S. (1999). Follow my leader? Look-alike retailer brands in non-manufacturer-dominated product markets in the UK. *International Review of Retail, Distribution and Consumer Research*, 9(2), 163–185. doi:10.1080/095939699342624
- Business Monitor International (BMI). (2013). *United States Food & Drink Report 2013*. BMI.
- Bustamante, J. C., & Rubio, N. (2017). Measuring customer experience in physical retail environments. *Journal of Service Management*, 28(5), 884–913. doi:10.1108/JOSM-06-2016-0142
- Butcher, K., Sparks, B., & O’Callaghan, F. (2001). Evaluative and relational influences on service loyalty. *International Journal of Service Industry Management*, 12(4), 310–327.
- Butler, M. (2013). Showrooming: are retailers ready to embrace it? *The Guardian*. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2013/may/09/showrooming-retail-solution-e-commerce>
- Butler, S. (2019). Thousands of UK shops left empty as high street crisis deepens. *The Guardian*. Retrieved from <https://theguardian.com/business/2019/may/02/thousands-of-uk-shops-left-empty-as-high-street-crisis-deepens>
- Cachero-Martínez, S., & Vázquez-Casielles, R. (2017). Living positive experiences in store: how it influences shopping experience value and satisfaction? *Journal of Business Economics & Management*, 18(3), 537–553. doi:10.3846/16111699.2017.1292311
- Calder W., & Clugston R. M. (2003). International efforts to promote higher education for sustainable development. *Planning for Higher Education Journal*, 1(3).
- Calhoun, B. (2008). Shaping the public sphere: English coffeehouses and French salons and the age of the enlightenment. *Colgate Academic Review*, 3, 74–99.
- Calvo-Porrá, C., & Levy-Mangin, J. P. (2016). Food private label brands: The role of consumer trust on loyalty and purchase intention. *British Food Journal*, 118(3), 679–696. doi:10.1108/BFJ-08-2015-0299
- Camacho-Cervantes, M., Schondube, J. E., Castillo, A., & MacGregor-Fors, I. (2014). How do people perceive urban trees? Assessing likes and dislikes in relation to the trees of a city. *Urban Ecosystems*, 17(3), 761–773. doi:10.1007/11252-014-0343-6

Compilation of References

- Camerer, C. F., & Lowenstein, G. (2003). Behavioral economics: Past, present, future. In C. F. Camerer, G. Lowenstein, & M. Rabin (Eds.), *Advances in behavioral economics* (pp. 3–51). Princeton, NJ: Princeton University Press.
- Candelo, E., Casalegno, C., & Civera, C. (2014). Meanings and implications of corporate social responsibility and branding in grocer retailers: A comparative study over Italy and the UK. In *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 351-369). IGI Global. doi:10.4018/978-1-4666-6074-8.ch019
- Candelo, E., Casalegno, C., & Civera, C. (2015). Towards Corporate Shared Value in Retail Sector: A Comparative Study over Grocery & Banking Between Italy & the UK. *The International Journal of Economic Behavior-IJEB*, 5(1), 105–120.
- Candelo, E., Casalegno, C., & Civera, C. (2016). Enhancing Retailer-Consumers Relationship through Everyday Sustainability: McDonald's in Italy. In *Perspectives on Consumer Engagement and Buying Behavior* (pp. 312–324). IGI Global.
- Candelo, E., Casalegno, C., Civera, C., & Mosca, F. (2018). Turning Farmers into Business Partners through Value Co-Creation Projects. Insights from the Coffee Supply Chain. *Sustainability*, 10(4), 1018. doi:10.3390/s10041018
- Cardinali, M. G. (2009). The strategic options of modern retailers in the development of new formats. In *XV European Association of Education and Research in Commercial Distribution Conference Proceedings* (pp. 1-28).
- Cardinali, M. G. (2005). *Nuove traiettorie dell'innovazione nel retailing*. Milano, Italy: Egea.
- Carducci, V. (2006). Culture Jamming: A Sociological Perspective. *Journal of Consumer Culture*, 6(1), 116–139. doi:10.1177/1469540506062722
- Carlson, J., Rahman, M., Voola, R., & De Vries, N. (2018). Customer engagement behaviours in social media: Capturing innovation opportunities. *Journal of Services Marketing*, 32(1), 83–94. doi:10.1108/JSM-02-2017-0059
- Caro, F., & Sadr, R. (2019). The internet of things (IoT) in retail: Bridging supply and demand. *Business Horizons*, 62(1), 47–54. doi:10.1016/j.bushor.2018.08.002
- Carpenter, J. M. (2008). Consumer shopping value, satisfaction and loyalty in discount retailing. *Journal of Retailing and Consumer Services*, 15(5), 358–363. doi:10.1016/j.jretconser.2007.08.003
- CARREFOUR. (2018). *Activity Report and Half-Year Financial Report June 30, 2018*. Author.
- Carrol, A. B. (2008). A History of Corporate Social Responsibility, Concepts & Practices. In A. Crane, D. Matten, A. McWilliams, J. Moon, & D. Siegel (Eds.), *The Oxford handbook of Corporate Social Responsibility*. Academic Press.
- Carrol, A. B. (1991). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. *Business Horizons*, 34(4), 39–48. doi:10.1016/0007-6813(91)90005-G
- Carroll, B. A., & Ahuvia, A. C. (2006). Some antecedents and outcomes of brand love. *Marketing Letters*, 17(2), 79–89. doi:10.1007/11002-006-4219-2
- Carù, A., & Cova, B. (2003). Revisiting consumption experience: A more humble but complete view of the concept. *Marketing Theory*, 3(2), 267–286. doi:10.1177/14705931030032004
- Castagna, A., Casagrande, M., Zeni, A., Girelli, E., Rada, E. C., Ragazzi, M., & Apostol, T. (2013). 3r's from citizens' point of view and their Proposal from a case-study. *U.P.B. Sci. Bull., Series D*, 75(4).
- Castaldo, S. & Botti, S. (1999). La Dimensione Emozionale dello Shopping. Una Ricerca Esplorativa sul Ruolo del Punto di Vendita. *Economia & management*, 1, 17-37.

- Castaldo, S. & Grosso, M. (2014). Retailer-customers relationships in the online setting: an empirical investigation to overcome privacy concerns and improve information sharing. In M. Fabio & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 204–225). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch022
- Castaldo, S. (2007). *Trust in Marketing Relationships*. Cheltenham, UK: Edward Elgar. doi:10.4337/9781847208576
- Castaldo, S. (Ed.). (2001). *Retailing & innovazione*. Milano, Italy: Egea.
- Castaldo, S., Grosso, M., Mallarini, E., & Rindone, M. (2016). The missing path to gain customers loyalty in pharmacy retail: The role of the store in developing satisfaction and trust. *Research in Social & Administrative Pharmacy*, 12(5), 699–712. doi:10.1016/j.sapharm.2015.10.001 PMID:27555108
- Castaldo, S., & Mauri, C. (2008). *Store management*. Milano, Italy: Franco Angeli.
- Castañeda, A. J., & Montoro, F. J. (2007). The effect of internet general privacy concern on customer behavior. *Electronic Commerce Research*, 7(2), 117–141. doi:10.1007/10660-007-9000-y
- Castro, E. & Navarro, A. (2003). Disposición del punto de venta. *Distribución y Consumo*, March-April, 5-22.
- Castro, D. S. P., & Avila, A. D. S. (2013). O ensino da sustentabilidade e a formação etica do administrador: Um estudo bibliometrico sobre o estado da questao [Teaching Sustainability and Ethics Training Administrator: a Bibliometric Study on the State of the Question]. *Revista de Educacao do Cogeime*, 22(43), 37–51. doi:10.15599/0104-4834/cogeime.v22n43p37-51
- Cervellon, M. C., Wigley, S. M., Carey, L., & Harms, T. (2012). Something old, something used. [Guildford, UK: Surrey University. doi:10.1108/09590551211274946]. *International Journal of Retail & Distribution Management*, 40(12), 956–974.
- Cespedes, F. V., & Smith, H. J. (1993). Database marketing: new rules for policy and practice. *Sloan Management Review*, 34(4), 8–12.
- CGAP. (2011). How generous is the UK? Charitable giving in the context of household spending. CGAP Briefing Note 7.
- Chahal, M. (2013). Open all hours: the future of the High Street. *Marketing Week*, para.19. Retrieved from <http://www.marketingweek.co.uk/trends/open-all-hours-the-future-of-the-high-street/4005606.article>
- Chai, L. G. (2009). A review of marketing mix: 4Ps or more? *International Journal of Marketing Studies*, 1(1), 1–14.
- Chandler, J. D., & Vargo, S. L. (2011). Contextualization and value-in-context: How context frames exchange. *Marketing Theory*, 11(1), 35–49. doi:10.1177/14705931110393713
- Chan, S. J., & Tan, C. L. (2016). A model linking store attributes, service quality and customer experience: a study among community pharmacies. *International Journal of Economics & Management*, 10(2).
- Charity Retail Association. Retrieved from <https://www.charityretail.org.uk/charity-shops>
- Chattaraman, V. (2012). Multicultural consumers and the retail service experience. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing*. New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_10
- Chebat, J. C., Chebat, B. G., & Vaillant, D. (2001). Environmental background music and instore selling. *Journal of Business Research*, 54(2), 115–123. doi:10.1016/S0148-2963(99)00089-2
- Chebat, J. C., & Michon, R. (2003). Impact of ambient odors on mall shoppers' emotions, cognition, and spending, a test of competitive causal theories. *Journal of Business Research*, 56(7), 529–539. doi:10.1016/S0148-2963(01)00247-8

Compilation of References

- Chebat, J.-C., & Morrin, M. (2007). Colors and cultures: Exploring the effects of mall décor on consumer perceptions. *Journal of Business Research*, 60(3), 189–196. doi:10.1016/j.jbusres.2006.11.003
- Chebeň, J. & Hudáčková, L. C. (2010). Influence of the global economic crisis on consumer behavior in Slovakia. *Working Paper*, 7-17, Retrieved from http://vz.fmv.vse.cz/wp-content/uploads/9_2010.pdf
- Chen, H.-S., & Hsieh, T. (2011). The effect of atmosphere on customer perceptions and customer behaviour responses in chain store supermarkets. *African Journal of Business Management*, 5(24), 10054–10066. doi:10.5897/AJBM10.608
- Chen, P., & Hu, H. (2010). How determinant attributes of service quality influence customer-perceived value: An empirical investigation of the Australian coffee outlet industry. *International Journal of Contemporary Hospitality Management*, 22(4), 535–551. doi:10.1108/09596111011042730
- Chen, W. Y., & Jim, C. Y. (2008). Assessment and valuation of the ecosystem services provided by urban forests. In M. M. Carreiro, Y. C. Song, & J. Wu (Eds.), *Ecology, planning, and management of urban forests* (pp. 53–83). New York, NY: Springer. doi:10.1007/978-0-387-71425-7_5
- Chernev, A., Hamilton, R., & Gal, D. (2011). Competing for consumer identity: Limits to self-expression and the perils of lifestyle branding. *Journal of Marketing*, 75(3), 66–82. doi:10.1509/jmkg.75.3.66
- Cherrier, H. (2007). Ethical Consumption Practices: Co-Production of Self-Expression and Social Recognition. *Journal of Consumer Behaviour*, 6(5), 321–335. doi:10.1002/cb.224
- Cherrier, H. (2009a). Anti-Consumption Discourses and Consumer-Resistant Identities. *Journal of Business Research*, 62(2), 181–190. doi:10.1016/j.jbusres.2008.01.025
- Childers, T. L., Carr, C. L., Peck, J., & Carson, S. (2001). Hedonic and utilitarian motivations for online retail shopping behavior. *Journal of Retailing*, 77(4), 511–535. doi:10.1016/S0022-4359(01)00056-2
- Chiou, J. S., & Droge, C. (2006). Service quality, trust, specific asset investment, and expertise: Direct and indirect effects in a satisfaction-loyalty framework. *Journal of the Academy of Marketing Science*, 34(4), 613–627. doi:10.1177/0092070306286934
- Choi, E., Ko, E., & Kim, A. J. (2016). Explaining and predicting purchase intentions following luxury-fashion brand value co-creation encounters. *Journal of Business Research*, 69(2), 5827–5832. doi:10.1016/j.jbusres.2016.04.180
- Choi, H., & Kandampully, J. (2019). The effect of atmosphere on customer engagement in upscale hotels: An application of SOR paradigm. *International Journal of Hospitality Management*, 77, 40–50. doi:10.1016/j.ijhm.2018.06.012
- Choi, S. H., Yang, Y. X., Yang, B., & Cheung, H. H. (2015). Item-Level RFID for Enhancement of Customer Shopping Experience in Apparel Retail. *Computers in Industry*, 71, 10–23. doi:10.1016/j.compind.2015.03.003
- Choi, S. T., & Coughlan, A. T. (2006). Private label positioning: Quality versus feature differentiation from the national brand. *Journal of Retailing*, 82(2), 79–93. doi:10.1016/j.jretai.2006.02.005
- Cho, J. Y., & Lee, E. J. (2017). Impact of interior colors in retail store atmosphere on consumers' perceived store luxury, emotions, and preference. *Clothing & Textiles Research Journal*, 35(1), 33–48. doi:10.1177/0887302X16675052
- Cho, S., & Workman, J. (2011). Gender, fashion innovativeness and opinion leadership, and need for touch. Effects on multi-channel choice and touch/non-touch preference in clothing shopping. *Journal of Fashion Marketing and Management*, 15(3), 363–382. doi:10.1108/13612021111151941
- Cho, S., & Workman, J. E. (2015). Effects of need for touch, centrality of visual product aesthetics and gender on channel preference for apparel shopping. *Journal of Global Fashion Marketing*, 6(2), 120–135. doi:10.1080/20932685.2014.999012

- Chu, H. & Liao, S. (2007). Exploring the motivations of consumer resale behavior in C2C E-commerce. *International Journal of Business and Management*, 2(5), 178–185.
- Chu, Y., Vasquez-Parraga, A. Z., & Ma, J. (2018). Antecedents of store loyalty among Chinese customers. *International Journal of Business*, 23(2), 151–165.
- Clarke, I. I. (2001). Emerging value propositions for m-commerce. *The Journal of Business Strategy*, 18(2), 133–149.
- Clark, G., Kosoris, J., Hong, L. N., & Crul, M. (2009). Design for Sustainability: Current Trends in Sustainable Product Design and Development. *Sustainability*, 1(3), 409–424. doi:10.3390u1030409
- Clark, T. (2009). *Starbucks: Il buono e il cattivo del caffè*. Milano, Italy: Egea.
- Clemons, E. K., & Wilson, J. S. (2015). Family preferences concerning online privacy, data mining, and targeted ads: regulatory implications. *Journal of Management Information Systems*, 32(2), 40–70. doi:10.1080/07421222.2015.1063277
- Closs, D. J., & Xu, K. (2000). Logistics information technology practice in manufacturing and merchandising firms – An international benchmarking study versus world class logistics firms. *International Journal of Physical Distribution & Logistics Management*, 30(10), 869–886. doi:10.1108/09600030010351264
- Coe, B. D. (1971). Private versus national preference among lower and middle-income consumers. *Journal of Retailing*, 4(Fall), 61–72.
- Coelho, R., Matos, P. V., & Caiado, J. (2016). The impact of private labels on consumer store loyalty: An integrative perspective. *Journal of Retailing and Consumer Services*, 28, 179–188. doi:10.1016/j.jretconser.2015.10.003
- Collier, J. E., & Kimes, S. E. (2013). Only if it is convenient: Understanding how convenience influences self-service technology evaluation. *Journal of Service Research*, 16(1), 39–51. doi:10.1177/1094670512458454
- Collins. (2014). *Collins English Dictionary* (12th ed.). HarperCollins Publishers. Retrieved February 27th, 2017 from <http://www.thefreedictionary.com/sustainability>
- Collins-Dodd, C., & Lindley, T. (2003). Store brands and retail differentiation: The influence of store image and store brand attitude on store brand own perceptions. *Journal of Retailing and Consumer Services*, 10(4), 345–352. doi:10.1016/S0969-6989(02)00054-1
- CONAD. (2018). *Annual report 2018*. Author.
- Constantin, J. A. & Lusch, R. F. (1994). *Understanding resource management: How to deploy your people, products, and processes for maximum productivity*. Paper presented at The Planning Forum, Oxford, OH.
- Consumer spending and U.S. employment from the 2007–2009 recession through 2022. Retrieved from <https://www.bls.gov/opub/mlr/2014/article/consumer-spending-and-us-employment-from-the-recession-through-2022.htm>
- COOP. (2018). *Annual report 2018*. Author.
- Cooper, K. (2012). High Street plunges into triples dip. *The Sunday Times*. Retrieved from http://www.thesundaytimes.co.uk/sto/business/Retail_and_leisure/article1184780.ee
- Cornelius, B., Natter, M., & Faure, C. (2010). How store front displays influence retail store image. *Journal of Retailing and Consumer Services*, 17(2), 143–151. doi:10.1016/j.jretconser.2009.11.004
- Corstjens, M., & Lal, R. (2000). Building store loyalty through store brands. *JMR, Journal of Marketing Research*, 37(3), 281–291. doi:10.1509/jmkr.37.3.281.18781

Compilation of References

- Corvi, E., & Bonera, M. (2014). The Relevance of Visual Merchandising for Online Retailers. *International Journal of Applied Behavioral Economics*, 3(4), 1–16. doi:10.4018/ijabe.2014100101
- Costanza, R., d'Arge, R., De Groot, R., Farber, S., Grasso, M., Hannon, B., ... Paruelo, J. (1997). The value of the world's ecosystem services and natural capital. *Nature*, 387(6630), 253–260. doi:10.1038/387253a0
- COSTCO. (2018). *Wholesale Annual Report 2018*. Author.
- Cotterill, S. (2013). 43% of Europeans shop online. *InternetRetailer*. Retrieved from <http://www.internetretailer.com/2012/06/07/43-europeans-shop-online>
- Countryman, C. C., & Jang, S. (2006). The effects of atmospheric elements on customer impression: The case of hotel lobbies. *International Journal of Contemporary Hospitality Management*, 18(7), 534–545. doi:10.1108/09596110610702968
- Courty, P., & Pagliero, M. (2008). Responsive pricing. *Economic Theory*, 34(2), 235–259. doi:10.100700199-006-0173-8
- Cova, B., & Dallı, D. (2009). Working Consumers: The Next Step in Marketing Theory? *Marketing Theory*, 9(3), 315–339. doi:10.1177/1470593109338144
- Cova, B., Kozinets, R. V., & Shankar, A. (Eds.). (2007). *Consumer Tribes*. Burlington: Butterworth-Heinemann.
- Cox, R. & Brittain, P. (2004). *Retailing: An introduction*, Financial Times, Prentice Hall, Harlow.
- Crane, A., Matten, D., & Spence, L. J. (2013). Corporate Social Responsibility: in a global context. In A. Crane, D. Matten, & L. J. Spence (Eds.), *Corporate social responsibility: readings & cases in a global context*. Abingdon, UK: Routledge.
- Creswell, J. W. (1998). *Qualitative Inquiry and Research Design: Choosing among five traditions*. SAGE Publications, Inc.
- Creswell, J. W. (2003). *Research Design: Qualitative, Quantitative, and Mixed Method Approaches*. Thousand Oaks, CA: Sage Publications.
- Creswell, J. W. (2009). Research design: Qualitative, quantitative, and mixed methods approaches. *Sage (Atlanta, Ga.)*.
- Creswell, J. W., & Plano Clark, V. L. (2007). *Designing and Conducting Mixed Methods Research*. Thousand Oaks, CA: Sage Publications.
- Cronin, J. J. Jr, & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing*, 56(3), 55–68. doi:10.1177/002224299205600304
- Cuesta-Valiño, P., Rodríguez, P. G., & Núñez-Barriopedro, E. (2019). The impact of corporate social responsibility on customer loyalty in hypermarkets: A new socially responsible strategy. *Corporate Social Responsibility and Environmental Management*, 26(4), 761–769. doi:10.1002/csr.1718
- Cunningham, I., Hardy A.P., & Imperia, G. (1982). Generic brands versus national brands and store brands. *Journal of Advertising Research*, 22(October/ November), 25-32.
- Custers, P. J. M., De Kort, Y. A. W., Ijsselsteijn, W. A., & De Kruijff, M. E. (2010). Lighting in retail environments: Atmosphere perception in the real world. *Lighting Research & Technology*, 42(3), 331–343. doi:10.1177/1477153510377836
- Dabholkar, P. A., Bobbitt, L. M., & Lee, E.-J. (2003). Understanding consumer motivation and behaviour related to self-scanning in retailing. *International Journal of Service Industry Management*, 14(1), 59–95. doi:10.1108/09564230310465994
- Dacko, S. G. (2016). Enabling smart retail settings via mobile augmented reality shopping apps. *Technological Forecasting and Social Change*, 124, 243–256. doi:10.1016/j.techfore.2016.09.032

- Dagevos, H., & van Ophem, J. (2013). Food consumption value: Developing a consumer-centred concept of value in the field of food. *British Food Journal*, 115(10), 1473–1486. doi:10.1108/BFJ-06-2011-0166
- Dahlberg, T., Guo, J., & Ondrus, J. (2015). A critical review of mobile payment research. *Electronic Commerce Research and Applications*, 14(5), 265–284. doi:10.1016/j.elerap.2015.07.006
- Dahlberg, T., Mallat, N., Ondrus, J., & Zmijewska, A. (2008). Past, present and future of mobile payments research: A literature review. *Electronic Commerce Research and Applications*, 7(2), 165–181. doi:10.1016/j.elerap.2007.02.001
- Dailey, L. (1999). Designing the world we surf in: a conceptual model of web atmospherics. In S. Brown & D. Sudharshan (Eds.), (1999) AMA educator's proceedings, Chicago, IL, Vol. 10, p. 225.
- Dailey, L. (2004). Navigational web atmospherics: Explaining the influence of restrictive navigation cues. *Journal of Business Research*, 57(7), 795–803. doi:10.1016/S0148-2963(02)00364-8
- Dakoumi Hamrouni, A., & Touzi, M. (2011). Technique of collage for store design atmospherics. *Qualitative Market Research*, 14(3), 304–323. doi:10.1108/13522751111137523
- Dalli, D., & Corciolani, M. (2008). Collective Forms of Resistance: The Transformative Power of Moderate Communities. Evidence from the Bookcrossing Case. *International Journal of Market Research*, 50(6), 757–775. doi:10.2501/S1470785308200195
- Daly, H. E. (2007). *Ecological Economics and Sustainable Development, Selected Essays of Herman Daly*. Cheltenham, UK: Elgar. doi:10.4337/9781847206947
- Darden, W. R., Erdem, O., & Darden, D. K. (1983). A comparison and test of three causal models of patronage intentions. In W. R. Darden & R. F. Lusch (Eds.), *Patronage behavior and retail management*. New York, NY: North-Holland.
- Davenport, T. H., & Prusak, L. (1998). *Working knowledge: How organizations manage what they know*. Boston: Harvard Business School Press.
- Davidson, W. R., Bates, A. D., & Bass, S. J. (1976). The retail life cycle. *Harvard Business Review*, Nov./Dec., 89-96.
- Davies, A., & Elliott, R. (2006). The evolution of the empowered consumer. *European Journal of Marketing*, 40(9/10), 1106–1121. doi:10.1108/03090560610681032
- Davies, G. (1999). The evolution of Marks and Spencer. *Service Industries Journal*, 19(3), 60–73. doi:10.1080/02642069900000030
- Davis, D. (2019). European consumers shop more online – and with Amazon. *Digital Commerce*. Retrieved from <https://www.digitalcommerce360.com/article/european-ecommerce/>
- Davis, D. F., Golicic, S. L., & Boerstler, C. N. (2010). Benefits and Challenges of Conducting Multiple Methods Research in Marketing. *Journal of the Academy of Marketing Science*, 39(3), 467–479. doi:10.1007/11747-010-0204-7
- Dawson, J. (2000). Viewpoint: retailer power, manufacturer power, competition and some questions of economic analysis. *International Journal of Retail & Distribution Management*, 28(1), 5–8. doi:10.1108/09590550010306700
- Dawson, J. (2005). New cultures, new strategies, new formats and new relationships in European retailing: Some implications for Asia. *Journal of Global Marketing*, 18(1-2), 73–97. doi:10.1300/J042v18n01_05
- Dawson, J. A. (2001). Is there a new commerce in Europe? *International Review of Retail, Distribution and Consumer Research*, 11(3), 287–299. doi:10.1080/713770598

Compilation of References

- De Brito, M. P., Carbone, V., & Blanquart, C. M. (2008). Towards a sustainable fashion retail supply chain in Europe: Organisation and performance. *International Journal of Production Economics*, 114(2), 534–555. doi:10.1016/j.ijpe.2007.06.012
- De Farias, S. A. (2010). Store atmospherics and experiential marketing: a conceptual framework and research propositions for an extraordinary customer experience, IV Encontro de Marketing da ANPAD, Florianópolis/SC, May 23-25. Retrieved from http://www.anpad.org.br/diversos/trabalhos/EMA/ema_2010/2010_EMA27.pdf
- De Farias, S. A., Aguiar, E. C., & Melo, F. V. S. (2014). Store atmospherics and experiential marketing: A conceptual framework and research propositions for an extraordinary customer experience. *International Business Research*, 7(2), 87. doi:10.5539/ibr.v7n2p87
- De Kervenoael, R., Aykac, D. S. O., & Bisson, C. (2008). The influence of social E-Atmospherics in practice: A website content analysis perspective, *Proceedings of the 7th International Congress, Marketing Trend*, Venice, Italy. Retrieved from <http://research.sabanciuniv.edu/7430/>
- de Luca, P., Vianelli, D., & Marzano, F. C. (2013). Entry strategies and distribution channels of Italian SMEs in the Chinese market. In B. Christiansen., E. Turkina, & N. Williams (Eds.), *Cultural and technological influences on global business*. Hershey, PA: IGI Global. doi:10.4018/978-1-4666-3966-9.ch027
- de Luca, P., & Pegan, G. (2014). The Coffee Shop and Customer Experience. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer* (pp. 173–196). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch010
- de Luna, I. R., Montoro-Ríos, F., & Liébana-Cabanillas, F. J. (2018). New perspectives on payment systems: near field communication (NFC) payments through mobile phones. In *Mobile commerce: concepts, methodologies, tools, and applications* (pp. 1487–1507). Hershey, PA: IGI Global. doi:10.4018/978-1-5225-2599-8.ch070
- De Nisco, A., & Warnaby, G. (2013). Shopping in downtown: The effect of urban environment on service quality perception and behavioural intentions. *International Journal of Retail & Distribution Management*, 41(9), 654–670. doi:10.1108/IJRDM-05-2013-0106
- De Oliveira, R. T., Indulska, M., Steen, J., & Verreyne, M. L. (in press). Towards a framework for innovation in retailing through social media. *Journal of Retailing and Consumer Services*.
- De Ven, B. (2008). An Ethical Framework for the Marketing of Corporate Social Responsibility. *Journal of Business Ethics*, 82(2), 339–352. doi:10.1007/10551-008-9890-1
- De Wulf, K., Odekerken-Schroder, G., & Iacobucci, D. (2001). Investments in consumer relationships: A cross-country and cross-industry exploration. *Journal of Marketing*, 65(October), 33–50. doi:10.1509/jmkg.65.4.33.18386
- De Wulf, K., Odekerken-Schroeder, G., Goedertier, F., & Van Ossel, G. (2005). Consumer perceptions of store brands versus national brands. *Journal of Consumer Marketing*, 22(4), 223–232. doi:10.1108/07363760510605335
- DeCew, J. (1997). *In pursuit of privacy. law, ethics, and the rise of technology*. Ithaca, NY: Cornell University Press.
- Dekimpe, M. G., Steenkamp, J. B. E. M., Mellens, M., & Vanden Abeele, P. (1997). Decline and variability in brand loyalty. *International Journal of Research in Marketing*, 14(5), 405–420. doi:10.1016/S0167-8116(97)00020-7
- Delmonteil, F. X., & Rancourt, M. È. (2017). The role of satellite technologies in relief logistics. *Journal of Humanitarian Logistics and Supply Chain Management*, 7(1), 57–78. doi:10.1108/JHLSCM-07-2016-0031
- Demetriou, M., Pappasolomou, I., & Vrontis, D. (2009). Cause-related Marketing: Building the corporate image while supporting worthwhile causes. *Journal of Brand Management*, 17(4), 266–278. doi:10.1057/bm.2009.9

- Demoulin, N. T., & Djelassi, S. (2016). An integrated model of self-service technology (SST) usage in a retail context. *International Journal of Retail & Distribution Management*, 44(5), 540–559. doi:10.1108/IJRDM-08-2015-0122
- Dennis, C., Harris, L., & Sandhu, B. (2002). From bricks to clicks: Understanding the e-consumer. *Qualitative Market Research*, 5(4), 281–290. doi:10.1108/13522750210443236
- Denzin, N. K., & Lincoln, Y. S. (1998). *Collecting and interpreting qualitative materials*. Thousand Oaks, CA: Sage.
- Department for Communities & Local Government. (2013). *The Future of High Streets: Progress since the Portas Review*. Department for Communities and Local Government. London, UK: Crown.
- Deshwal, P. (2016). Customer experience quality and demographic variables (age, gender, education level, and family income) in retail stores. *International Journal of Retail & Distribution Management*, 44(9), 940–955. doi:10.1108/IJRDM-03-2016-0031
- Desmond, J., McDonagh, P., & O'Donohoe, S. (2000). Counter-Culture and Consumer Society. *Consumption Markets & Culture*, 4(4), 241–279. doi:10.1080/10253866.2000.9670358
- Despa, M. L. (2014). Evolution and trends regarding the concepts of innovation and invention. *Informações Econômicas*, 18(1), 139–151. doi:10.12948/issn14531305/18.1.2014.13
- Deutschen, E., De Ruyter, K., Wetzels, M., & Ooterveld, P. (2004). Response rate and response quality of internet-based surveys: an experimental study. *Marketing Letters*, 15(1), 21–36. doi:10.1023/B:MARK.0000021968.86465.00
- Dhar, S. K., & Hoch, S. J. (1997). Why store brand penetration varies by retailer. *Marketing Science*, 16(3), 208–227. doi:10.1287/mksc.16.3.208
- Dhar, S. K., Hoch, S. J., & Kumar, N. (2001). Effective category management depends on the role of the category. *Journal of Retailing*, 77(2), 165–184. doi:10.1016/S0022-4359(01)00045-8
- Diallo, M. F., & Siqueira, J. R. Jr. (2017). How previous positive experiences with store brands affect purchase intention in emerging countries: a comparison between Brazil and Colombia. *International Marketing Review*, 34(4), 536–558. doi:10.1108/IMR-07-2014-0224
- Diaz, L. (2015). *3rd Regional 3R Forum*. Retrieved February 25th, 2017, from <https://www.rairarubiabooks.com/related-pdf-sustainable-landfill-concept.html>
- Dick, A. S., & Basu, K. (1994). Customer loyalty: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(Spring), 99–113. doi:10.1177/0092070394222001
- Dick, A. S., Jain, A. K., & Richardson, P. (1995). Correlates of store brand proneness: Some empirical observations. *Journal of Product and Brand Management*, 4(4), 15–22. doi:10.1108/10610429510097663
- Dilley, J., & Wolf, K. L. (2013). Homeowner interactions with residential trees in urban areas. *Arboriculture & Urban Forestry*, 39(6), 267–277.
- District Roasters. (2019). *Fourth Wave Coffee from DISTRICT Roasters*. Retrieved from <https://districtroasters.com/pages/what-is-fourth-wave-coffee>
- Dobrotă, G., Dobrotă, D., & Petreacu, V. (2017). Circular economy - fundament of challenges for business environment. *10th International Conference on Engineering and Business Education*. 10.1515/cplbu-2017-0056
- Dolich, I. J. (1969). Congruence relationships between self-images and product brands. *JMR, Journal of Marketing Research*, 6(1), 80–84. doi:10.1177/002224376900600109

Compilation of References

- Dominiczak, P. (2013). Pay day lenders 'could replace independent shops' in High Street reforms. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/lifestyle/reinvent-the-high-street/10088028/Pay-day-lenders-could-replace-independent-shops-in-high-street-reforms.html>
- Doney, P. M., & Cannon, J. P. (1997). An examination of the nature of trust in buyer-seller relationships. *Journal of Marketing*, 61(2), 35–51.
- Donovan, G. H., & Butry, D. T. (2010). Trees in the city: Valuing street trees in Portland, Oregon. *Landscape and Urban Planning*, 94(2), 77–83. doi:10.1016/j.landurbplan.2009.07.019
- Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: An environmental psychology approach. *Journal of Retailing*, 58(Spring), 34–57.
- Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: an environmental psychology approach. *Journal of Retailing*, 58.
- Donovan, R. J., Rossiter, J. R., Marcoolyn, G., & Nesdale, A. (1994). Store atmosphere and purchasing behavior. *Journal of Retailing*, 70(3), 283–294. doi:10.1016/0022-4359(94)90037-X
- Dòrea, J., & da Costa, T. (2005, June). Is coffee a functional food? *British Journal of Nutrition*, 93(6), 773–782. doi:10.1079/BJN20051370 PMID:16022745
- Dragun, D. (2004). The financial implications of retail strategy. In J. Reynolds & C. Cuthbertson (Eds.), *Retail strategy. The view from the bridge*. Oxford, UK: Elsevier Butterworth-Heinemann. doi:10.1016/B978-0-7506-5696-2.50009-X
- Dreesman, A. C. R. (1968). Patterns of evolution in retailing. *Journal of Retailing*, 44(Spring), 64–81.
- Dubé, L., & Morin, S. (2001). Background music pleasure and store evaluation intensity effects and psychological mechanism. *Journal of Business Research*, 54(2), 107–113. doi:10.1016/S0148-2963(99)00092-2
- Duden. (2015). *Deutsches Universal woorterbuch* (8th ed.). Berlin: Bibliographisches Institut GmbH.
- Dunne, P. M. & Lusch, R. F. (2008). *Retailing*, (6th ed.), Thomson Learning, SAD.
- Dupuis, M. (2000). *Retail innovation: towards a framework of analysis*. Paper presented at the International EAERCD Conference on Retail Innovation, Barcelona, Spain, ESADE, July, 13-14.
- Dupuis, M. (2000, July). *Retail innovation: towards a framework of analysis*. Paper presented at the EAERCD Conference on Retail Innovation, ESADE, Barcelona, Spain.
- Du, S., Bhattacharya, C. B., & Sen, S. (2010). Maximizing business returns to corporate social responsibility (CSR): The role of CSR communication. *International Journal of Management Reviews*, 12(1), 8–19. doi:10.1111/j.1468-2370.2009.00276.x
- Dutt, P. & Padmanabhan, V. (2009). When to hit the panic button? impact of currency crisis on consumer behaviors. *Working paper*. Retrieved from http://faculty.edu/dutt/Research/Paddy_Pushan.pdf
- Duygan, B. (2005). Aggregate shocks, idiosyncratic risk, and durable goods purchases: evidence from Turkey's 1994 financial crisis. European University Institute Finance and Consumption Program *Working Paper*. Retrieved from http://www.econbiz.de/en/search/detailed-view/doc/all/aggregate-shocks-idiosyncratic-risk-and-durable-goods-purchases-evidence-from-turkeys-1994-financial-crisis-duygan-burcu/10005069449/?no_cache=1
- East, R., Harris, P., Wittson, G., & Lomax, W. (1995). Loyalty to supermarkets. *International Review of Retail, Distribution and Consumer Research*, 5(1), 99–109. doi:10.1080/09593969500000006
- EC. (2010). *Retail Market Monitoring Report: Frequently Asked Questions*. European Commission.

- EC. (2018). *A European retail sector fit for the 21st century Retail Market Monitoring Report: Frequently Asked Questions*. European Commission.
- Edemariam, A. (2019). 'Meanwhile spaces': the empty shops becoming a creative force across the country. *The Guardian*. Retrieved from <https://www.theguardian.com/lifeandstyle/2019/may/02/meanwhile-spaces-the-empty-shops-becoming-a-creative-force-across-the-country>
- Edvardsson, B., Frow, P., Jaakkola, E., Keiningham, T. L., Koskela-Huotari, K., Mele, C., & Tombs, A. (2018). Examining how context change foster service innovation. *Journal of Service Management*, 29(5), 932–955. doi:10.1108/JOSM-04-2018-0112
- Edvardsson, B., Kleinaltenkamp, M., Tronvoll, B., McHugh, P., & Windahl, C. (2014). Institutional logics matter when coordinating resource integration. *Marketing Theory*, 14(3), 291–309. doi:10.1177/1470593114534343
- Edvardsson, B., Tronvoll, B., & Gruber, T. (2011). Expanding understanding of service exchange and value co-creation: A social construction approach. *Journal of the Academy of Marketing Science*, 39(2), 327–339. doi:10.1007/11747-010-0200-y
- E-Imports. (2012). *Coffee Statistics*. Retrieved from http://www.e-importz.com/Support/specialty_coffee.htm
- Eisenhardt, K. (1989). Building theories from case study research. *Academy of Management Review*, 14(4), 532–550. doi:10.5465/amr.1989.4308385
- Ekström, K. M. (2015). *Waste Management and Sustainable Consumption – Reflections on Consumer Waste*. New York: Routledge, Taylor and Francis Group.
- El Hedhi, K., Zourrig, H., & Chebat, J.-C. (2016). Shopping well-being: Is it just a matter of pleasure or doing the task? The role of shopper's gender and self-congruity. *Journal of Retailing and Consumer Services*, 31, 1–13. doi:10.1016/j.jretconser.2016.03.002
- El Hedhli, K., Chebat, J. C., & Sirgy, M. J. (2013). Shopping well-being at the mall: Construct, antecedents, and consequences. *Journal of Business Research*, 66(7), 856–863. doi:10.1016/j.jbusres.2011.06.011
- Elabras Veiga, L. B., Magrini, A., & Szklo, A. S. (2008). Eco industrial parks: a tool towards the reduction, reuse and recycling (3R's) of by-products and wastes: case study in Paracambi EIP, Rio de Janeiro State. *WIT Transactions on Ecology and the Environment*, 109.
- Elliot, A. J., & Maier, M. A. (2014). Color psychology: Effects of perceiving color on psychological functioning in humans. *Annual Review of Psychology*, 65(1), 95–120. doi:10.1146/annurev-psych-010213-115035 PMID:23808916
- Ellis, M. (2014). The evolution of the internet and its impact on retail spaces. Retrieved from <https://www.wired.com/insights/2014/07/evolution-internet-impact-retail-spaces/>
- Ellis, L., & Ficek, C. (2001). Colour preferences according to gender and sexual orientation. *Personality and Individual Differences*, 31(8), 1375–1379. doi:10.1016/S0191-8869(00)00231-2
- EMEA. (2013). *How we shop: Inside the minds of Europe's consumers*. EMEA. London, UK: CBRE Ltd.
- Emirbayer, M., & Goodwin, J. (1994). Network analysis, culture, and the problem of agency. *American Journal of Sociology*, 99(6), 1411–1454. doi:10.1086/230450
- Engel, J. F., Blackwell, R. D., & Miniard, P. W. (2000). *Comportamento do Consumidor* [Consumer Behavior]. Rio de Janeiro: LTC Publishers.
- En, X., Hock-Hai, T., & Wen, W. (2006). Volunteering personal information on the internet: effects of reputation, privacy notices, and rewards on online consumer behavior. *Marketing Letters*, 17(1), 61–74. doi:10.1007/11002-006-4147-1

Compilation of References

- EPA. (2007). *Environmental Protection Agency*. Retrieved February 27th from <https://www.epa.gov/>
- Eppmann, R., Bekk, M., & Klein, K. (2018). Gameful experience in gamification: construction and validation of a gameful experience scale [GAMEX]. *Journal of Interactive Marketing*, 43, 98–115. doi:10.1016/j.intmar.2018.03.002
- Erdem, T., Zhao, Y., & Valenzuela, A. (2004). Performance of store brands: A cross-country analysis of consumer store-brand preferences, perceptions, and risk. *JMR, Journal of Marketing Research*, 41(1), 86–100. doi:10.1509/jmkr.41.1.86.25087
- Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2001). Atmospheric qualities of online retailing: A conceptual model and implications. *Journal of Business Research*, 54(2), 177–184. doi:10.1016/S0148-2963(99)00087-9
- Eroglu, S. A., Machleit, K. A., & Davis, L. M. (2003). Empirical testing of a model of online store atmospherics and shopper responses. *Psychology and Marketing*, 20(2), 139–150. doi:10.1002/mar.10064
- Ertekin, N. (2018). Immediate and long-term benefits of in-store return experience. *Production and Operations Management*, 27(1), 121–142. doi:10.1111/poms.12787
- Esbjerg, L., Jensen, B. B., Bech-Larsen, T., de Barcellos, M. D., Boztug, Y., & Grunert, K. G. (2012). An integrative conceptual framework for analyzing customer satisfaction with shopping trip experiences in grocery retailing. *Journal of Retailing and Consumer Services*, 19(4), 445–456. doi:10.1016/j.jretconser.2012.04.006
- Escalas, J. E., & Bettman, J. R. (2003). You are what they eat: the influence of reference groups on consumers' connections to brands. *Journal of Consumer Psychology*, 13(3), 339–348. doi:10.1207/S15327663JCP1303_14
- Escalas, J. E., & Bettman, J. R. (2005). Self-construal, reference groups, and brand meaning. *The Journal of Consumer Research*, 32(3), 378–389. doi:10.1086/497549
- Espinoza, F., Liberali, G., & D'Angelo, A. C. (2004). Testing the influence of retail atmosphere on store choice criteria, perceived values, and patronage intentions. In *American Marketing Association (AMA) Winter Educators Conference Proceedings*, 15, 120-125.
- Euromonitor International. (2012). *Cafés/Bars in the US*. Retrieved from <http://www.euromonitor.com/>
- Euromonitor International. (2013). *Coffee in the US*. Retrieved from <http://www.euromonitor.com/coffee-in-the-us/report>
- Euromonitor International. (2018). *Coffee 2018: The new age of coffee everywhere*. Retrieved from https://go.euromonitor.com/webinar-HotDrinks-2018-Coffee_in_2018.html
- European Commission. (2014). Towards a circular economy: A zero waste programme for Europe. COM(2014) 398, Brussels, 25/9/2014.
- European Commission. (2015). Closing the loop - An EU action plan for the Circular Economy. COM(2015) 614, Brussels, 2/12/2015.
- Ewing, M. T. (2000). Brand and retailer loyalty: Past behaviour and future intentions. *Journal of Product and Brand Management*, 9(2), 120–127. doi:10.1108/10610420010322161
- Export.gov. (2019). Croatia – eCommerce. Retrieved from <https://www.export.gov/article?id=Croatia-eCommerce>
- Falk, R. (1999). *Predatory globalization: critique*. Cambridge, MA: Polity Press.
- Fam, K. S., Merrilees, B., Richard, J. E., Jozsa, L., Li, Y., & Krisjanous, J. (2011). In-store marketing: A strategic perspective. *Asia Pacific Journal of Marketing and Logistics*, 23(2), 165–176. doi:10.1108/1355585111120470
- Faria, C. (2015). *Reduzir, Reutilizar e Reciclar [Reduce, Re-use and Recycle]*. Retrieved February 27th, from <http://www.infoescola.com/desenvolvimento-sustentavel/reduzir-reutilizar-e-reciclar/>

- Fattore, G., & Jommi, C. (2008). The last decade of Italian pharmaceutical policy. *PharmacoEconomics*, 26(1), 5–15. doi:10.2165/00019053-200826010-00002 PMID:18088155
- Feagin, J., Orum, A., & Sjoberg, G. (1991). *A case for case study*. Chapel Hill, NC: University of North Carolina Press; doi:10.1108/BFJ-01-2018-0049.
- Federal Reserve Bank of New York. (2013). The financial crisis at the kitchen table: trends in household debt and credit. *Current Issues in Economics and Finance*, 13(2).
- Feenstra, F., Muzellec, L., de Faultrier, B., & Boulay, J. (2015). Edutainment experiences for children in retail stores, from a child's perspective. *Journal of Retailing and Consumer Services*, 26, 47–56. doi:10.1016/j.jretconser.2015.05.004
- Ferraro, C., Sands, S., & Brace-Govan, J. (2016). The role of fashionability in second-hand shopping motivations. *Journal of Retailing and Consumer Services*, 32, 262–268. doi:10.1016/j.jretconser.2016.07.006
- Findlay, D. (2013). High Street retailers must rediscover that emotional connection with customers. *Marketing Magazine*. Retrieved from <http://www.marketingmagazine.co.uk/article/1186124/high-street-retailers-rediscover->
- Fiore, A. M., Jin, H., & Kim, J. (2005). For fun and profit: Hedonic value from image interactivity and responses toward an online store. *Psychology and Marketing*, 22(8), 669–694. doi:10.1002/mar.20079
- Fiore, A. M., & Kim, J. (2007). An integrative framework capturing experiential and utilitarian shopping experience. *International Journal of Retail & Distribution Management*, 35(6-7), 421–442. doi:10.1108/09590550710750313
- Fischer, E. (2017). *Quality and inequality. taste, value, and power in the third wave coffee market*. Cologne, France: Max Planck Institute for the Study of Societies.
- Fiszbein, A., Giovagnoli, P. I., & Adúriz, I. (2003). The Argentinean crisis and its impact on household welfare. *CEPAL Review*, 79(79), 143–158. doi:10.18356/18751b59-en
- Flatters, P., & Willmott, M. (2009). Understanding the post-recession consumers. *Harvard Business Review*, 7(8), 106–112.
- Follet, K. (2010). *Fall of Giants*. London: Macmillan.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *JMR, Journal of Marketing Research*, 18(1), 39–50. doi:10.1177/002224378101800104
- Fortuna, F., Doni, F., & Paolon, P. (2015). *Gender Diversity, Corporate Governance Disclosure and Financial Performance: Empirical Evidence from South Africa*. Paper presented at the “10th International Conference IFKAD, Bari, Italy.
- Fortuna, F., Testarmata, S., & Ciaburri, M. (2015). *The innovative forms of corporate responsibility disclosure: The sustainability reporting and the use of social media*. Paper presented at the “10th International Conference IFKAD, Bari, Italy.
- Foster, J., & McLelland, M. A. (2015). Retail atmospherics: the impact of a brand dictated theme. *Journal of Retailing and Consumer Services*, 22(C), 195–205. doi:10.1016/j.jretconser.2014.07.002
- Fournier, S. (1991). Meaning-based framework for the study of consumer-object relations. [Provo, UT: Association for Consumer Research.]. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 18, 736–742.
- Foxall, G. R. (1997). The emotional texture of consumer environments: A systematic approach to atmospherics. *Journal of Economic Psychology*, 18(5), 505–523. doi:10.1016/S0167-4870(97)00021-4
- Fram, E. H. (1965). Application of the marketing concept to retailing. *Journal of Retailing*, 41(2), 19–26.
- Franceschielli, M. V., Santoro, G., & Candelo, E. (2018). Business model innovation for sustainability: A food start-up case study. *British Food Journal*, 120(10).

Compilation of References

- Frankenberg, E., James, P., & Duncan, T. (2003). Economic shocks, wealth, and welfare. *The Journal of Human Resources*, 38(2), 280–321. doi:10.2307/1558746
- Frank, R. E., & Boyd, H. W. (1965). Are private-brand prone grocery customers really different? *JMR, Journal of Marketing Research*, 4, 27–35.
- Freeman, R. E., & Velamuri, R. (2006). A new approach to CSR: company stakeholder responsibility. In *Corporate Social Responsibility: Reconciling Aspiration with Application* (pp. 9–23). Basingstoke, UK: Palgrave Macmillan. doi:10.1057/9780230599574_2
- Freeman, R. E., Wicks, A., Harrison, J., Parmar, B., & De Colle, S. (2010). *Stakeholder Theory: The State of The Art*. Cambridge University Press.
- Freeman, R. E. (2002). Stakeholder theory: A libertarian defense. *Business Ethics Quarterly*, 12(3), 331–333. doi:10.2307/3858020
- Freestone, O. M., & McGoldrick, P. J. (2008). Motivations of the Ethical Consumer. *Journal of Business Ethics*, 79(4), 445–467. doi:10.1007/10551-007-9409-1
- Frumkin, H., Bratman, G. N., Breslow, S. J., Cochran, B., Kahn, P. H. Jr, Lawler, J. J., ... Wood, S. A. (2017). Nature contact and human health: A research agenda. *Environmental Health Perspectives*, 125(7), 075001. doi:10.1289/EHP1663 PMID:28796634
- Fukuyama, F. (1995). *Trust: the social virtues and the creation of prosperity*. New York, NY: Free Press.
- Fullberg, P. (2003). Using sonic branding in the retail environment - an easy and effective way to create consumer brand loyalty while enhancing the in-store experience. *Journal of Consumer Behaviour*, 3(2), 193–198. doi:10.1002/cb.132
- Ganesan, S., George, M., Jap, S., Palmatier, R. W., & Weitz, B. (2009). Supply chain management and retailer performance: Emerging trends, issues, and implications for research and practice. *Journal of Retailing*, 85(1), 84–94. doi:10.1016/j.jretai.2008.12.001
- Gangi, F., Mustilli, M., & Varrone, N. (2019). The impact of corporate social responsibility (CSR) knowledge on corporate financial performance: Evidence from the European banking industry. *Journal of Knowledge Management, Volume*, 23(1).
- Garattini, L., van de Vooren, K., & Curto, A. (2012). Will the reform of community pharmacies in Italy be of benefit to patients or the Italian National Health Service? *Drugs & Therapy Perspectives*, 28(11), 23–26.
- Garbarino, E., & Johnson, M. S. (1999). The different roles of satisfaction, trust and commitment in customer relationships. *Journal of Marketing*, 63(2), 70–87. doi:10.1177/002224299906300205
- Gardner, B. B., & Levy, S. J. (1955). The product and the brand. [*</jrn>*]. *Harvard Business Review*, 33(2), 33–39.
- Garkowski, J., & Hostovsky, C. (2011). Policy versus Practice in Municipal Solid Waste Diversion: The Role of the Waste Crisis in Ontario Waste Planning. *Canadian Journal of Urban Research*, 20(1), 81–102.
- Garling, T., Kirchler, E., Lewis, A., & van Raaij, F. (2009). Psychology, financial decision making, and financial crisis. *Psychological Science in the Public Interest*, 10(1), 1–47. doi:10.1177/1529100610378437 PMID:26168238
- Garretson, J., Fisher, D., & Burton, S. (2002). Antecedents of private label attitude and brand promotion attitude: Similarities and differences. *Journal of Retailing*, 78(2), 91–99. doi:10.1016/S0022-4359(02)00071-4
- Gau, R., & Viswanathan, M. (2008). The retail shopping experience for low-literate consumers. *Journal of Research for Consumers*, 15, 1–20.

- Geddes, I. (2011). The store of the future: The new role of the store in a multichannel environment. *Deloitte*, 1-16. Retrieved from <http://www.deloitte.com/assets/Dcom-UnitedKingdom/Local%20Assets/Documents/Industries/Consumer%20Business/uk-cb-store-of-the-future-report.pdf>
- Geertz, C. (1973). *The interpretations of cultures*. New York, NY: Basic Books.
- Gefen, D., Karahanna, E., & Straub, D. W. (2003). Trust and TAM in online shopping: An integrated model. *Management Information Systems Quarterly*, 27(1), 51–90. doi:10.2307/30036519
- Geiger, S., Kjellberg, H., & Spencer, R. (2012). Shaping exchanges, building markets. *Consumption Markets & Culture*, 15(2), 133–147. doi:10.1080/10253866.2012.654955
- Gelbrich, K. (2011). I have paid less than you! the emotional and behavioral consequences of advantaged price inequality. *Journal of Retailing*, 87(2), 207–224. doi:10.1016/j.jretai.2011.03.003
- Ger, G., & Belk, R. W. (1996). Cross-cultural differences in materialism. *Journal of Economic Psychology*, 17(1), 55–77. doi:10.1016/0167-4870(95)00035-6
- Gerzema, J. & D'Antonio, A. The power of the post-recession consumer, *CONSUMER & RETAIL*, Spring 2011/Issue 62. Retrieved from <https://www.strategy-business.com/article/00054?gko=cc8b8>
- Geuens, M., Brengman, M., & S'Jegers, R. (2001). An exploratory study of grocery shopping motivations. In A. Groeppel-Klien & F.-R. Esch (Eds.), *European advances in consumer research, Volume 5* (pp. 135-140). Provo, UT: Association for Consumer Research.
- Geyskens, I., Gielens, K., & Gijsbrechts, E. (2010). Proliferating private-label portfolios: How introducing economy and premium private labels influences brand choice. *JMR, Journal of Marketing Research*, 47(5), 791–807. doi:10.1509/jmkr.47.5.791
- Ghosh, S. (2017). *The future of retail marketing as it adapts to always-on consumers*. Retrieved from <http://www.campaignlive.co.uk/article/future-retail-marketing-adapts-always-on-consumers/1421014>
- Gil Saura, I., Ruiz Molina, M. E., & Berenguer Contrí, G. (2014). Retail innovativeness: importance of ICT and impact on consumer behaviour. In F. Musso & E. Druica (Eds.), *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 384–403). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch021
- Gil, A. C. (2002). *Como elaborar projetos de pesquisa* [How to do research projects]. Sao Paulo: Atlas.
- Gilbert, L. A., & Han, H. (2005). Understanding mobile data services adoption: Demography, attitudes or needs? *Technological Forecasting and Social Change*, 72(3), 327–337. doi:10.1016/j.techfore.2004.08.007
- Gilboa, S., & Rafaeli, A. (2003). Store environment, emotions and approach behaviour: Applying environmental aesthetics to retailing. *International Review of Retail, Distribution and Consumer Research*, 13(2), 195–211. doi:10.1080/0959396032000069568
- Gilboa, S., & Vilnai-Yavetz, I. (2013). Shop until you drop? an exploratory analysis of mall experiences. *European Journal of Marketing*, 47(1-2), 239–259. doi:10.1108/03090561311285538
- Gilmore, J. (2004). *Quantitative trends in the North American coffee market 2004*, *Datamonitor Inc.* Paper presented at the 93rd National Coffee Association Conference. Dana Point, CA.
- Gilmore, A., & Carson, D. (1996). Integrative qualitative methods in a services context. *Marketing Intelligence & Planning*, 14(6), 21–26. doi:10.1108/02634509610131126

Compilation of References

- Gilmore, J. H., & Pine, B. J. (2002). Differentiating hospitality operations via experiences: why selling services is not enough. *The Cornell Hotel and Restaurant Administration Quarterly*, 43(3), 87–96. doi:10.1016/S0010-8804(02)80022-2
- Gilmore, J. H., & Pine, B. J. (2002). *The experience is the marketing*. Louisville, KY: BrownHerron Publishing.
- Gilmore, J. H., & Pine, B. J. II. (2007). *Authenticity: What consumers really want*. Boston, MA: Harvard Business School Press.
- Gist, R. R. (1968). *Retailing: Concepts and decisions*. New York, NY: Wiley.
- Global Consumer Confidence. Concerns and Spending – a global Nielsen consumer report (2009). Retrieved from http://pt.nielsen.com/documents/tr_0905NielsenGlobalConsumerConfidenceReport1stHalf09.pdf
- Global Consumer Confidence. Concerns and Spending – a global Nielsen consumer report (2010). Retrieved from <http://lk.nielsen.com/site/documents/CCI1stQuater10.pdf>
- Glynn, M. S., & Chen, S. (2009). Consumer-factors moderating private label brand success: Further empirical results. *International Journal of Retail & Distribution Management*, 37(11), 896–914. doi:10.1108/09590550910999343
- Gold, J. (2008). *La Mill: The Latest Buzz*. LA Weekly.
- Goldman, A. (1975). The role of trading up in the development of the retailing system. *Journal of Marketing*, 39(1), 54–62.
- Goleman, D. (2003). *Destructive Emotions*. London, UK: Bloomsbury.
- Golinelli, G. M. (2010). *Viable Systems Approach (vSA). Governing business dynamics*. Padova, Italy: CEDAM, Kluwer.
- Golinelli, G. M., Barile, S., Saviano, M., & Polese, F. (2012). Perspective shifts in marketing: toward a paradigm change? *Service Science*, 4(2), 121–134. doi:10.1287erv.1120.0015
- Gómez-Suárez, M. & García-Gumiel, C. (2012). Marketing sensorial: cómo desarrollar la atmósfera del establecimiento comercial. *Distribución y Consumo*, March-April, 30-39.
- Gómez-Suárez, M. & García-Gumiel, C. The use of sensorial marketing stores: attracting clientes through the senses. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global. *Advances in Marketing Customer Relationship Management*.
- Gómez-Suárez, M., & García-Gumiel, C. (2010). Nuevas tendencias en el punto de venta: el marketing sensorial. In *Distribución comercial y comportamiento del consumidor* (pp. 235–247). Oviedo, FL: Ramón Areces Foundation.
- González-Benito, O., & Martos-Partal, M. (2012). Role of retailer positioning and product category on the relationship between store brand consumption and store loyalty. *Journal of Retailing*, 88(2), 236–249. doi:10.1016/j.jretai.2011.05.003
- Goodwin, C. (1991). Privacy: recognition of a consumer right. *Journal of Public Policy & Marketing*, 10(1), 149–166. doi:10.1177/074391569101000111
- Gore, A. (2016). *10 Years after and inconvenient truth*. Retrieved February 27th, 2017 from <https://www.algore.com/news/10-years-after-an-inconvenient-truth-al-gore-may-actually-be-winning>
- Gorn, G., Chattopashyay, A., Sengupta, J., & Tripathi, S. (2004). Waiting for the web: how screen color affects time perception. *JMR, Journal of Marketing Research*, 41(2), 215–225. doi:10.1509/jmkr.41.2.215.28668
- Grabner-Kraeuter, S. (2002). The role of consumers' trust in online-shopping. *Journal of Business Ethics*, 39(1-2), 43–50. doi:10.1023/A:1016323815802

- Granovetter, M. (1992). Economic institutions as social constructions: A framework for analysis. *Acta Sociologica*, 35(1), 3–11. doi:10.1177/000169939203500101
- Grayson, K., & Martinec, R. (2004). Consumer perceptions of iconicity and indexicality and their influence on assessments of authentic market offerings. *The Journal of Consumer Research*, 31(2), 296–312. doi:10.1086/422109
- Greenhalgh, P. M., Johnson, L., & Huntley, V. (2019). An investigation of the impact of 2017 business rates revaluation on independent high street retailers in the north of England. *Journal of Property Investment & Finance*, 37(3), 241–254. doi:10.1108/JPIF-01-2019-0008
- Greenley, G. E., & Shipley, D. D. (1988). An empirical overview of marketing by retailing organisations. *Service Industries Journal*, 8(1), 49–66. doi:10.1080/02642068800000005
- Grewal, D. (2018). *Retail marketing management: The 5 Es of retailing*. Sage.
- Grewal, D., Baker, J., Levy, M., & Voss, G. B. (2003). The effects of wait expectations and store atmosphere evaluations on patronage intentions in service-intensive retail stores. *Journal of Retailing*, 79(4), 259–268. doi:10.1016/j.jretai.2003.09.006
- Grewal, D., Krishnan, R., Baker, J., & Borin, N. (1998). The effect of store name, brand name and price discounts on consumers' evaluations and purchase intentions. *Journal of Retailing*, 74(3), 331–352. doi:10.1016/S0022-4359(99)80099-2
- Grewal, D., Krishnan, R., Levy, M., & Munger, J. (2010). Retail success and key drivers. In *Retailing in the 21st Century* (pp. 15–30). Berlin, Germany: Springer. doi:10.1007/978-3-540-72003-4_2
- Grewal, D., & Levy, M. (2009). Emerging issues in retailing research. *Journal of Retailing*, 85(4), 522–526. doi:10.1016/j.jretai.2009.09.007
- Grewal, D., Levy, M., & Kumar, V. (2009). Customer experience management in retailing: an organizing framework. *Journal of Retailing*, 85(1), 1–14. doi:10.1016/j.jretai.2009.01.001
- Grewal, D., Motyka, S., & Levy, M. (2018). The evolution and future of retailing and retailing education. *Journal of Marketing Education*, 40(1), 85–93. doi:10.1177/0273475318755838
- Grewal, D., Roggeveen, A. L., & Nordfält, J. (2017). The future of retailing. *Journal of Retailing*, 93(1), 1–6. doi:10.1016/j.jretai.2016.12.008
- Grewal, D., Roggeveen, A. L., Sisodia, R., & Nordfält, J. (2017). Enhancing customer engagement through consciousness. *Journal of Retailing*, 93(1), 55–64. doi:10.1016/j.jretai.2016.12.001
- Grönroos, C. (1994). Quo vadis, marketing? Towards a relationship marketing paradigm. *Journal of Marketing Management*, 10(4), 347–360. doi:10.1080/0267257X.1994.9964283
- Grönroos, C. (2008). Service Logic Revisited: Who Creates Value? And Who Co-Creates? *European Business Review*, 20(4), 298–314. doi:10.1108/09555340810886585
- Gulas, C. S., & Bloch, P. H. (1995). Right under our noses: Ambient scent and consumer responses. *Journal of Business and Psychology*, 10(1), 87–98. doi:10.1007/BF02249272
- Gummesson, E. (2002). *Total relationship marketing*. Oxford, UK: Butterworth-Heinemann.
- Gummesson, E., Mele, C., & Polese, F. (2009). Service science, S-D logic and network theory. Integrating the perspectives for a new research agenda. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory* (pp. 1–6). Napoli, Italy: Giannini.

Compilation of References

- Gummesson, E., & Polese, F. (2009). B2B is not an island. *Journal of Business and Industrial Marketing*, 24(5/6), 337–350. doi:10.1108/08858620910966228
- Gupta, S., & Pirsch, J. (2008). The influence of a retailer's corporate social responsibility program on re-conceptualizing store image. *Journal of Retailing and Consumer Services*, 15(6), 516–526. doi:10.1016/j.jretconser.2008.02.003
- Gustafsson, A., Johnson, D. M., & Ross, I. (2005). The effects of customer satisfaction, relationship commitment, dimensions, and triggers on customer retention. *Journal of Marketing*, 69(4), 210–218. doi:10.1509/jmkg.2005.69.4.210
- Guy, C. M. (1998). Classifications of retail stores and shopping centres: Some methodological issues. *GeoJournal*, 45(4), 255–264. doi:10.1023/A:1006960414161
- Haase, M., & Kleinaltenkamp, M. (2011). Property rights design and market process: Implications for market theory, marketing theory, and SD Logic. *Journal of Macromarketing*, 31(2), 148–159. doi:10.1177/0276146710397662
- Hagberg, J., Sundstrom, M., & Egels-Zandén, N. (2016). The digitalization of retailing: An exploratory framework. *International Journal of Retail & Distribution Management*, 44(7), 694–712. doi:10.1108/IJRDM-09-2015-0140
- Hair, J. F., Black, W. C., Babin, B., Anderson, R. E., & Tatham, R. L. (2005). *Multivariate Data Analysis* (6th ed.). Englewood Cliffs, NJ: Prentice Hall.
- Hair, J., Babin, B., Anderson, R., & Black, W. (2018). *Multivariate data analysis, a global perspective* (8th ed.). Boston, MA: Cengage Learning.
- Hall, J. (2011). Mary Portas: High Streets destined to 'disappear forever'. *The Telegraph*, para.8. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/8951411/Mary-Portas-high-streets-destined-to-disappear-forever.html>
- Hallowell, R. (1996). The relationships of customer satisfaction, customer loyalty, and profitability: An empirical study. *International Journal of Service Industry Management*, 7(4), 27–42. doi:10.1108/09564239610129931
- Hamel, G., & Prahalad, C. K. (1994). *Competing for the Future, 1994*. Boston: Harvard Business School Press.
- Hanappi, H. (2004, October). *The survival of the fittest. evolution of needs, lust and social value in a long-run perspective*. Paper presented at the European Association for Evolutionary Political Economy Conference, Crete, Greece.
- Handayani, R. (2019). The effect of store atmosphere and merchandise on customer experiences: survey of department store customers in Bandung City, Indonesia. *Global Business & Management Research*, 11(1), 284–294.
- Hanifah, M., Suhaily, M., & Yusri, C. N. (2016). 3R practices among Moe preschool pupils through the Environmental education curriculum. *SHS Web of Conferences*, 23, 04002.
- Hannerz, U. (1996). *Transnational connections*. New York, NY: Routledge.
- Haralambos, M., & Holborn, M. (2008). *Sociology – Themes and perspectives*. London: Collins.
- Hardgrave, B. C., Miles, R. B., & Mitchell, Y. (2009). *Item-Level RFID for Apparel: The Bloomingdale's RFID Initiative*, Working Paper n. ITRI-WP147-0809, Information Technology Research Institute, University of Arkansas.
- Harris, L. C., & Goode, M. M. H. (2004). The four levels of loyalty and the pivotal role of trust: a study of online service dynamics. *Journal of Retailing*, 80(2), 139–158. doi:10.1016/j.jretai.2004.04.002
- Harrison, R., Newholm, T., & Shaw, D. (2005). *The Ethical Consumer*. London: Sage.
- Hart, C. (1999). The retail accordion and assortment strategies: an explanatory study. *International Review of Retail, Distribution and Consumer Research*, 9(2), 111–126. doi:10.1080/095939699342598

- Hartman, K. B., & Spiro, R. L. (2005). Recapturing store image in customer-based store equity: A construct conceptualization. *Journal of Business Research*, 58(8), 1112–1120. doi:10.1016/j.jbusres.2004.01.008
- Hartmann, N. N., Wieland, H., & Vargo, S. L. (2018). Converging on a new theoretical foundation for selling. *Journal of Marketing*, 82(2), 1–18. doi:10.1509/jm.16.0268
- Hart, S. (1997, January). Beyond greening: Strategies for a sustainable world. *Harvard Business Review*, 67–76.
- Hasan, B. (2010). Exploring gender differences in online shopping attitude. *Computers in Human Behavior*, 26(4), 597–601. doi:10.1016/j.chb.2009.12.012
- Haug, A. (2017). Educating ethical designers. *Journal Technol Des Educ*, 27, 655–665.
- Hausman, A. V., & Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions. *Journal of Business Research*, 62(1), 5–13. doi:10.1016/j.jbusres.2008.01.018
- Ha, Y., Kwon, W., & Lennon, S. (2007). Online visual merchandising (VMD) of apparel web sites. *Journal of Fashion Marketing and Management*, 11(4), 477–493. doi:10.1108/13612020710824553
- Ha, Y., & Lennon, S. J. (2011). Consumer responses to online atmosphere: The moderating role of atmospheric responsiveness. *Journal of Global Fashion Marketing*, 2(2), 86–94. doi:10.1080/20932685.2011.10593086
- Healy, M., Beverland, M., Oppewal, H., & Sands, S. (2007). Understanding retail experiences. the case for ethnography. *International Journal of Market Research*, 49(6), 751–779. doi:10.1177/147078530704900608
- Heath, J., & Potter, A. (2005). *Nations of Rebels: How the Counter Culture Became Consumer Culture*. New York: Harper Business.
- Heene, A., & Sanchez, R. (1997). *Competence-Based Strategic Management*. Chichester, UK: John Wiley & Sons.
- Hee-Woomg, K., Xu, Y., & Koh, J. (2004). A comparison of online trust building factors between potential customers and repeat customers. *Journal of the Association for Information Systems*, 5(10), 392–420. doi:10.17705/1jais.00056
- He, H., & Mukherjee, A. (2007). I am, ergo I shop: Does store image congruity explain shopping behaviour of Chinese consumers? *Journal of Marketing Management*, 23(5-6), 443–460. doi:10.1362/026725707X212766
- Heide, M., & Grønhaug, K. (2006). Atmosphere: Conceptual issues and implications for hospitality management. *Scandinavian Journal of Hospitality and Tourism*, 6(4), 271–286. doi:10.1080/15022250600979515
- Helgeson, J. G., & Supphellen, M. (2004). A conceptual and measurement comparison of self-congruity and brand personality: The impact of socially desirable responding. *International Journal of Market Research*, 46(2), 205–233. doi:10.1177/147078530404600201
- Helm, S., Kim, S. H., & Van Riper, S. (2018). (in press). Navigating the ‘retail apocalypse’: A framework of consumer evaluations of the new retail landscape. *Journal of Retailing and Consumer Services*. doi:10.1016/j.jretconser.2018.09.015
- Hemingway, C. A., & MacLagan, P. W. (2004). Managers’ personal values as drivers of corporate social responsibility. *Journal of Business Ethics*, 50(1), 33–44. doi:10.1023/B:BUSI.0000020964.80208.c9
- Henard, D. H., & Dacin, P. A. (2010). Reputation for product innovation: Its impact on consumers. *Journal of Product Innovation Management*, 27(3), 321–335. doi:10.1111/j.1540-5885.2010.00719.x
- Heskett, J. L., Jones, T. O., Loveman, G. W., Sasser, W. E., Jr., & Schlesinger, L. A. (1994). Putting the service profit chain to work. *Harvard Business Review*, (March-April).

Compilation of References

- Heskett, J. L., Sasser, W. E. Jr, & Schlesinger, L. A. (1997). *The service profit chain: How leading companies link profit and growth to loyalty, satisfaction and value*. New York, NY: The Free Press.
- Hilken, T., de Ruyter, K., Chylinski, M., Mahr, D., & Keeling, D. I. (2017). Augmenting the eye of the beholder: Exploring the strategic potential of augmented reality to enhance online service experiences. *Journal of the Academy of Marketing Science*, 45(6), 1–22. doi:10.1007/11747-017-0541-x
- Hilken, T., Heller, J., Chylinski, M., Keeling, D. I., Mahr, D., & de Ruyter, K. (2018). Making omnichannel an augmented reality: The current and future state of the art. *J. Res. Interact. Mark*, 12(4), 509–523. doi:10.1108/JRIM-01-2018-0023
- Hill, A. L., & Scharff, L. F. (1999). Readability of computer displays as a function of colour, saturation and background texture. *Engineering Psychology and Cognitive Ergonomics*, 4, 123-130.
- Hill, J. (2013). High Street chain store closures soar, says research. *BBC News Business*. Retrieved from <http://www.bbc.co.uk/news/business-21611772>
- Hillson, D. & Webster, R. (2004, Nov. 26). Understanding and managing risk attitude. *Proceedings of 7th Annual Risk Conference*, London, UK, 1-11. Retrieved from <http://www.kent.ac.uk/scarr/events/finalpapers/Hillson%20%2B%20Murray-Webster.pdf>
- Hillson, D. & Webster, R. (2006). Managing risk attitude using emotional literacy. Originally published as a part of 2006 *PMI Global Congress EMEA Proceedings*. Retrieved from http://www.ashgate.com/pdf/white_papers/Gower_White_Paper_Managing_Risk_Attitude_Emotional_Literacy.pdf
- Hirschman, E. C., & Holbrook, M. B. (1982). Hedonic consumption: emerging concepts, methods and propositions. *Journal of Marketing*, 46(3), 92–101. doi:10.1177/002224298204600314
- Hoch, S. J., & Banerji, S. (1993). When do private labels succeed? *Sloan Management Review*, 34(Summer), 57–67.
- Hoffman, D. Novak, T. (1999). Information privacy in the marketplace: Implications for the commercial uses of anonymity on the web. *The Information Society*, 15(2), 129–140. doi:10.1080/019722499128583
- Hoffman, D., Novak, T. P., & Peralta, M. A. (1999). Building consumer trust online environment: the case for information privacy. *Communications of the ACM*, 42(4), 80–85. doi:10.1145/299157.299175
- Hofstede, G. (2004). Hofstede dimension data matrix. Retrieved August 22, 2010, from <http://www.geerthofstede.nl>
- Hofstede, G., & McCrae, R. (2004). Personality and culture revisited: Linking traits and dimensions of culture. *Cross-Cultural Research*, 38(1), 52–88. doi:10.1177/1069397103259443
- Högberg, J., Ramberg, M. O., Gustafsson, A., & Wästlund, E. (2019). Creating brand engagement through in-store gamified customer experiences. *Journal of Retailing and Consumer Services*, 50, 122–130. doi:10.1016/j.jretconser.2019.05.006
- Holbrook, M. B. (2000). The millennial consumer in the texts of our times: Experience and entertainment. *Journal of Macromarketing*, 20(2), 178–192. doi:10.1177/0276146700202008
- Holbrook, M. B., & Hirschmann, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *The Journal of Consumer Research*, 9(2), 132–140. doi:10.1086/208906
- Holden, E., Linnerud, K., & Banister, D. (2014). Sustainable development: Our Common Future revisited. *Global Environmental Change*, 26, 130–139. doi:10.1016/j.gloenvcha.2014.04.006
- Hollander, S. C. (1960). The Wheel of Retailing. *Journal of Marketing*, 25(1), 37–42. doi:10.1177/002224296002500106
- Hollander, S. C. (1966). Notes on the retail accordion. *Journal of Retailing*, 43(Summer), 24–40.

- Hollenbeck, C. R., & Zinkhan, G. M. (2010). Anti-Brand Communities, Negotiation of Brand Meaning, and the Learning Process: The Case of Wal-Mart. *Consumption Markets & Culture*, 13(3), 325–345. doi:10.1080/10253861003787056
- Holt, D. B. (2002). Why Do Brands Cause Trouble? A Dialectical Theory of Consumer Culture and Branding. *The Journal of Consumer Research*, 29(1), 70–90. doi:10.1086/339922
- Holt, D. B. (2005). How societies desire brands: Using cultural theory to explain brand symbolism. In S. Ratneshwar & D. G. Mick (Eds.), *Inside consumption* (pp. 273–291). London, UK: Routledge.
- Holton, G. (2004). Defining risk. *Financial Analysts Journal*, 60(6), 19–25. doi:10.2469/faj.v60.n6.2669
- Homburg, C., Hoyer, W. D., & Fassnacht, M. (2002). Service orientation of a retailer's business strategy: dimensions, antecedents, and performance outcomes. *Journal of Marketing*, 66(4), 86–101. doi:10.1509/jmkg.66.4.86.18511
- Horne, S., & Broadbridge, A. (1995). Charity shops: A classification by merchandise mix. *International Journal of Retail & Distribution Management*, 23(7), 17–23. doi:10.1108/09590559510095242
- Hosay, S., & Martin, D. (2012). Self-image congruence in consumer behaviour. *Journal of Business Research*, 65(5), 685–691. doi:10.1016/j.jbusres.2011.03.015
- Hristov, L., & Reynolds, J. (2015). Perceptions and practices of innovation in retailing: Challenges of definition and measurement. *International Journal of Retail & Distribution Management*, 43(2), 126–147. doi:10.1108/IJRDM-09-2012-0079
- Huang, J., Li, Y., & Yen, M. (2016). The relationship between green innovation and business performance—the mediating effect of brand image. *Xing Xiao Ping Lun*, 13(1), 89–118.
- Huang, Y., & Huddleston, P. (2009). Retailer premium own-brands: Creating customer loyalty through own-brand products advantage. *International Journal of Retail & Distribution Management*, 37(11), 975–992. doi:10.1108/09590550910999389
- Huffman, C., & Kahn, B. E. (1998). Variety for sale: mass customization of mass confusion. *Journal of Retailing*, 74(4), 491–513. doi:10.1016/S0022-4359(99)80105-5
- Hu, H., & Jasper, C. R. (2006). Social cues in the store environment and their impact on store image. *International Journal of Retail & Distribution Management*, 34(1), 25–48. doi:10.1108/09590550610642800
- Hui, K. L., Teo, H. H., & Lee, S. Y. T. (2007). The value of privacy assurance: An exploratory field experiment. *Management Information Systems Quarterly*, 31(1), 19–33. doi:10.2307/25148779
- Hui, M. K., Laurette, D., & Chebat, J.-C. (1997). The impact of music on consumers' reactions to waiting for services. *Journal of Retailing*, 73(1), 87–104. doi:10.1016/S0022-4359(97)90016-6
- Hu, L. T., & Bentler, P. M. (1995). Evaluating model fit. In R. H. Hoyle (Ed.), *Structural equation modeling: concepts, issues, and applications*. Thousand Oaks, CA: Sage.
- Hultén, B. (2011). Sensory marketing: The multi-sensory brand-experience concept. *European Business Review*, 23(3), 256–273. doi:10.1108/09555341111130245
- Hultén, B. (2012). Sensory cues and shoppers' touching behaviour: The case of IKEA. *International Journal of Retail & Distribution Management*, 40(4), 273–289. doi:10.1108/09590551211211774
- Hulten, B., Broweus, N., & van Dijk, M. (2008). *Sensory Marketing*. Palgrave Macmillan.
- Hunter, B. T. (1995). The sales appeal of scents (using synthetic food scents to increase sales). *Consumer Research Magazine*, 78, October, 10, 8-10.

Compilation of References

Hunt, S. D. (2010). *Marketing Theory: Foundations, Controversy, Strategy, Resource-Advantage Theory*. New York, NY: M. E. Sharpe.

Huotari, K., & Hamari, J. (2017). A definition for gamification: anchoring gamification in the service marketing literature. *Electronic Markets*, 27(1), 21–31. doi:10.1007/12525-015-0212-z

Hur, W. M., Kim, H., & Woo, J. (2014). How CSR Leads to Corporate brand Equity: Mediating Mechanisms of Corporate brand Credibility & Reputation. *Journal of Business Ethics*, 125(1), 75–86. doi:10.1007/10551-013-1910-0

Hwangbo, H., Kim, Y. S., & Cha, K. J. (2017). Use of the smart store for persuasive marketing and immersive customer experiences: a case study of Korean apparel enterprise. *Mobile Information Systems*, 1-17.

IBISWorld. (2013). Coffee & snack shops in the US. *IBISWorld Industry Report 72221b*. Retrieved from www.ibisworld.com

Ibrahim, M. F., & Wee, N. C. (2002). The importance of entertainment in the shopping center experience: evidence from Singapore. *Journal of Real Estate Portfolio Management*, 8(3), 239–254.

Ieva, M., & Ziliani, C. (2018). Mapping touchpoint exposure in retailing: implications for developing an omnichannel customer experience. *International Journal of Retail & Distribution Management*, 46(3), 304–322. doi:10.1108/IJRDM-04-2017-0097

INE – Instituto Nacional de Estadística. (2019). INEbase / Economy / National Accounts / Spanish National Accounts. Base 2010 / Detailed results. Retrieved from http://www.ine.es/en/daco/daco42/cne10/dacoene_resultados_en.htm

Interbrand. (2011). *Best global brands*. Retrieved from <http://www.interbrand.com/es/best-global-brands/Best-Global-Brands-2011.aspx>

Ipek, I., Askin, N., & Ilter, B. (2016). Private label usage and store loyalty: The moderating impact of shopping value. *Journal of Retailing and Consumer Services*, 31, 72–79. doi:10.1016/j.jretconser.2016.03.011

IQVIA. (2018). *Medicine use and spending in the U.S.*, April. Retrieved from <https://www.iqvia.com>

IRI. (2019). MDD: quota 20, Marca, Bologna, 17 gennaio 2019. Retrieved from <http://www.marca.bolognafiere.it/eventi/programma/presentazione-del-xv-rapporto-sullevoluzione-dei-prodotti-a-marca-del-distributore-in-italia/9078.html>

Irshad, M., Amjad, S., & Janjua, S. Y. (2015). Impact of loyalty programs on customers' loyalty: A case study of shoes and handbags retail outlets of Pakistan. *Pakistan Journal of Psychological Research*, 30(1), 95.

ISO 15392. (2008). *Sustainability in Building Construction. General Principles*. International Organization for Standardization.

Izraeli, D. (1973). The three wheels of retailing: a theoretical note. *European Journal of Marketing*, 7(1), 70–74. doi:10.1108/EUM000000005101

Jahdi, K. S., & Acikdilli, G. (2009). Marketing communications & corporate social responsibility (CSR): Marriage of convenience or shotgun wedding? *Journal of Business Ethics*, 88(1), 103–113. doi:10.1007/10551-009-0113-1

Jain, R., & Bagdare, S. (2009). Determinants of customer experience in new format retail stores. *Journal of Marketing Communications*, 5(2), 34–44.

Jain, R., & Bagdare, S. (2011). Music and consumption experience: A review. *International Journal of Retail & Distribution Management*, 39(4), 289–302. doi:10.1108/09590551111117554

Janakiraman, N., Meyer, R. J., & Morales, A. C. (2006). Spillover effects: how consumers respond to unexpected changes in price and quality. *The Journal of Consumer Research*, 33(3), 361–369. doi:10.1086/508440

- Jang, E., & Davis Burns, L. (2004). Components of apparel retailing web sites. *Journal of Fashion Marketing and Management: An International Journal*, 8(4), 375–388. doi:10.1108/13612020410559975
- Jarvenpaa, S. L., Tractinsky, J., & Vitale, M. (2000). Consumer trust in an internet store. *Information Technology Management*, 1(1/2), 45–71. doi:10.1023/A:1019104520776
- Jarvenpaa, S. L., & Tractinsky, N. (1999). Consumer trust in an internet store: A cross-cultural validation. *Journal of Computer-Mediated Communication*, 5(2), 1–35.
- Jasiulewicz, A. (2011). Economic crisis influence on the polish consumer behavior. *Overcoming the Crisis: Economic and Financial Developments in Asia and Europe*, 77-88, Retrieved from <http://www.hippocampus.si/ISBN/978-961-6832-32-8/papers/jasiulewicz.pdf>
- Javalgi, R., & Moberg, C. (1997). Service loyalty: Implications for service providers. *Journal of Services Marketing*, 11(3), 165–179. doi:10.1108/08876049710168663
- Jayawardhena, C., Tiu Wright, L., & Dennis, C. (2007). Consumers online: Intentions, orientations and segmentation. *International Journal of Retail & Distribution Management*, 35(6), 515–526. doi:10.1108/09590550710750377
- Jensen, J. M. (2011). Consumer loyalty on the grocery product market: An empirical application of Dick and Basu's framework. *Journal of Consumer Marketing*, 28(5), 333–343. doi:10.1108/07363761111149983
- Jensen, J. M., & Hansen, T. (2006). An empirical examination of brand loyalty. *Journal of Product and Brand Management*, 15(7), 442–449. doi:10.1108/10610420610712829
- Jerath, K., & Zhang, Z. J. (2010). Store within a store. *JMR, Journal of Marketing Research*, 47(4), 748–763. doi:10.1509/jmkr.47.4.748
- Jinfeng, W., & Zhilong, T. (2009). The impact of selected store image dimensions on retailer equity: Evidence from 10 Chinese hypermarkets. *Journal of Retailing and Consumer Services*, 16(6), 486–494. doi:10.1016/j.jretconser.2009.08.002
- Jones, M. A. (1999). Entertaining shopping experiences: An exploratory investigation. *Journal of Retailing and Consumer Services*, 6(3), 129–139. doi:10.1016/S0969-6989(98)00028-9
- Jones, M. A., & Suh, J. (2000). Transaction-specific satisfaction and overall satisfaction: An empirical analysis. *Journal of Services Marketing*, 14(2), 147–159. doi:10.1108/08876040010371555
- Jones, P., Comfort, D., Clarke-Hill, C., & Hillier, D. (2010). Retail experience stores: experiencing the brand at first hand. *Marketing Intelligence & Planning*, 28(3), 241–248. doi:10.1108/02634501011041408
- Jones, P., Comfort, D., & Hillier, D. (2010). Sustainability in the global shop window. *International Journal of Retail & Distribution Management*, 39(4), 256–271. doi:10.1108/09590551111117536
- Jones, P., Comfort, D., & Hillier, D. (2012). Marketing Sustainable Consumption within Stores: A Case Study of the UK's Leading Food Retailers. *Journal of Food Products Marketing*, 18(2), 96–108. doi:10.1080/10454446.2012.653779
- Jones, P., Hillier, D., & Comfort, D. (2011). Shopping for tomorrow: Promoting sustainable consumption within food stores. *British Food Journal*, 113(7), 935–948. doi:10.1108/00070701111148441
- Jordon, A. (2015). Free reign fashion. *LSN Global*. Retrieved from <https://www.lsnglobal.com/news/article/18265/free-rein-fashion>
- Joye, Y., Willems, K., Brengman, M., & Wolf, K. (2010). The effects of urban retail greenery on consumer experience: Reviewing the evidence from a restorative perspective. *Urban Forestry & Urban Greening*, 9(1), 57–64. doi:10.1016/j.ufug.2009.10.001

Compilation of References

- Juric, B., Smith, S. D., & Wilks, G. (2016). Negative customer brand engagement: an overview of conceptual and blog-based findings. In R. J. Brodie, J. Conduit, & L. Hollebeek (Eds.), *Customer Engagement: Contemporary Issues and Challenges* (pp. 272–286). New York, NY: Routledge.
- Kahneman, D. (2003). Maps of bounded rationality: Psychology for behavioral economics. *The American Economic Review*, 93(5), 1449–1475. doi:10.1257/000282803322655392
- Kaikati, J. D. (1985). Don't discount off-price retailers. *Harvard Business Review*, 63(3), 85–92.
- Kaipia, R., & Tanskanen, K. (2003). Vendor managed category management – an outsourcing solution in retailing. *Journal of Purchasing and Supply Management*, 4(9), 165–175. doi:10.1016/S1478-4092(03)00009-8
- Kaltcheva, V. D., & Weitz, B. A. (2006). When should a retailer create an exciting store environment? *Journal of Marketing*, 70(1), 107–118. doi:10.1509/jmkg.70.1.107.qxd
- Kamakura, W. A., Mittal, V., de Rose, F., & Mazzon, J. A. (2002). Assessing the service-profit chain. *Marketing Science*, 21(3), 294–317. doi:10.1287/mksc.21.3.294.140
- Kandampully, J. (Ed.). (2012a). *Service management: The new paradigm in retailing*. New York, NY: Springer.
- Kandampully, J. (2012b). Service as the new paradigm in retailing. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 1–6). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_1
- Kang, J., Tang, L., Lee, J. Y., & Bosselman, R. H. (2012). Understanding customer behavior in name-brand Korean coffee shops: The role of self-congruity and functional congruity. *International Journal of Hospitality Management*, 31(3), 809–818. doi:10.1016/j.ijhm.2011.09.017
- Kang, S. J., & Sawada, Y. (2008). Credit crunch and household welfare, the case of the Korean financial crisis. *The Japanese Economic Review*, 59(4), 438–458. doi:10.1111/j.1468-5876.2008.00429.x
- Kaplan, R., & Kaplan, S. (1989). *The experience of nature: A psychological perspective*. New York, NY: Cambridge University Press.
- Karababa, E., & Ger, G. (2010). Early modern Ottoman coffeehouse culture and the formation of the consumer subject. *The Journal of Consumer Research*, 37(5), 737–760. doi:10.1086/656422
- Karmeni, K., Hamadi, A., Mesri, L., & Mimoun, M. S. B. (2017). The impact of innovation on store managers' job satisfaction: Evidence from Tunisian retailing. *Management & Avenir*, 93(3), 103–119. doi:10.3917/mav.093.0103
- Katrandjiev, H., & Velinov, I. (2014). Investigation of Online Visual Merchandising (OVM) Elements of Apparel Web Stores. *Economic Alternatives*, 1, 84–98.
- Kaufman, S. (1985). Coping with rapid retail evolution. *Journal of Consumer Marketing*, 2(1), 17–27. doi:10.1108/eb038817
- Kaufman-Scarborough, C., & Forsythe, S. (2009). Current issues in retailing: Relationships and emerging opportunities. *Journal of Business Research*, 62(5), 517–520. doi:10.1016/j.jbusres.2008.06.010
- Kay, M. (2010). Marketing during a recession: social effects and marketing opportunities. *Proceedings of the Northeast Business & Economics Association*, 587–589.
- Kaynak, E. (1979). A refined approach to the wheel of retailing. *European Journal of Marketing*, 13(7), 237–245. doi:10.1108/EUM0000000004957

- Keillor, B. D., Parker, R. S., & Erffmeyer, R. C. (1996). The evaluative criteria of the elderly in a retail experience: product-related vs. store-related factors. *Journal of Marketing Management*, 6(2), 61–71.
- Keiningham, T. L., Aksoy, L., & Williams, L. (2012). Why loyalty matters in retailing. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 67–82). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_5
- Kellaris, J. J., & Kent, R. J. (1992). The influence of music on consumer's temporal perceptions: Does time fly when you're having fun? *Journal of Consumer Psychology*, 1(4), 365–379. doi:10.1016/S1057-7408(08)80060-5
- Kellaris, J. J., & Rice, R. C. (1993). The influence on tempo, loudness, and gender of listener on responses to music. *Psychology and Marketing*, 10(1), 15–28. doi:10.1002/mar.4220100103
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57(1), 1–22. doi:10.1177/002224299305700101
- Kellert, S. R., & Wilson, E. O. (Eds.). (1993). *The biophilia hypothesis*. Washington, D.C.: Island Press.
- Kelley, E., & Schewe, L. (1975). Buyer behavior in a stagflation-shortages economy. *Journal of Marketing*, 39, 44–60.
- Kelly, J. (2013a). *Dundee High Street* [Image]. Retrieved from James Kelly.
- Kelly, J. (2013b). *High Street decline* [Image]. Retrieved from James Kelly.
- Kerin, R. A., Jain, A., & Howard, D. J. (1992). Store shopping experience and consumer price-quality-value perceptions. *Journal of Retailing*, 68(4), 376–397.
- Khan, I., Garg, R. J., & Rahman, Z. (2015). Customer service experience in hotel operations: An empirical analysis. *Procedia: Social and Behavioral Sciences*, 189, 266–274. doi:10.1016/j.sbspro.2015.03.222
- Khan, N., & Korac, K. N. (2014). CSR: The co-evolution of grocery multiples in the UK (2005-2010). *Social Responsibility Journal*, 10(1), 137–160. doi:10.1108/SRJ-06-2012-0069
- Kido, M. (2000). Bio-psychological effects of color. *Journal of International Society of Life Information Science*, 18(1), 254–262.
- Kim, A. C., Dongchul, H., & Aeung-Bae, P. (2001). The effect of brand personality and brand identification on brand loyalty: Applying the theory of social identification. *The Japanese Psychological Research*, 43(4), 195–206. doi:10.1111/1468-5884.00177
- Kim, D. J., Song, Y. I., Braynov, S. B., & Rao, H. R. (2005). A multidimensional trust formation model in b-to-c e-commerce: a conceptual framework and content analyses of academia/practitioner perspectives. *Decision Support Systems*, 40(2), 143–165. doi:10.1016/j.dss.2004.01.006
- Kim, E. Y., & Yang, K. (2018). Self-service technologies (SSTS) streamlining consumer experience in the fashion retail stores: the role of perceived interactivity. *Journal of Global Fashion Marketing*, 9(4), 287–304. doi:10.1080/20932685.2018.1503558
- Kim, H., Choi, Y. J., & Lee, Y. (2015). Web atmospheric qualities in luxury fashion brand web sites. *Journal of Fashion Marketing and Management*, 19(4), 384–401. doi:10.1108/JFMM-09-2013-0103
- Kim, H., Fiore, A. M., Niehm, L. S., & Jeong, M. (2010). Psychographic characteristics affecting behavioral intentions towards pop-up retail. *International Journal of Retail & Distribution Management*, 38(2), 133–154. doi:10.1108/09590551011020138

Compilation of References

- Kim, J., Ha, S., & Fong, C. (2014). Retailers' CSR: The effects of legitimacy and social capital. *International Journal of Retail & Distribution Management*, 42(2), 131–150. doi:10.1108/IJRDM-10-2012-0092
- Kim, M., & Kandampully, J. (2012). The service imperative in the retailing industry. In J. Kandampully (Ed.), *Service management: the new paradigm in retailing* (pp. 7–24). New York, NY: Springer. doi:10.1007/978-1-4614-1554-1_2
- Kim, Y. K., Lee, M. Y., & Park, S. H. (2014). Shopping value orientation: Conceptualization and measurement. *Journal of Business Research*, 67(1), 2884–2890. doi:10.1016/j.jbusres.2012.06.006
- Kivipõld, K. (2015). Organizational leadership capability – a mechanism of knowledge coordination for inducing innovative behavior. *Baltic Journal of Management*, 10(4), 478–496. doi:10.1108/BJM-10-2014-0152
- Kjeldegard, D., & Ostberg, J. (2007). Coffee grounds and the global cup: glocal consumer culture in Scandinavia. *Consumption Markets & Culture*, 10(2), 175–187. doi:10.1080/10253860701256281
- Klatzky, R. L., & Lederman, S. J. (1992). Stages of manual exploration in haptic object identification. *Perception & Psychophysics*, 52(6), 661–670. doi:10.3758/BF03211702 PMID:1287570
- Kleine, S. S., Kleine, R. E., & Allen, C. T. (1995). How is possession 'me' or 'not me'? Characterizing types and an antecedent of material possession attachment. *The Journal of Consumer Research*, 22(3), 327–343. doi:10.1086/209454
- Klein, L. R. (2003). Creating virtual product experiences: The role of telepresence. *Journal of Interactive Marketing*, 17(1), 41–55. doi:10.1002/dir.10046
- Kliatchko, J. (2008). Revisiting the IMC construct: A revised definition & four pillars. *International Journal of Advertising*, 27(1), 133–160. doi:10.1080/02650487.2008.11073043
- Klouda, L. (2008). Charity retailing: The future of sustainable shopping? *European Retail Digest*, 56, 16–20.
- Kocak, A., Kabadayi, E. T., & Yilmaz, C. (2016). Cognitive and affective constituents of the consumption experience in retail service settings: Effects on store loyalty. *Service Business*, 10(4), 715–735. doi:10.1007/11628-015-0288-8
- Kogut, B., & Zander, U. (1996). What firms do? Coordination, identity, and learning. *Organization Science*, 7(5), 502–518. doi:10.1287/orsc.7.5.502
- Koh, H. C., & El'fred, H. Y. (2004). Organisational ethics and employee satisfaction and commitment. *Management Decision*, 42(5), 677–693. doi:10.1108/00251740410538514
- Koh, H. K., Brach, C., Harris, L. M., & Parchman, M. L. (2013). A proposed 'health literate care model' would constitute a systems approach to improving patients' engagement in care. *Health Affairs*, 32(2), 357–367. doi:10.1377/hlthaff.2012.1205 PMID:23381529
- Koivumäki, T. (2001). Customer satisfaction and purchasing behaviour in a web-based shopping environment. *Electronic Markets*, 11(3), 186–192. doi:10.1080/101967801681008022
- Kolk, A., Hong, P., & van Dolen, W. (2010). Corporate social responsibility in china: An analysis of domestic and foreign retailers' sustainability dimensions. *Business Strategy and the Environment*, 19, 289–303.
- Komodromos, M., & Melanthiou, Y. (2014). Corporate Reputation through Strategic Corporate Social Responsibility: Insights from service industry companies. *Journal of Promotion Management*, 20(4), 470–480. doi:10.1080/10496491.2014.930284
- Kondawar, D., & Jadhav, P. (2012). Global economic crisis & consumer behavior. *ABHINAV*, 1(12), 82–87.

- Koro-Ljungberg, M. (2008). A social constructionist framing of the research interview. In J. A. Holstein & J. F. Gubrium (Eds.), *Handbook of constructionist research* (pp. 429–444). New York, NY: The Guilford Press.
- Korschun, D., Bhattacharya, C. B., & Swain, S. D. (2014). Corporate Social Responsibility, Customer Orientation, and the Job Performance of Frontline Employees. *Journal of Marketing*, 78(3), 20–37. doi:10.1509/jm.11.0245
- Koschate-Fisher, N., Cramer, J., & Hoyer, W. (2014). Moderating effects of the relationship between private label and store loyalty. *Journal of Marketing*, 78(March), 69–82. doi:10.1509/jm.13.0075
- Kosuge, R., & Shiu, J.-M. (2019). Creating retail customer experience through distribution of decision authority between headquarters and stores. *Annals of Business Administrative Science*, 18(3), 113–121. doi:10.7880/abas.0190325a
- Kotler, P. (1973). Atmospherics as a marketing tool. *Journal of Retailing*, 49, 48–64.
- Kotler, P. (1973-1974). Atmospherics as a marketing tool. *Journal of Retailing*, 49(4), 48–64.
- Kotler, P. (1986). The prosumer movement: A new challenge for marketers. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 13(1), 510–513.
- Kotler, P., & Armstrong, G. (2008). *Principios de Marketing*. Rio de Janeiro: Prentice Hall do Brasil.
- Kotler, P., Kartajaya, H., & Setiawan, I. (2010). *Marketing 3.0: from products to customers to the human spirit*. John Wiley & Sons. doi:10.1002/9781118257883
- Kotler, P., Kartajaya, H., & Setiawan, I. (2016). *Marketing 4.0: Moving from traditional to digital*. John Wiley & Sons.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Upper Saddle River, NJ: Pearson Education
- Kotzab, H. (1999). Improving supply chain performance by efficient consumer response? A critical comparison of existing ECR approaches. *Journal of Business and Industrial Marketing*, 14(5/6), 364–377. doi:10.1108/08858629910290111
- Koufaris, M., & Hampton-Sosa, W. (2004). The development of initial trust in an online company by new customers. *Information & Management*, 41(3), 377–397. doi:10.1016/j.im.2003.08.004
- Koutsouris, V., Polychronopoulos, C., & Vrechopoulos, A. (2007). In 2007 *International Conference on the Management of Mobile Business (ICMB 2007)*, Toronto, Canada, July 9-11, (pp. 1–1). IEEE. doi:10.1109/ICMB.2007.26
- Kowalkiewicz, M., Rosemann, M., & Dootson, P. (2017). *Retail 5.0: Check-Out the Future*. PwC Chair in Digital Economy. Retrieved at <https://chairdigitaleconomy.com.au/wp-content/uploads/2018/04/Retail-5.0-Check-out-the-Future.pdf>
- Kozinets, R. (2002, February). The field behind the screen: Using netnography for marketing research in online communities. *JMR, Journal of Marketing Research*, 39(1), 61–72. doi:10.1509/jmkr.39.1.61.18935
- Kozinets, R. (2010). *Netnography: Doing ethnographic research online*. Thousand Oaks, CA: Sage.
- Kozinets, R. (2015). *Netnography: Redefined*. London, UK: SAGE.
- Kozinets, R. V. (2007). Inno-Tribes: Star Trek as Wikimedia. In B. Cova, R. V. Kozinets, & A. Shankar (Eds.), *Consumer Tribes*. Burlington, MA: Butterworth -Heinemann.
- Kozinets, R. V., & Handelman, J. M. (2004). Adversaries of Consumption: Consumer Movements, Activism, and Ideology. *The Journal of Consumer Research*, 31(3), 691–704. doi:10.1086/425104
- Kozma, R. B. (1991). Learning with media. *Review of Educational Research*, 61(2), 179–211. doi:10.3102/00346543061002179
- KPMG. (2015). *Survey of Corporate Responsibility Reporting*. Report.

Compilation of References

- Krafft, M., & Mantrala, M. K. (Eds.). (2010). *Retailing in the 21st century: current and future trends*. Springer. doi:10.1007/978-3-540-72003-4
- Krasnikolakis, I. & Vrechopoulos, A. (2009). Setting the research agenda for store atmosphere studies. In *Virtual Reality Retailing: An Interdisciplinary Approach, Mediterranean Conference on Information Systems (MCIS) 2009 Proceedings*. 1440-1446. Retrieved from <http://aisel.aisnet.org/mcis2009/115>
- Krasnikolakis, I., Vrechopoulos, A., & Pouloudi, A. (2014). Store selection criteria and sales prediction in virtual worlds. *Information & Management*, 51(6), 641–652. doi:10.1016/j.im.2014.05.017
- Kremer, F., & Viot, C. (2012). How store brands build retailer brand image. *International Journal of Retail & Distribution Management*, 40(7), 528–543. doi:10.1108/09590551211239846
- Krom, I. (2015). Global online entrepreneurship and the impact of innovation on brands. *Emerging Markets Journal*, 5(2), 90–101. doi:10.5195/EMAJ.2015.90
- Kuenzel, S., & Halliday, V. S. (2008). Investigating antecedents and consequences of brand identification. *Journal of Product and Brand Management*, 17(5), 293–304. doi:10.1108/10610420810896059
- Kumar, N., & Steenkamp, J.-B. E. M. (2007). *Private Label Strategy*. Cambridge, MA: Harvard Business School Press.
- Kumar, P. (2005). The competitive impact of service process improvement: examining customers' waiting experiences in retail markets. *Journal of Retailing*, 81(3), 171–180. doi:10.1016/j.jretai.2005.07.002
- Kumar, P., & Polonsky, M. J. (2019). In-store experience quality and perceived credibility: a green retailer context. *Journal of Retailing and Consumer Services*, 49, 23–34. doi:10.1016/j.jretconser.2019.02.022
- Kumar, V., Pozza, I. D., & Ganesh, J. (2013). Revisiting the satisfaction-loyalty relationship: Empirical generalizations and directions for future research. *Journal of Retailing*, 89(3), 246–262. doi:10.1016/j.jretai.2013.02.001
- Kunz, W., Schmitt, B., & Meyer, A. (2011). How does perceived firm innovativeness affect the consumer? *Journal of Business Research*, 64(8), 816–822. doi:10.1016/j.jbusres.2010.10.005
- La Cour, A., & Kromann, J. (2011). Euphemisms & hypocrisy in corporate philanthropy. *Business Ethics (Oxford, England)*, 20(3), 267–279. doi:10.1111/j.1467-8608.2011.01627.x
- Labrecque, L. I., & Milne, G. R. (2012). Exciting red and competent blue: The importance of color in marketing. *Journal of the Academy of Marketing Science*, 40(5), 711–727. doi:10.1007/11747-010-0245-y
- Lacy, P., & Rutqvist, J. (2015). *Waste to Wealth: The Circular Economy Advantage*. Basingstoke, UK: Palgrave Mcmillan.
- Ladhari, R., Souiden, N., & Ladhari, I. (2011). Determinants of loyalty and recommendation: The role of perceived service quality, emotional satisfaction and image. *Journal of Financial Services Marketing*, 16(2), 111–124. doi:10.1057/fsm.2011.10
- Lafferty, W. M. (Ed.). (2004). *Governance for Sustainable Development. The Challenge of Adapting Form to Function*. Cheltenham, UK: Elgar. doi:10.4337/9781845421700
- Lahti, T., Wincent, J., & Parida, V. (2018). A Definition and Theoretical Review of the Circular Economy, Value Creation, and Sustainable Business Models: Where Are We Now and Where Should Research Move in the Future? *Sustainability*, 10.
- Lai, C. S., Chiu, C. J., Yang, C. F., & Pai, D. C. (2010). The effects of corporate social responsibility on brand performance: The mediating effect of industrial brand equity & corporate reputation. *Journal of Business Ethics*, 95(3), 457–469. doi:10.1007/10551-010-0433-1

- Lai, K., Cheng, T. C. E., & Tang, A. K. Y. (2010). Green retailing: Factors for success. *California Management Review*, 52(2), 6–31. doi:10.1525/cmr.2010.52.2.6
- Lambert, C. (2006). The marketplace of perceptions. *Harvard Magazine*, 108(4), 50–60.
- Lamey, L., Deleersnyder, B., Dekimpe, M. J., & Steenkamp, J.-B. E. M. (2007). How business cycles contribute to private-label success: evidence from the United States and Europe. *Journal of Marketing*, 71(1), 1–15. doi:10.1509/jmkg.71.1.1
- Lam, S. K., Ahearne, M., Hu, Y., & Schillewaert, N. (2010). Resistance to brand switching when a radically new brand is introduced: A social identity theory perspective. *Journal of Marketing*, 74(6), 128–146. doi:10.1509/jmkg.74.6.128
- Lam, S. Y. (2001). The effects of store environment on shopping behaviors: A critical review. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 28, 190–197.
- Langston, P. (2012). Will click and collect save the High Street? *Retail Week*. Retrieved from <http://www.retail-week.com/multichannel/comment-will-click-and-collect-save-the-high-street/5039566.article>
- Lee, E. J., & Hahn, K. (2015). Tone of Writing on Fashion Retail Websites, Social Support, e-Shopping Satisfaction, and Category Knowledge. *Clothing & Textiles Research Journal*, 33(2), 143–159. doi:10.1177/0887302X15568915
- Lee, H. J., Cho, H. J., Xu, W., & Fairhurst, A. (2010). The influence of consumer traits and demographics on intention to use retail self-service checkouts. *Marketing Intelligence & Planning*, 28(1), 46–58. doi:10.1108/02634501011014606
- Lee, M. K. O., & Turban, E. (2002). A trust model for consumer internet shopping. *International Journal of Electronic Commerce*, 6(1), 75–91. doi:10.1080/10864415.2001.11044227
- Lee, W. S., Moon, J., & Song, M. (2018). Attributes of the coffee shop business related to customer satisfaction. *Journal of Foodservice Business Research*, 1–14.
- Leigh, T. W., Peters, C., & Shelton, J. (2006). The Consumer Quest for Authenticity: The Multiplicity of Meanings within the Mg Subculture of Consumption. *Journal of the Academy of Marketing Science*, 34(4), 481–493. doi:10.1177/0092070306288403
- Lemon, K., & Verhoef, P. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(11), 69–96. doi:10.1509/jm.15.0420
- Leone, R., Moretti, U., D’Incau, P., Conforti, A., Magro, L., Lora, R., & Velo, G. (2013). Effect of pharmacist involvement on patient reporting of adverse drug reactions: First Italian study. *Drug Safety*, 36(4), 267–276. doi:10.1007/40264-013-0028-8 PMID:23475583
- Leong, L.-Y., Hew, T.-S., Tan, G. W.-H., & Ooi, K.-B. (2013). Predicting the determinants of the NFC-enabled mobile credit card acceptance: A neural networks approach. *Expert Systems with Applications*, 40(14), 5604–5620. doi:10.1016/j.eswa.2013.04.018
- Levy, M., Grewal, D., Peterson, R. A., & Connolly, B. (2005). The concept of the “big middle”. *Journal of Retailing*, 81(2), 83–88. doi:10.1016/j.jretai.2005.04.001
- Levy, M., & Weitz, B. A. (2001). *Retail management*. New York, NY: McGraw-Hill.
- Levy, M., & Weitz, B. A. (2012). *Retailing Management* (8th ed.). Irwin, NY: McGraw-Hill.
- Lewis, D., & Bridger, D. (2005). Market researchers make increasing use of brain imaging. *Advances in Clinical Neuroscience & Rehabilitation: ACNR*, 5(3), 36–37.

Compilation of References

- Leyens, J. P., & Fiske, S. T. (1994). Impression formation: From recitals to *symphonie fantastique*. In P. G. Devine, D. L. Hamilton, & T. M. Ostrom (Eds.), *Social cognition: Impact on social psychology*. San Diego, CA: Academic Press.
- Liao, S., Shao, I. P., Wang, H., & Chen, A. (1999). The adoption of virtual banking: An empirical study. *International Journal of Information Management*, 19(1), 63–74. doi:10.1016/S0268-4012(98)00047-4
- Ligas, M. (2000). People, products, and pursuits: Exploring the relationship between consumer goals and product meanings. *Psychology and Marketing*, 17(11), 983–1003. doi:10.1002/1520-6793(200011)17:11<983::AID-MAR4>3.0.CO;2-J
- Ligas, M., & Chaudhuri, A. (2012). The moderating roles of shopper experience and store type on the relationship between perceived merchandise value and willingness to pay a higher price. *Journal of Retailing and Consumer Services*, 19(2), 249–258. doi:10.1016/j.jretconser.2012.01.006
- Li, L. P., Juric, B., & Brodie, R. J. (2017). Dynamic multi-actor engagement in networks: The case of United Breaks Guitars. *Journal of Service Theory and Practice*, 27(4), 738–760. doi:10.1108/JSTP-04-2016-0066
- Li, L. P., Juric, B., & Brodie, R. J. (2018). Actor engagement valence: Conceptual foundations, propositions and research directions. *Journal of Service Management*, 29(3), 491–516. doi:10.1108/JOSM-08-2016-0235
- Liljander, V., Polsa, P., & van Riel, A. (2009). Modelling consumer responses to an apparel store brand: Store image as a risk reducer. *Journal of Retailing and Consumer Services*, 16(4), 281–290. doi:10.1016/j.jretconser.2009.02.005
- Lillya, D., Zagnojute, G., & Reynolds, J. (2015). The guide to UK Corporate Giving (10th ed.). Directory of Social Change.
- Lin, C. Y. (2015). Conceptualizing and measuring consumer perceptions of retailer innovativeness in Taiwan. *Journal of Retailing and Consumer Services*, 24, 33–41. doi:10.1016/j.jretconser.2015.01.009
- Lin, C. Y. (2016). Perceived convenience retailer innovativeness: How does it affect consumers? *Management Decision*, 54(4), 946–964. doi:10.1108/MD-08-2015-0363
- Lin, C. Y., Marshall, D., & Dawson, J. (2013). How does perceived convenience retailer innovativeness create value for the customer? *International Journal of Business and Economics*, 12(2), 171–179.
- Lincoln, K., & Thomassen, L. (2008). *Private label: Turning the retail threat into your biggest opportunity*. London, UK: Kogan Page.
- Lindquist, J. D. (1975). Meaning of image: A survey of empirical and hypothetical evidence. *Journal of Retailing*, 50(4), 29–38.
- Lindstrom, M. (2005). *Brand Sense: How to build powerful brands through touch, taste, smell, sight & sound*. London: Kogan Page Limited.
- Lin, I. Y., & Mattila, A. S. (2010). Restaurant servicescape, service encounter, and perceived congruency on customers' emotions and satisfaction. *Journal of Hospitality Marketing & Management*, 19(8), 819–841. doi:10.1080/19368623.2010.514547
- Lin, Z., & Bennett, D. (2014). Examining retail customer experience and the moderation effect of loyalty programmes. *International Journal of Retail & Distribution Management*, 42(10), 929–947. doi:10.1108/IJRDM-11-2013-0208
- Liu, H., Lobschat, L., & Verhoef, P. C. (2018). Multichannel retailing: a review and research agenda. *Foundations and Trends® in Marketing*, 12(1), 1–79.
- Liu, C.-M., Huang, C.-J., & Chen, M.-L. (2014). Relational benefits, customer satisfaction, and customer loyalty in chain store restaurants. *International Journal of Organizational Innovation*, 7(1), 46–56.

- Liu, G., & Ko, W. W. (2011). An Analysis of Cause-Related Marketing Implementation Strategies through Social Alliance: Partnership Conditions & Strategic Objectives. *Journal of Business Ethics*, *100*(2), 253–281. doi:10.1007/10551-010-0679-7
- Liu, T. C., & Wang, C. Y. (2008). Factors affecting attitudes toward private labels and promoted brands. *Journal of Marketing Management*, *24*(3-4), 283–298. doi:10.1362/026725708X306103
- Livesey, F., & Lennon, P. (1978). Factors affecting consumers' choice between manufacturer brands and retailer own labels. *European Journal of Marketing*, *12*(2), 158–170. doi:10.1108/EUM0000000004965
- Lo Priore, C., Castelnovo, G., Liccione, D., & Liccione, D. (2003). Experience with V-STORE: Considerations on presence in virtual environments for effective neuropsychological rehabilitation of executive functions. *Cyberpsychology & Behavior*, *6*(3), 281–287. doi:10.1089/109493103322011579 PMID:12855084
- Lohr, V. I., Pearson-Mims, C. H., Tarnai, J., & Dillman, D. (2004). How urban residents rate and rank the benefits and problems associated with trees in cities. *Journal of Arboriculture*, *30*(1), 28–35.
- Lohse, G. L., & Spliler, P. (1999). Internet retail store design: How the user interface influences traffic and sales. *Journal of Computer-Mediated Communication*, *5*(2). doi:10.1111/j.1083-6101.1999.tb00339.x
- Lopez-De-Pedro, J. M., & Rimbau-Gilabert, E. (2012). Stakeholder Approach: What Effects Should We Take into Account in Contemporary Societies? *Journal of Business Ethics*, *107*(2), 147–158. doi:10.1007/10551-011-1029-0
- Losch, A., & Lambert, J. S. (2007). E-reverse auctions revisited: An analysis of context, buyer-supplier relations and information behavior. *The Journal of Supply Chain Management*, *43*(4), 47–63. doi:10.1111/j.1745-493X.2007.00040.x
- Lovelock, C., & Wirtz, J. (2004). *Services marketing. people, technology* (V. Strategy, Ed.). New Jersey: Prentice Hall, Pearson.
- Lovelock, C., & Wright, L. (2007). *Servicos: marketing e gestao* [Services: marketing and management]. Sao Paulo: Saraiva.
- Luo, X. (2002). Trust production and privacy concerns on the internet: a framework based on relationship marketing and social exchange theory. *Industrial Marketing Management*, *31*(2), 111–118. doi:10.1016/S0019-8501(01)00182-1
- Lusch, R. F. & Vargo, S. L. (Eds.). (2006). *The service-dominant logic of marketing - dialog, debate, and directions*. Armonk, NY: ME Sharpe.
- Lusk, J. L., & Coble, K. H. (2005). Risk perceptions, risk preference and acceptance of risky food. *American Journal of Agricultural Economics*, *87*(2), 393–421. doi:10.1111/j.1467-8276.2005.00730.x
- Machleit, K. A., Eroglu, S., & Powell Mantel, S. (2000). Perceived retail crowding and shopping satisfaction: what modifies this relationship? *Journal of Consumer Psychology*, *9*(1), 29–42. doi:10.1207/15327663jcp0901_3
- Machleit, K. A., Kellaris, J. J., & Eroglu, S. A. (1994). Human versus spatial dimensions of crowding perceptions in retail environments: A note on their measurement and effect on shopper satisfaction. *Marketing Letters*, *5*(2), 183–194. doi:10.1007/BF00994108
- Macintosh, G., & Lockshin, L. S. (1997). Retail relationships and store loyalty: A multi-level perspective. *International Journal of Research in Marketing*, *14*(5), 487–497. doi:10.1016/S0167-8116(97)00030-X
- Maggioni, I. & Sands, S. (2018). Zen and the art of shopping: an inquiry into wellbeing, self-congruity and motivational orientation. In *Proceedings of the 2018 European Marketing Academy (EMAC) Conference*. May 29 – June 1, Glasgow, UK: EMAC.

Compilation of References

- Maggioni, I. (2014). Identity-based consumer behaviour, self-congruity and retail-consumer relationships: a literature review. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 13–26). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch002
- Maglio, P. P., & Spohrer, J. (2008). Fundamentals of service science. *Journal of the Academy of Marketing Science*, 36(1), 18–20. doi:10.1007/11747-007-0058-9
- Magrath, V., & McCormick, H. (2013). Branding design elements of mobile fashion retail apps. *Journal of Fashion Marketing and Management*, 17(1), 98–114. doi:10.1108/13612021311305164
- Maixé-Altés, J. C., & Balaguer, R. C. (2015). Structural change in peripheral European markets Spanish grocery retailing, 1950-2007. *Journal of Macromarketing*, 35(4), 448–465. doi:10.1177/0276146715571966
- Malar, M. S. (2019). Industry 4.0 transforming global retail industry. *Indian Journal of Computer Science*, 4(1), 19–25. doi:10.17010/ijcs/2019/v4/i1/142414
- Malhotra, N. K. (1988). Self concept and product choice: An integrated perspective. *Journal of Economic Psychology*, 9(1), 1–28. doi:10.1016/0167-4870(88)90029-3
- Malhotra, N. K. (2012). *Pesquisa de marketing: uma orientacao aplicada* [Marketing Research: an applied approach]. Porto Alegre: Bookman.
- Malhotra, N. K., Kim, S. S., & Agarwal, J. (2004). Internet users' information privacy concerns (iuipe): the construct, the scale, and a causal model. *Information Systems Research*, 15(4), 336–355. doi:10.1287/isre.1040.0032
- Manasseh, T., Müller-Sarmiento, P., Reuter, H., von Faber-Castell, C., & Pallua, C. (2012). Customer inspiration—a key lever for growth in European retail. *Marketing Review St. Gallen*, 29(5), 16–21. doi:10.1365/11621-012-0159-9
- Mandel, N., & Johnson, E. J. (2002). When web pages influence choice: Effects of visual primes on experts and novices. *The Journal of Consumer Research*, 29(2), 235–245. doi:10.1086/341573
- Manganari, E. E., Siomkos, G. J., & Vrechopoulos, A. P. (2009). Store atmosphere in web retailing. *European Journal of Marketing*, 43(9/10), 1140–1153. doi:10.1108/03090560910976401
- Manganari, E., Siomkos, G., & Vrechopoulos, A. (2007). Atmospheric qualities in mobile commerce: an initial approach. In *Proceedings of the 36th European Marketing Academy Conference (EMAC)* (pp. 1–7). Reykjavik, Iceland: McGraw-Hill
- Mansoor, D., & Jalal, A. (2011). The global business crisis and consumer behavior: Kingdom of Bahrain as a case study. *International Journal of Business and Management*, 6(1), 104–115.
- Mantrala, M. K., Levy, M., Kahn, B. E., Fox, E. J., Gaidarev, P., Dankworth, B., & Shah, D. (2009). Why is assortment planning so difficult for retailers? a framework and research agenda. *Journal of Retailing*, 85(1), 71–83. doi:10.1016/j.jretai.2008.11.006
- Manzo, J. (2014). Machines, people, and social interaction in “third-wave” coffeehouses. *Journal of Arts and Humanities*, 3(8), 1–12.
- Manzo, J. (2015). “Third-wave” coffeehouses as venues for sociality: on encounters between employees and customers. *Qualitative Report*, 20(6), 746–761.
- Marcon, A., de Medeiros, J. F., & Ribeiro, J. L. D. (2017). Innovation and environmentally sustainable economy: Identifying the best practices developed by multinationals in Brazil. *Journal of Cleaner Production*, 160, 83–97. doi:10.1016/j.jclepro.2017.02.101

- Markin, R. J., & Duncan, C. P. (1981). The transformation of retailing institutions: beyond the wheel of retailing and life cycle theories. *Journal of Macromarketing*, 1(1), 58–66. doi:10.1177/027614678100100110
- Markin, R. J., Lillis, C. M., & Narayana, C. L. (1976). Social-psychological significance of store space. *Journal of Retailing*, 52(1), 43–54.
- Markman, E. (2006). *The coffee house: a cultural history*. London, UK: Weidenfeld and Nicolson.
- Markovic, S., Iglesias, O., Singh, J. J., & Sierra, V. (2018). How does the perceived ethicality of corporate services brands influence loyalty and positive word-of-mouth? Analyzing the roles of empathy, affective commitment, and perceived quality. *Journal of Business Ethics*, 148(4), 721–740. doi:10.1007/10551-015-2985-6
- Maronick, T. J. & Walker, B. J. (1974). The dialectic evolution of retailing. In B. Greenberg (Ed.), *Proceedings of the Southern Marketing Association* (pp. 147-151). Southern Marketing Association. Atlanta, GA: Georgia State University.
- Martenson, R. (2007). Corporate brand image, satisfaction and store loyalty: A study of the store as a brand, store brands and manufacturer brands. *International Journal of Retail & Distribution Management*, 35(7), 544–555. doi:10.1108/09590550710755921
- Martin, L. (2018). How high street decline is hitting community cohesion. *The Financial Times*. Retrieved from <https://www.ft.com/content/85a38158-7890-11e8-bc55-50daf11b720d>
- Martinelli, E. (2018). *Marca del Distributore. Premium Private Label, tipicità e fedeltà*. Roma, Italy: Aracne editrice.
- Martinelli, E., De Canio, F., Marchi, G., & Nardin, G. (2017). Premium private labels and PDO/PGI products: effects on customer loyalty. In F. J. Martínez-López, J. C. Gázquez-Abad, K. L. Ailawadi, and M. J. Yagüe-Guillén (a cura di), *Advances in national brand and private label marketing*, Springer, Cham, Switzerland, 65-72.
- Martinelli, E. (2009). Service-dominant logic and retail convergence. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory*. Napoli, Italy: Giannini.
- Martinelli, E., Belli, A., & Marchi, G. (2015). The role of customer loyalty as a brand extension purchase predictor. *International Review of Retail, Distribution and Consumer Research*, 25(2), 105–119. doi:10.1080/09593969.2014.940997
- Martinelli, E., De Canio, F., & Marchi, G. (2019). Premium Private Labels (PPLs): from food products to concept stores. In J. Byrom & D. Medway (Eds.), *Case studies in food retailing and distribution*. Elsevier. doi:10.1016/B978-0-08-102037-1.00018-9
- Martinelli, E., & Vergura, D. T. (2014). Evolving the private label role in the retailer-customer relationship: antecedents and impact of premium private labels on customer loyalty to the retailer. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 86–106). Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8.ch006
- Martinelli, E., & Vergura, D. T. (2015). Le componenti della fedeltà all'insegna nel retail grocery: Un modello multidimensionale. *Mercati & Competitività*, 2(2), 45–65. doi:10.3280/MC2015-002004
- Martinuzzi, A., Kudlak, R. F., & Wiman, A. (2011). *CSR Activities and Impacts of the Retail Sector*. RIMAS Working Papers No. 4.
- Martos-Partal, M., González-Benito, O., & Fustinoni-Venturini, M. (2015). Motivational profiling of store brand shoppers: Differences across quality tiers. *Marketing Letters*, 26(2), 187–200. doi:10.1007/11002-013-9274-x
- Massara, F. (2003). Store atmosphere: still a fledgling art. *ECR Journal*, 3(2), 47–52.

Compilation of References

- Masson, J. E., & Wellhoff, A. (2005). *Il merchandising: come avere successo nel commercio moderno*. Milano, Italy: Franco Angeli.
- Mathwick, C., Malhotra, N., & Rigdon, E. (2002). The effect of dynamic retail experiences on experiential perceptions of value: An internet and catalog comparison. *Journal of Retailing*, 78(1), 51–60. doi:10.1016/S0022-4359(01)00066-5
- Mattar, F. N. (2007). *Pesquisa de Marketing [Marketing Research]* (6th ed.). Sao Paulo: Atlas.
- Mattila, A. S., & Wirtz, J. (2001). Congruency of scent and music as a driver of in-store evaluations and behaviour. *Journal of Retailing*, 77(2), 273–289. doi:10.1016/S0022-4359(01)00042-2
- Mattila, A. S., & Wirtz, J. (2008). The role of store environmental stimulation and social factors on impulse purchasing. *Journal of Services Marketing*, 22(7), 562–567. doi:10.1108/08876040810909686
- Mayr, L., & Varvakis, G. (2008). 3Rs principles on the improvement of existing buildings. In *World Conference SB08*, Melbourne, Australia.
- McCarley, P. (2009). Patient empowerment and motivational interviewing: Engaging patients to self-manage their own care. *Nephrology Nursing Journal*, 36(4). PMID:19715108
- McCarthy, E. J. (1964). *Basic marketing, a managerial approach*. Homewood, IL: Richard D. Irwin.
- McCracken, G. (1986). Culture and Consumption: A Theoretical Account of the Structure and Movement of the Cultural Meaning of Consumer Goods. *The Journal of Consumer Research*, 13(1), 71–84. doi:10.1086/209048
- McDonald, M., Rogers, B., & Woodburn, D. (2000). *Key customers: how to manage them profitably*. Oxford, UK: Butterworth-Heinemann.
- McDonald, S., Oates, C. J., Young, C. W., & Hwang, K. (2006). Toward Sustainable Consumption: Researching Voluntary Simplifiers. *Psychology and Marketing*, 23(6), 515–534. doi:10.1002/mar.20132
- McGoldrick, P. (2002). *Retail Marketing*. London, UK: McGraw-Hill Education.
- McGoldrick, P. J., & Davies, G. (Eds.). (1995). *International retailing: trends and strategies*. Glasgow, UK: Pitman Publishing.
- McKnight, D. H., Choudhury, V., & Kacmar, C. (2002). The impact of initial consumer trust on intention to transact with a website: a trust building model. *The Journal of Strategic Information Systems*, 13(4), 297–323. doi:10.1016/S0963-8687(02)00020-3
- McKnight, D. H., Kacmar, C., & Choudhury, V. (2004). Shifting factors and the ineffectiveness of third party assurance seals: a two-stage model of initial trust in a web business. *Electronic Markets*, 14(3), 252–266. doi:10.1080/1019678042000245263
- McMichael, A. J., Butler, C. D., & Folke, C. (2003). New visions for addressing sustainability. *Science*, 302, 1919–1920. PMID:14671290
- McNair, M. P. (1958). Significant trends and development in the postwar period. In A. B. Smith (Ed.), *Competitive distribution in a free, high-level economy and its implications for the university*. Pittsburgh, PA: University of Pittsburgh Press.
- McNeill, L., & Wyeth, E. (2011). The private label grocery choice: Consumer drivers to purchase. *International Review of Retail, Distribution and Consumer Research*, 21(1), 95–109. doi:10.1080/09593969.2011.537822
- Mee, M. (2004). *Margaret Mee's Amazon: The Diaries of an Artist Explorer Hardcover*. Woodbridge: Antique Collectors Club Dist.
- Mehrabian, A., & Russel, J. A. (1974). *An approach to environmental psychology*. Cambridge, MA: MIT Press.

- Mehrabian, A., & Russell, J. A. (1974). *An approach to environmental psychology*. Cambridge, MA: MIT Press.
- Melia, M., Colurcio, M., & Caridà, A. (2014). In-store communication to improve the customer experience. *International Journal of Applied Behavioral Economics*, 3(4), 55–70. doi:10.4018/ijabe.2014100104
- Melis, K., Campo, K., Breugelmans, E., & Lamey, L. (2015). The impact of the multi-channel retail mix on online store choice: Does online experience matter? *Journal of Retailing*, 91(2), 272–288. doi:10.1016/j.jretai.2014.12.004
- Mendoza, J. M. F., Sharmina, M., Gallego-Schmid, A., Heyes, G., & Azapagic, A. (2017). Integrating Backcasting and Eco-Design for the Circular Economy. *Journal of Industrial Ecology*, 21(3), 526–544. doi:10.1111/jiec.12590
- Menon, S., & Kahn, B. (2002). Cross-category effects of induced arousal and pleasure on the internet shopping experience. *Journal of Retailing*, 78(1), 31–40. doi:10.1016/S0022-4359(01)00064-1
- Meredith, J. (1993). Theory building through conceptual methods. *International Journal of Operations & Production Management*, 13(5), 3–11. doi:10.1108/01443579310028120
- Merle, A., Senecal, S., & St-Onge, A. (2012). Whether and how virtual try-on influences consumer responses to an apparel web site. *International Journal of Electronic Commerce*, 16(3), 41–64. doi:10.2753/JEC1086-4415160302
- Merrilees, B., Miller, D., & McKenzie, B. (2001). Cross-cultural retailing research: a comparison of shopping experiences in Estonia and Canada. *Journal of East-West Business*, 7(1), 83–100. doi:10.1300/J097v07n01_05
- METRO GROUP. (2018). *Annual Report 2017-2018*. Author.
- Michael, S. C., & Kim, S. M. (2005). The organizational ecology of retailing: A historical perspective. *Journal of Retailing*, 81(2), 113–123. doi:10.1016/j.jretai.2005.03.005
- Michelli, J. (2007). *The Starbucks Experience: 5 principles for turning ordinary into extraordinary*. New York, NY: McGraw Hill.
- Mick, D. G., & Buhl, C. (1992). A Meaning-Based Model of Advertising Experiences. *The Journal of Consumer Research*, 19(3), 317–338. doi:10.1086/209305
- Mieres, C. G., Martin, A. M., & Gutierrez, J. A. T. (2006). Influence of perceived risk on store brand proneness. *International Journal of Retail & Distribution Management*, 34(10), 761–772. doi:10.1108/09590550610691347
- Mihm, B. (2010). Fast fashion in a flat world: global sourcing strategies. *International Business & Economics Research Journal*, 9(6), 55–63.
- Miller, D. & Reilly, J. (1994). Food scares in the media, Glasgow: Glasgow University Media Group. Retrieved from <http://www.dmler.info/food-scares-in-the-media>
- Miller, G. (2013). Is the prime reason customers shop online price or convenience? Which one? Are you sure? *The Retail Intelligence Company*. Retrieved from <http://upstreamcommerce.com/blog/2013/08/07/ptime-reason-customers-shop-online->
- Miller, D. (1988). Relating Porter's business strategies to environment and structure: analysis and performance implications. *Academy of Management Journal*, 31(2), 280–308.
- Miller, D., & Dröge, C. (1986). Psychological and traditional determinants of structure. *Administrative Science Quarterly*, 31(4), 539–560. doi:10.2307/2392963
- Milliken, J. (2012). Mobile phones are changing the world of retail – at a remarkable rate. *The Guardian*. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2012/jun/26/mobile-retail-technology-consumer>

Compilation of References

- Milliman, R. (1986). The influence of background music on the behaviour of restaurant patrons. *The Journal of Consumer Research*, 13(2), 286–289. doi:10.1086/209068
- Millington, S., & Ntounis, N. (2017). Repositioning the high street: Evidence and reflection from the UK. *Journal of Place Management and Development*, 10(4), 364–379. doi:10.1108/JPM-08-2017-0077
- Millman, R. E. (1982). Using background music to affect the behavior of supermarkets shoppers. *Journal of Marketing*, 46(3), 86–91. doi:10.1177/002224298204600313
- Milne, G. R., & Boza, M. E. (1999). Trust and concern in consumers' perceptions of marketing information management practices. *Journal of Interactive Marketing*, 13(1), 5–24. doi:10.1002/(SICI)1520-6653(199924)13:1<5::AID-DIR2>3.0.CO;2-9
- Milne, G. R., & Gordon, M. E. (1993). Direct mail privacy-efficiency trade-offs within an implied social contract framework. *Journal of Public Policy & Marketing*, 12(2), 206–215. doi:10.1177/074391569101200206
- Minton, A., Skelton, D., Sennett, R., Umunna, C., & Jones, E. (2013). How can we save the High Street? *The Guardian*. Retrieved from <http://www.guardian.co.uk/commentisfree/2013/jan/15/how-can-we-save-high-street>
- Miquel, S., Caplliure, E. M., & Aldas-Manzano, J. (2002). The effect of personal involvement on the decision to buy store brands. *Journal of Product and Brand Management*, 11(1), 6–18. doi:10.1108/10610420210419513
- Miranda, M. J., Konya, L., & Havrila, I. (2005). Shoppers' satisfaction levels are not the only key to store loyalty. *Marketing Intelligence & Planning*, 23(2), 220–232. doi:10.1108/02634500510589958
- Mittal, S., & Gera, R. (2013). Relationship between service quality dimensions and behavioural intentions: An SEM study of public sector retail banking customers in India. *Journal of Services Research*, 12(2), 147–171.
- Mohan, G., Sivakumaran, B., & Sharma, P. (2012). Store environment's impact on variety seeking behavior. *Journal of Retailing and Consumer Services*, 19(4), 419–428. doi:10.1016/j.jretconser.2012.04.003
- Mohanty, C. R. C. (2011). Reduce, reuse and recycle (the 3Rs) and resource efficiency as the basis for sustainable waste management. *Proceedings of the Synergizing Resource Efficiency with Informal Sector towards Sustainable Waste Management*.
- Montagnini, F., & Sebastiani, R. (2009). Co-creating value in retailing: the Eataly case. In E. Gummesson, C. Mele, & F. Polese (Eds.), *Service science, S-D logic and network theory* (pp. 1–11). Napoli, Italy: Giannini.
- Moorman, C., Zaltman, G., & Deshpandé, R. (1992). Relationships between providers and users of market research: the dynamic of trust within and between organizations. *JMR, Journal of Marketing Research*, 29(3), 314–328. doi:10.1177/002224379202900303
- Moraes, C., Szmigin, I., & Carrigan, M. (2010). Living Production-Engaged Alternatives: An Examination of New Consumption Communities. *Consumption Markets & Culture*, 13(3), 273–298. doi:10.1080/10253861003787015
- Mordor Intelligence. (2019). *United States coffee market - growth, trends and forecasts (2017-2022)*. Retrieved from <https://www.mordorintelligence.com/industry-reports/united-states-coffee-market>
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20–38. doi:10.1177/002224299405800302
- Morgan, T. (2008). *Visual merchandising: Window and in-store displays for retail*. London, UK: Laurence King Publishing.
- Morier, M. (2005). *The sweet sound and smell of success: consumer perceptions as mediators of the interactive effects of music and scent on purchasing behaviour in a shopping mall*. (Thesis, Universidad of Concordia, Canada).

- Morin, C. (2011). Neuromarketing: The new science of consumer behavior. *Society*, 48(2), 131–135. doi:10.1007/12115-010-9408-1
- Morrin, M., & Ratneshwar, S. (2000). The effect of retail store environment on retailer performance. *Journal of Business Research*, 49(2), 167–181. doi:10.1016/S0148-2963(99)00005-3
- Morris, J. (2012). *Coffee house formats compared*. Paper presented at the CHORD Conference Retailing and Distribution History. Wolverhampton, UK.
- Morris, J. (2013). Why Espresso? Explaining changes in European coffee preferences from a production of culture perspective. *European Review of History: Revue europeenne d'histoire*, 20(5), 881-901.
- Morris, J. (2019). *Coffee. A Global History*. London, UK: Reaktion Books.
- Mosca, F., Casalegno, C., & Civera, C. (2016). Opportunities and Peculiarities of the Online for Communicating Corporate Social Responsibility. A cross investigation on luxury players and consumers' perceptions. *British Academy of Management Journal*, 2016, 1–26.
- Moser, A. (2012). *Marketing experiencial: estrategias de marketing experiencial aplicadas a los espacios de retail*. (Thesis dissertation, Universidad de Zaragoza, Spain).
- Moulds, J. (2013). UK GDP shrank by 0.3% in fourth quarter. *The Guardian*. Retrieved from <http://www.guardian.co.uk/business/2013/jan/25/uk-gdp-crunch-time-osborne>
- Mowrey, C. H., Parikh, P. J., & Gue, K. R. (2019). The impact of rack layout on visual experience in a retail store. *INFOR*, 57(1), 75–98. doi:10.1080/03155986.2017.1402475
- Mulhern, F. J. (1997). Retail marketing: from distribution to integration. *International Journal of Research in Marketing*, 14(2), 103–124. doi:10.1016/S0167-8116(96)00031-6
- Müller-Lankenau, C., Wehmeyer, K., & Klein, S. (2005). Multi-channel strategies: capturing and exploring diversity in the european retail grocery industry. *International Journal of Electronic Commerce*, 10(2), 85–122. doi:10.2753/JEC1086-4415100204
- Murillo, B. (2012). The modern shopping experience': Kingsway department store and consumer politics in Ghana. *Africa*, 82(3), 368–392. doi:10.1017/S0001972012000290
- Murphy, R. (2018). Retail sales, Great Britain: March 2018. *Office for National Statistics*. Retrieved from <https://www.ons.gov.uk/businessindustryandtrade/retailindustry/bulletins/retailsales/march2018>
- Murphy, P. E. (1978). The effect of social class on brand and price consciousness for supermarket products. *Journal of Retailing*, 54(Summer), 33–42.
- Murray, J., Elms, J., & Teller, C. (2017). Examining the role of store design on consumers' cross-sectional perceptions of retail brand loyalty. *Journal of Retailing and Consumer Services*, 38, 147–156. doi:10.1016/j.jretconser.2017.06.001
- Musso, F. & Druica, E. (2014) (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global.
- Musso, F. (1997). *The changing role of trade co-operation in regional economies: a case study*. Paper presented at the 37th European Regional Science Association Congress, Roma, Università degli Studi di Roma "Tor Vergata", August 26-29.
- Musso, F. (2010). *Innovation in marketing channels. emerging issues in management*, 1. Retrieved from <http://www.unimib.it/upload/gestioneFiles/Symphonya/lasteng/f20101/mussoeng12010.pdf>

Compilation of References

- Musso, F. (2012b). Prospettive di analisi per l'innovazione nei canali di marketing. *Mercati e competitività*, 3, 85-106. doi:0.3280/MC2012-003005
- Musso, F., & Risso, M. (2006). CSR within Large Retailers International Supply Chains. *SYMPHONYA Emerging Issues in Management*, 1.
- Musso, F. (2005). *L'impresa commerciale minore in Italia*. Padova, Italy: Cedam.
- Musso, F. (2010). Innovation in marketing channels: relationships, technology, channel structure. *Symphonya: Emerging Issues in Management*, 1, 1–19.
- Musso, F. (2012a). Technology in marketing channels: present and future drivers of innovation. *International Journal of Applied Behavioral Economics*, 1(2), 41–51. doi:10.4018/ijabe.2012040104
- Musso, F., & Angioni, M. (2019). Corporate Social Responsibility of Large Retailers. An International Comparison. In S. Mărginean, C. Oğrean, & R. Orăștean (Eds.), *Organizations And Performance In A Complex World*. Cham: Springer.
- Musso, F., & Druica, E. (Eds.), *Handbook of research on retailer-consumer relationship development*. Hershey, PA: IGI Global; doi:10.4018/978-1-4666-6074-8
- Myers, J. G. (1967). Determinants of private brand attitude. *Journal of Marketing Research*, 4(1), 73–81. doi:10.1177/002224376700400110
- Nabhani, F., Uhl, C., Kauf, F., & Shokri, A. (2018). Supply chain process optimisation via the management of variance. *Journal of Management Analytics*, 5(2), 136–153. doi:10.1080/23270012.2018.1424571
- Narasimhan, C., & Wilcox, R. (1998). Private labels and the channel relationship: A cross-category analysis. *The Journal of Business*, 71(4), 573–600. doi:10.1086/209757
- Nasar, J. L. (1998). *The evaluative image of the city*. Thousand Oaks, CA: Sage.
- Nash, J. (2019). Exploring how social media platforms influence fashion consumer decisions in the UK retail sector. *Journal of Fashion Marketing and Management*, 23(1), 82–103. doi:10.1108/JFMM-01-2018-0012
- Nasruddin, E., & Bustami, R. (2007). The Yin & Yang of CSR Ethical branding. *Asian Academy of Management Journal*, 12(2), 83–100.
- National Coffee Association [NCA]. (2019, Jan. 30). *Coffee at a crossroad: 3 industry trends to watch in 2019*. Retrieved from <https://nationalcoffee.blog/2019/01/30/coffee-at-a-crossroad-3-industry-trends-to-watch-in-2019>
- National Coffee Association U.S.A. [NCAUSA]. (2019, march 19). *Coffee at a Crossroads: National Coffee Association USA*. Retrieved from http://www.ncausa.org/Portals/56/PDFs/Communication/20190309_NCA_News_NCDT_Atlanta.pdf
- Naylor, G., Kleiser, S. B., Baker, J., & Yorkston, E. (2008). Using transformational appeals to enhance the retail experience. *Journal of Retailing*, 84(1), 49–57. doi:10.1016/j.jretai.2008.01.001
- Neate, R. & Moulds, J. (2012). More High Street name will collapse in New Year, warns retail body. *The Guardian*. Retrieved from <http://www.guardian.co.uk/business/2012/dec/31/high-street-names-collapse-new-year>
- Neilson, L. A. (2010). Boycott or Buycott? Understanding Political Consumerism. *Journal of Consumer Behaviour*, 9(3), 214–227. doi:10.1002/cb.313
- Nell, C. & Wiid, J. (2014). Sight: The last bastion of the brick and mortar retailer to survive? *The International Business y Economics Research Journal (Online)*, 13(1), 125-n/a. Retrieved from <http://search.proquest.com/docview/1477975115?accountid=14478>

- Nenycz-Thiel, M., & Romaniuk, J. (2016). Understanding premium private labels: A consumer categorisation approach. *Journal of Retailing and Consumer Services*, 29, 22–30. doi:10.1016/j.jretconser.2015.10.008
- Netemeyer, R. G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., ... Wirth, F. (2004). Developing and validating measures of facets of customer-based brand equity. *Journal of Business Research*, 57(2), 209–224. doi:10.1016/S0148-2963(01)00303-4
- New York City Economic Development Corporation. (2013). *Coffee and tea in New York City*. Retrieved from <http://www.nycedc.com/blog-entry/coffee-and-tea-new-york-city>
- Newhart, B. (2018, Nov. 6). *US coffee shop market grows to \$45.4bn in 2018*. Retrieved from <https://www.beveragedaily.com/Article/2018/11/06/US-coffee-shop-market-grows-to-45.4bn-valuation-in-2018>
- Newholm, T., McGoldrick, P., Keeling, K., Macaulay, L., & Doherty, J. (2004). Multi-story trust and online retailer strategies. *International Review of Retail, Distribution and Consumer Research*, 14(4), 437–456. doi:10.1080/0959396042000260889
- Newholm, T., & Shaw, D. (2007). Studying the Ethical Consumer: A Review of Research. *Journal of Consumer Behaviour*, 6(5), 253–270. doi:10.1002/cb.225
- Newman, M. (2012). Customers want convenience. *RetailWeek*. Retrieved from <http://www.retail-week.com/comment/customers-want-convenience/5033060.article>
- Newman, A. J., & Cullen, P. (2002). *Retailing: environment & operations*. London, UK: Thomson Learning.
- Newman, A., Foxall, J., & Gordon, R. (2003). In-store customer behaviour in the fashion sector: Some emerging methodological and theoretical directions. *International Journal of Retail & Distribution Management*, 31(11), 591–600. doi:10.1108/09590550310503311
- Nie B., Zhao F., & Yu, J. (2010). The impact of the financial crisis on consumer behavior and the implications of retail revolution. Retrieved from <http://www.seiofbluemountain.com/upload/product/201008/2010shcxy06a12.pdf>
- Nies, S., & Natter, M. (2012). Does private label quality influence consumers' decision on where to shop? *Psychology and Marketing*, 29(4), 279–292. doi:10.1002/mar.20521
- Nonaka, I. O., & Takeuchi, H. (1995). *The knowledge-creating company: how Japanese companies create the dynamics of innovation*. New York: Oxford University Press.
- Norberg, P. A., Horne, D. R., & Horne, D. A. (2007). The privacy paradox: personal information disclosure intentions versus behaviors. *The Journal of Consumer Affairs*, 41(1), 100–126. doi:10.1111/j.1745-6606.2006.00070.x
- Norris, S. (1994). Flash points. *Marketing Week*, 1(July), 47–48.
- Nsairi, Z. B. (2012). Managing browsing experience in retail stores through perceived value: implications for retailers. *International Journal of Retail & Distribution Management*, 40(9), 676–698. doi:10.1108/09590551211255965
- Ntounis, N., & Kavaratzis, M. (2017). Re-branding the High Street: The place branding process and reflections from three UK towns. *Journal of Place Management and Development*, 10(4), 392–403. doi:10.1108/JPM-12-2015-0056
- Nunnally, J. C., & Bernstein, I. H. (1994). *Psychometric theory* (3rd ed.). New York, NY: McGraw-Hill.
- Nurunnabi, M., Alfakhri, Y., & Alfakhri, D. H. (2018). Consumer perceptions and corporate social responsibility: what we know so far. *International Review on Public and Nonprofit Marketing*, 1-27.
- Nuttavuthisit, K. (2014). How consumers as aesthetic subjects co-create the aesthetic experience of the retail environment. *Journal of Retailing and Consumer Services*, 21(4), 432–437. doi:10.1016/j.jretconser.2014.03.003

Compilation of References

- O'Brien, P. (2013). Click and collect cannot save the High Street analyst. *InternetRetailing*. Retrieved from <http://internetretailing.net/2013/04/click-and-collect-cannot-save-the-high-street-analyst/>
- O'Reilly, L. (2012). Digital will save the High Street. *Marketing Week*, para.3. Retrieved from <http://www.marketingweek.co.uk/news/digital-will-save-the-high-street/4004029.article>
- O'Sullivan, E. & Spanger, K. J. (1998). Experience marketing. State College, PA: Venturing.
- Oakes, S. (2003). *Psychology and Marketing*. McGraw-Hill.
- Oates, D. (2011). The changing face of UK retail in today's multi-channel world. *An Experian white paper*, 1-12. Retrieved from <http://www.experian.co.uk/assets/business-strategies/white-papers/RWC-whitepaper2.pdf>
- Oberländer, A. M., Röglinger, M., Rosemann, M., & Kees, A. (2018). Conceptualizing business-to-thing interactions—A sociomaterial perspective on the Internet of Things. *European Journal of Information Systems*, 27(4), 486–502. doi:10.1080/0960085X.2017.1387714
- Öberseder, M., Schlegelmilch, B. B., & Gruber, V. (2011). Why don't consumers care about CSR? A qualitative study exploring the role of CSR in consumption decisions. *Journal of Business Ethics*, 104(4), 449–460. doi:10.1007/10551-011-0925-7
- Odekerken-Schroöder, G., de Wulf, K., Kasper, H., Kleijnen, M., Hoekstra, J., & Commandeur, H. (2001). The impact of quality on store loyalty: A contingency approach. *Total Quality Management*, 12(3), 307–322. doi:10.1080/09544120120034474
- OECD. (2002). Towards Sustainable Household Consumption? Trends and Policies. In *OECD Countries*. Paris: Organisation for Economic Co-operation and Development.
- Ofir, C., Raghurir, P., Brosh, G., Monroe, K. B., & Heiman, A. (2008). Memory-based store price judgments: the role of knowledge and shopping experience. *Journal of Retailing*, 84(4), 414–423. doi:10.1016/j.jretai.2008.08.001
- Ofir, C., & Simonson, I. (2007). The effect of stating expectations on customer satisfaction and shopping experience. *JMR, Journal of Marketing Research*, 44(1), 164–174. doi:10.1509/jmkr.44.1.164
- Ogruk, G., Anderson, T. D., & Nacass, A. S. (2018). In-store customer experience and customer emotional state in the retail industry. *Journal of Research for Consumers*, 32, 110–141.
- Oh, H., & Petrie, J. (2012). How do storefront window displays influence entering decisions of clothing stores? *Journal of Retailing and Consumer Services*, 19(1), 27–35. doi:10.1016/j.jretconser.2011.08.003
- Okazaki, S., Navarro, A., & Campo, S. (2013). Media integration of QR code: A preliminary exploration. *Journal of Electronic Commerce Research*, 14(2), 137–148.
- Olahut, M. R., El-Murad, J., & Plaias, I. (2012). Store atmosphere: Conceptual issues and its impact on shopping behavior. *Proceedings International Conference "Marketing – from information to decision"*, 5th Edition, pp. 317-343.
- Oliveira, T., Thomas, M., Baptista, G., & Campos, F. (2016). Mobile payment: Understanding the determinants of customer adoption and intention to recommend the technology. *Computers in Human Behavior*, 61, 404–414. doi:10.1016/j.chb.2016.03.030
- Oliver, R. L. (1993). Cognitive, affective, and attribute bases of the satisfaction response. *The Journal of Consumer Research*, 20(December), 418–430. doi:10.1086/209358
- Oliver, R.L. (1999). Whence customer loyalty? *Journal of Marketing*, 63(4_suppl1), 33–44. doi:10.1177/00222429990634s105
- Oliver, R. L. (2010). *Satisfaction: A behavioral perspective on the consumer* (2nd ed.). New York, NY: M.E. Sharpe.

- Oliver, R. L., & Swan, J. E. (1989). Equity and disconfirmation perceptions as influences on merchant and product satisfaction. *The Journal of Consumer Research*, 16(December), 372–383. doi:10.1086/209223
- Olson, R. (2013). 3D printing: A boon or a bane. *The Environmental Forum (Washington, D.C.)*, 30(6), 34–38.
- Olsson, T., Lagerstam, E., Karkkainen, T., & Vaananen-Vainio-Mattila, K. (2013). Expected user experience of mobile augmented reality services: A user study in the context of shopping centres. *Personal and Ubiquitous Computing*, 17(2), 287–304. doi:10.1007/00779-011-0494-x
- Ondrus, J., & Pigneur, Y. (2006). Towards a holistic analysis of mobile payments: A multiple perspectives approach. *Electronic Commerce Research and Applications*, 5(3), 246–257. doi:10.1016/j.elerap.2005.09.003
- Ondrus, J., & Pigneur, Y. (2007). An assessment of NFC for future mobile payment systems. In *Proceedings International conference on the management of Mobile business (ICMB 2007)*. IEEE. 10.1109/ICMB.2007.9
- Orel, F. D., & Kara, A. (2014). Supermarket self-checkout service quality, customer satisfaction, and loyalty: Empirical evidence from an emerging market. *Journal of Retailing and Consumer Services*, 21(2), 118–129. doi:10.1016/j.jretconser.2013.07.002
- Osservatorio Socialis. (2014). *VI Rapporto sull'impegno sociale delle aziende in Italia* [6th Report on Italian Companies' Social Effort]. Report.
- Ostrom, A. L., Bitner, M. J., & Meuter, M. L. (2016). Self-service technologies. In *E-service: new directions in theory and practice* (pp. 57–76). London, UK: Routledge.
- Oyserman, D. (2009). Identity-based motivation and consumer behaviour. *Journal of Consumer Psychology*, 19(3), 276–279. doi:10.1016/j.jcps.2009.06.001
- Pandelica, A. & Pandelica, P. (2009). Consumers' reaction and organizational response in crisis context. *The Journal of the Faculty of Economics*, 1(5), 779-782.
- Pandelica, A., Didea, I., & Diaconu, M. (2013). Are you panicked? economic and health consequences of the economic crisis: a psychological approach in Romanian context. *Scientific Bulletin-Economic Sciences*, 12(1), 39–49.
- Pandelica, A., & Pandelica, I. (2011). The change of consumers' behavior in crisis conditions: A psychological approach to the empirical evidence from Romania. *African Journal of Business Management*, 5(28), 11399–11412.
- Pandelica, I., Pandelica, A., & Dabu, B. (2010). The response of organizations in crisis conditions. *The Journal of American Academy of Business, Cambridge*, 15(2), 1–11.
- Pantano, E., & Gandini, A. (2018). Shopping as a “networked experience”: An emerging framework in the retail industry. *International Journal of Retail & Distribution Management*, 46(7), 690–704. doi:10.1108/IJRDM-01-2018-0024
- Pantano, E., & Laria, G. (2012). Innovation in retail process: from consumers' experience to immersive store design. *Journal of Technology Management & Innovation*, 7(3), 194–206. doi:10.4067/S0718-27242012000300016
- Pantano, E., Priporas, C. V., & Stylos, N. (2018). Knowledge push curve (KPC) in retailing: Evidence from patented innovations analysis affecting retailers' competitiveness. *Journal of Retailing and Consumer Services*, 44, 150–160. doi:10.1016/j.jretconser.2018.06.004
- Pantano, E., & Vannucci, V. (2019). Who is innovating? An exploratory research of digital technologies diffusion in retail industry. *Journal of Retailing and Consumer Services*, 49, 297–304. doi:10.1016/j.jretconser.2019.01.019
- Pan, Y., & Zinkhan, G. M. (2006). Determinants of retailing patronage: a meta-analytical perspective. *Journal of Retailing*, 82(3), 229–243. doi:10.1016/j.jretai.2005.11.008

Compilation of References

- Pappu, R., & Quester, P. (2006a). A consumer-based method for retailer equity measurement: Results of an empirical study. *Journal of Retailing and Consumer Services*, 13(5), 317–329. doi:10.1016/j.jretconser.2005.10.002
- Pappu, R., & Quester, P. (2006b). Does customer satisfaction lead to improved brand equity? An empirical examination of two categories of retail brands. *Journal of Product and Brand Management*, 15(1), 4–14. doi:10.1108/10610420610650837
- Pappu, R., & Quester, P. G. (2016). How does brand innovativeness affect brand loyalty? *European Journal of Marketing*, 50(1/2), 2–28. doi:10.1108/EJM-01-2014-0020
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, 49(4), 41–50. doi:10.1177/002224298504900403
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1996). The behavioral consequences of service quality. *Journal of Marketing*, 60(2), 31–46. doi:10.2307/1251929
- Parente, J., & Barki, E. (2014). *Varejo no Brasil* (2nd ed.). Sao Paulo: Gestao Estrategica.
- Park, C. W., MacInnis, D. J., Priester, J., Eisingerich, A. B., & Iacobucci, D. (2010). Brand attachment and brand attitude strength: Conceptual and empirical differentiation of two critical brand equity drivers. *Journal of Marketing*, 74(6), 1–17. doi:10.1509/jmkg.74.6.1
- Park, C. W., & Young, S. M. (1986). Consumer response to television commercials: The impact of involvement and background music on brand attitude formation. *JMR, Journal of Marketing Research*, 23(1), 11–24. doi:10.1177/002224378602300102
- Parker, C., Ntounis, N., Millington, S., & Castillo-Villar, F. R. (2017). Improving the vitality and viability of the UK High Street by 2020. *Journal of Place Management and Development*, 10(4), 310–348. doi:10.1108/JPMD-03-2017-0032
- Park, J. S., & Jang, B. J. (2016). Electronic shelf label system employing a visible light identification link. In *2016 IEEE Radio and Wireless Symposium (RWS)* (pp. 219–222). IEEE. 10.1109/RWS.2016.7444409
- Park, M.-S., Shin, J.-K., & Ju, Y. (2014). Social networking atmosphere and online retailing. *Journal of Global Scholars of Marketing Science*, 24(1), 89–107. doi:10.1080/21639159.2013.867681
- Parsons, E. (2002). Charity retail: Past, present and future. *International Journal of Retail & Distribution Management*, 30(12), 586–594. doi:10.1108/09590550210453066
- Parthiban, P., & Seet, B. C. (2019). Scalable near-field far-field UHF RFID reader antenna for retail checkout counters. In *Proceedings 2019 IEEE International Conference on RFID (RFID)* (pp. 1–6). IEEE. 10.1109/RFID.2019.8719097
- Partington, R. (2019). UK retailers suffer weaker sales due to Brexit uncertainty. *The Guardian*. Retrieved from <https://www.theguardian.com/business/2019/mar/05/uk-retailers-suffer-weaker-sales-due-to-brex-it-uncertainty>
- Pastore, A., Fornari, E., & Cecconi, V. (2007). Sviluppo e riposizionamento delle marche commerciali. *Finanza. Marketing e Produzione*, 2, 61–86.
- Paul, R., & Ponnampalasa, A. (2018). Teaching customer experience quality and its significance in retail management: a role playing game using Chinese puzzle ‘Tangram’. *Decision Sciences Journal of Innovative Education*, 16(2), 126–139. doi:10.1111/dsji.12147
- Pavel, C. (2015). Concept store – the best way of creating a ‘more engaging’ shopping experience for consumers and a memorable identity for store. *Quality - Access to Success*, 16, 224–226.
- Pavlou, P. A. (2003). Consumer acceptance of electronic commerce - integrating trust and risk with the technology acceptance model. *International Journal of Electronic Commerce*, 7(3), 69–103.

- Peck, J. & Childers, T. (2008). If it tastes, smells, sounds, and feels like a duck, then it must be a ...: Effects of sensory factors on consumer behaviours. In C. P. Haugtvedt, P. M. Herr, & F. R. Kardes (Eds.), *Handbook of consumer psychology*, 193-219. New York, NY: Psychology Press.
- Peck, J. & Childers, T. L. (2007). If it tastes, smells, sounds, and feels like a duck, then it must be a ...: effects of sensory factors on consumer behaviours. In F. Kardes, C. Haugtvedt, & P. Herr. (Eds.), *Handbook of Consumer Psychology*, Mahwah, NJ: Erlbaum.
- Peck, J., & Childers, T. L. (2003). Individual differences in haptic information processing: 'the need for touch' scale. *The Journal of Consumer Research*, 30(3), 430–442. doi:10.1086/378619
- Peck, J., & Wiggins, J. (2006). It just feels good: Customers' affective response to touch and its influence on persuasion. *Journal of Marketing*, 56–69.
- Peirce, C. S. (1998). *Collected Papers of Charles Sanders Peirce*. Bristol, UK: Thoemmes.
- Pelino, M., & Gillett, F. E. (2016). *The Internet of Things heat map*. Cambridge, MA: Forrester Research.
- Peñaloza, L., & Venkatesh, A. (2006). Further Evolving the New Dominant Logic of Marketing: From Services to the Social Construction of Markets. *Marketing Theory*, 6(3), 299–316. doi:10.1177/1470593106066789
- Pennings, J., Wansink, B., & Meulenberg, M. (2002). A note on modeling consumer reaction to a crisis: The case of the mad cow disease. *International Journal of Research in Marketing*, 19(1), 91–100. doi:10.1016/S0167-8116(02)00050-2
- Pepe, C. (2007). Corporate values in global supply chains. *SYMPHONYA Emerging Issues in Management*, 2.
- Pérez, A., & Del Bosque, I. R. (2012). The role of CSR in the corporate identity of banking service providers. *Journal of Business Ethics*, 108(2), 145–166. doi:10.1007/10551-011-1067-7
- Perner, L. (2008). Consumer behavior: the psychology of marketing; University of Southern California. Retrieved from <http://www.consumerpsychologist>
- Perrigot, R., Basset, G., & Cliquet, G. (2007). Does the retailing wheel still work? The case of the hard discount stores in France. In J. Zentes, D. Morschett, & H. Schramm-Klein (Eds.), *XIV European Association of Education and Research in Commercial Distribution Conference Proceedings* (pp. 1328-1353), Saarland University, Germany.
- Perriman, H., Ramsaran-Fowdar, R., & Bagnant, P. (2010, July 12-14). The impact of the global financial crisis on consumer behavior. In Z. Haqq (Ed.), *Proceedings of Annual London Business Research Conference*. Imperial College, London, UK, World Business Institute, Melbourne, Australia, 1-14, Retrieved from <http://www.wbiconpro.com/06-Priya.pdf>
- Persaud, A., & Azhar, I. (2012). Innovative mobile marketing via smartphones: are consumers ready? *Marketing Intelligence & Planning*, 30(4), 418–443. doi:10.1108/02634501211231883
- Petermans, A., Janssens, W., & Van Cleempoel, K. (2013). A holistic framework for conceptualizing customer experiences in retail environments. *International Journal of Design*, 7(2), 1–18.
- PGEU (Pharmaceutical Group of European Union). (2019). *[Il Modello di Farmacia per l'Europa*. Retrieved from https://www.federfarma.it/Documenti/notizie_speciali/libro_biancoGPUE.aspx]. *Farmacia*, 2030.
- Phelps, J., Nowak, G. J., & Ferrell, E. (2000). Privacy concerns and consumer willingness to provide personal information. *Journal of Public Policy & Marketing*, 19(1), 27–4. doi:10.1509/jppm.19.1.27.16941
- Piercy, N. F., Cravens, D. W., & Lane, N. (2010). Marketing out of the recession: recovery is coming, but things will never be the same again. *The Marketing Review*, 10(1), 3–23. doi:10.1362/146934710X488915

Compilation of References

- Pine, B. J., & Gilmore, J. H. (1999). *The experience economy*. Boston, MA: Harvard Business School Press.
- Pine, B. J., & Gilmore, J. H. (1999). *The experience economy. work is theatre & every business is a stage*. Boston, MA: Harvard Business School Press.
- Pine, J. B. II, & Gilmore, J. H. (1998, July-August). Welcome to the experience economy. *Harvard Business Review*, 97–105. PMID:10181589
- Pinnock, O. (2018). Using neuroscience to transform retail. *Forbes*. Retrieved from <https://www.forbes.com/sites/oliviapinnock/2018/06/18/using-neuroscience-to-transform-retail/#92fc1d530055>
- Pla-Julian, I., & Guevara, S. (2018). Is circular economy the key to transitioning towards sustainable development? Challenges from the perspective of care ethics. *Futures*, 105, 67–77. doi:10.1016/j.futures.2018.09.001
- PLMA (Private Label Manufacturer's Association). (2019). Private label today. Retrieved from <https://www.plmainternational.com/industry-news/private-label-today>
- Polacco, A., & Backes, K. (2018). The Amazon go concept: Implications, applications, and sustainability. *Journal of Business and Management*, 24(1).
- Polese, F., Quattrociochi, B., Di Nauta, P., Moretta Tartaglione, A., Carrubbo, L., & Antonucci, E. (2012). A2A relations in service context. *Innovative Service Perspective*, 3.
- Polese, F., Pels, J., Tronvoll, B., Bruni, R., & Carrubbo, L. (2017). A4A relationships. *Journal of Service Theory and Practice*, 27(5), 1040–1056. doi:10.1108/JSTP-05-2017-0085
- Polonsky, M., & Jevons, C. (2009). Global branding & Strategic CSR: An overview of three types of complexity. *International Marketing Review*, 26(3), 327–347. doi:10.1108/02651330910960816
- Pomeroy, A., & Dolnicar, S. (2009). Assessing the Prerequisite of Successful CSR Implementation: Are consumers aware of CSR initiatives? *Journal of Business Ethics*, 85(2), 285–301. doi:10.1007/10551-008-9729-9
- Pomey, M. P., Ghadiri, D. P., Karazivan, P., Fernandez, N., & Clavel, N. (2015). Patients as partners: A qualitative study of patients' engagement in their health care. *PLoS One*, 10(4). doi:10.1371/journal.pone.0122499 PMID:25856569
- Ponte, S. (2002). The 'latte revolution'? regulation, markets and consumption in the global coffee chain. *World Development*, 30(7), 1099–1122. doi:10.1016/S0305-750X(02)00032-3
- Popomaronis, T. (2017). Survival in today's retail environment means merging physical and digital. *Forbes*. Retrieved from <http://www.forbes.com/sites/topopomaronis/2017/06/30/survival-in-todays-retail-environment-means-merging-physical-and-digital/#49d52bde1>
- Portas, M. (2011). The Portas Review: An independent review into the future of our High Streets. *BIS*, 1-55. Retrieved from <http://www.bis.gov.uk/assets/BISCore/business-sectors/docs/p/11-1434-portas-review-future-of-high-streets.pdf>
- Porter, E. M., & Kramer, R. M. (2002). The Competitive Advantage of Corporate Philanthropy. *Harvard Business Review*, 80(12), 57–68. PMID:12510538
- Porter, M. E. (2001). Strategy and the internet. *Harvard Business Review*, 79(3), 62–78. PMID:11246925
- Potdar, B., Guthrie, J., Gnoth, J., & Garry, T. (2018). Yours ethically: The role of corporate social responsibility and employee engagement in shoplifting prevention. *International Journal of Retail & Distribution Management*, 46(9), 835–849. doi:10.1108/IJRDM-02-2018-0029

- Poulter, S. (2012). Dying High Street shops where up to a third is empty. *The Daily Mail*. Retrieved from <http://www.dailymail.co.uk/news/article-2097383/Dying-high-streets-shops-empty.html>
- Poushneh, A., & Vasquez-Parraga, A. Z. (2017). Discernible impact of augmented reality on retail customer's experience, satisfaction and willingness to buy. *Journal of Retailing and Consumer Services*, 34, 229–234. doi:10.1016/j.jretconser.2016.10.005
- Prahalad, C. K., & Ramaswamy, V. (2004). Co-creation experiences: The next practice in value creation. *Journal of Interactive Marketing*, 18(3), 5–14. doi:10.1002/dir.20015
- Premazzi, K., Castaldo, S., Grosso, M., Raman, P., Brudvig, S., & Hofacker, C. (2010a). Customer information sharing with e-vendors: The role of initial trust and incentives. *International Journal of Electronic Commerce*, 14(3), 63–91. doi:10.2753/JEC1086-4415140304
- Premazzi, K., Castaldo, S., Hofacker, C., & Grosso, M. (2010b). Supporting retailers to exploit online settings for internationalization: The different role of trust and compensation. *Journal of Retailing and Consumer Services*, 17(3), 229–240. doi:10.1016/j.jretconser.2010.03.006
- Preuss, L. (2009). Ethical Sourcing Codes of Large UK-Based Corporations: Prevalence, Content, Limitations. *Journal of Business Ethics*, 88(4), 735–747. doi:10.1007/10551-008-9978-7
- Puccinelli, N. M., Goodstein, R. C., Grewal, D., Price, R., Raghubir, P., & Stewart, D. (2009). Customer experience management in retailing: understanding the buying process. *Journal of Retailing*, 85(1), 15–30. doi:10.1016/j.jretai.2008.11.003
- Punj, G., & Stewart, D. (1983). An interaction framework of consumer decision making. *The Journal of Consumer Research*, 10(2), 181–196. doi:10.1086/208958
- Putit, L., Md Yusof, J., & Suki, A. A. (2017). Does store environment influence people with disability's (PWD) in-store experience and approach behaviour? an empirical analysis. *Pertanika Journal of Social Sciences and Humanities*, 25(S), 215-226.
- Putranto, F., & Hudrasyah, H. (2017). Identification of consumer decision journey in choosing third wave coffee in Bandung by youth market segment. *Journal of Business and Management*, 6(1), 88–100.
- Putsis, W. P. Jr, & Cotterill, R. W. (1999). Share, price and category expenditure – geographic market effects and private labels. *Managerial and Decision Economics*, 20(4), 175–187. doi:10.1002/(SICI)1099-1468(199906)20:4<175::AID-MDE928>3.0.CO;2-I
- Quelch, J. & Jocz, K. (2009). How to market in a downturn, *Harvard Business Review*. Retrieved from <http://hbr.harvardbusiness.org/2009/04/how-to-market-in-a-downturn/ar/1>
- Quelch, J., & Harding, D. (1996). Brands versus private labels: Fighting to win. *Harvard Business Review*, 74(1), 99–109.
- Quester, P. G., Karunaratna, A., & Goh, L. K. (2000). Self-congruity and product evaluation: A cross-cultural study. *Journal of Consumer Marketing*, 17(6), 525–535. doi:10.1108/07363760010349939</unknown>
- Quinn, I. (2013). Independent stores 'should team up on click & collect offers'. *The Grocer*. Retrieved from <http://www.thegrocer.co.uk/companies/independent-stores-should-team-up-on-click-and-collect-offers/343174.article>
- Radziwill, N., & DuPlain, R. (2009). A model for business innovation in the Web 2.0 world. In M. D. Lytras, E. Damiani, & P. Ordóñez de Pablos (Eds.), *Web 2.0. The business model*. Springer. doi:10.1007/978-0-387-85895-1_5
- Rafiq, M., Fulford, H., & Lu, X. (2013). Building customer loyalty in online retailing: The role of relationship quality. *Journal of Marketing Management*, 29(3-4), 494–517. doi:10.1080/0267257X.2012.737356

Compilation of References

- Raju, J. S., Srinivasan, V., & Lal, R. (1990). The effects of brand loyalty on competitive price promotional strategies. *Management Science*, 36(3), 276–304. doi:10.1287/mnsc.36.3.276
- Raju, J., Sethuraman, R., & Dhar, S. (1995). National brand: store brand price differential and store brand market share. *Pricing Strategy and Practice*, 3(2), 17–24.
- Ramaswamy, V. (2009). Co-creation of value. Towards an expanded paradigm of value creation. *Marketing Review St. Gallen*, 6, 11-17.
- Rashid, M. A. A., Othman, M. N. A., Rashid, S. S., & Ali, M. B. (2015). Exploring Reduce, Recycle and Reuse (3Rs) Awareness, Practice among Oil and Gas Workers and its Influence on Their Productivity. *International Journal of Economics and Financial Issues*, 5(Special Issue), 281–285.
- Rattam, E. (1998). *Novo modelo de estratificacao socioeconomica para marketing e pesquisas de marketing* [New Social Classification Approach for Marketing and Marketing Research]. Retrieved from <http://www.anpad.org.br/enanpad/1998/dwn/enanpad1998-mkt-27.pdf>
- Rauschnabel, P. A. (2018). Virtually enhancing the real world with holograms: An exploration of expected gratifications of using augmented reality smart glasses. *Psychology and Marketing*, 35(8), 557–572. doi:10.1002/mar.21106
- Rauschnabel, P. A., Felix, R., & Hinsch, C. (2019). Augmented reality marketing: How mobile AR-apps can improve brands through inspiration. *Journal of Retailing and Consumer Services*, 49, 43–53. doi:10.1016/j.jretconser.2019.03.004
- Rauschnabel, P. A., He, J., & Ro, Y. K. (2018). Antecedents to the adoption of augmented reality smart glasses: A closer look at privacy risks. *Journal of Business Research*, 92, 374–384. doi:10.1016/j.jbusres.2018.08.008
- Reddy, B. K., & Reddy, J. S. (2012). Atmospheric: A silent salesperson in organized retailing. *International Journal of Sales, Retailing and Marketing*, 1(1), 23–29.
- Reed, A. I. I. II, Forehand, M. R., Puntoni, S., & Warlop, L. (2012). Identity-based consumer behaviour. *International Journal of Research in Marketing*, 29(4), 310–321. doi:10.1016/j.ijresmar.2012.08.002
- Reichheld, F. (1993). Loyalty-based management. *Harvard Business Review*, 71(2), 64–73. PMID:10124634
- Reichheld, F. F. (1996). *The Loyalty Effect*. Boston, MA: Harvard Business School Press.
- Reimers, V., & Clulow, V. (2009). Retail centres: It's time to make them convenient. *International Journal of Retail & Distribution Management*, 37(7), 541–562. doi:10.1108/09590550910964594
- Reinartz, W., Dellaert, B., Krafft, M., Kumar, V., & Varadarajan, R. (2011). Retailing innovations in a globalizing retail market environment. *Journal of Retailing*, 87, S53–S66. doi:10.1016/j.jretai.2011.04.009
- Reisch, L., Spash, G. L., & Bietz, S. (2008). *Sustainable Consumption and Mass Communication: A German Experiment*. Socio-Economics and the Environment in Discussion (SEED) Working Paper Series, 12.
- Resnik, D. B., Ranelli, P. L., & Resnik, S. P. (2000). The conflict between ethics and business in community pharmacy: What about patient counseling? *Journal of Business Ethics*, 28(2), 179–186. doi:10.1023/A:1006280300427 PMID:12530432
- Reynolds, R. (2014). Final report from the expert group on retail sector innovation. European Commission. Retrieved from http://ec.europa.eu/research/innovation-union/pdf/Report_from_EG_on_Retail_Sector_Innovation_A4_FINAL_2.pdf
- Reynolds, J., Howard, E., Cuthbertson, C., & Hristov, L. (2007). Perspectives on retail format innovation: Relating theory and practice. *International Journal of Retail & Distribution Management*, 35(8), 647–660. doi:10.1108/09590550710758630

- Reynoso, J., Barile, S., Saviano, M., & Spohrer, J. (2018). *Service systems, networks, and ecosystems: connecting the dots concisely from a systems perspective. The SAGE handbook of service-dominant logic*. London, UK: Sage.
- Richardson, P. S., Dick, A. S., & Jain, A. K. (1994). Extrinsic and intrinsic cue effects on perceptions of store brand quality. *Journal of Marketing*, 58(4), 28–36. doi:10.1177/002224299405800403
- Richardson, P. S., Jain, A. K., & Dick, A. S. (1996). Household store brand proneness: a framework. *Journal of Retailing*, 72(2), 159–185. doi:10.1016/S0022-4359(96)90012-3
- Rifon, N. J., LaRose, R., & Choi, S. M. (2005). Your privacy is sealed: effects of web privacy seals on trust and personal disclosures. *The Journal of Consumer Affairs*, 39(2), 339–362. doi:10.1111/j.1745-6606.2005.00018.x
- Rigby, D. (2011). The future of shopping. *Harvard Business Review*, 89(12), 65–76.
- Rippé, C. B., Weisfeld-Spolter, S., Yurova, Y., Dubinsky, A. J., & Hale, D. (2017). Under the sway of a mobile device during an in-store shopping experience. *Psychology and Marketing*, 34(7), 733–752. doi:10.1002/mar.21019
- Risso, M. (2012c). Exploring Partnership for Social Innovations. *Symphonya. Emerging Issues in Management*, 2.
- Risso, M. (2009). *Strategie di approvvigionamento della grande distribuzione e relazioni con i fornitori*. Torino, Italy: Giappichelli.
- Risso, M. (2012a). A horizontal approach to implementing corporate social responsibility in international supply chains. *International Journal of Technology Management*, 58(1-2), 64–82. doi:10.1504/IJTM.2012.045789
- Risso, M. (2012b). Large Retailers' Responsible Initiatives in Support of Local Communities. *International Journal of Applied Behavioral Economics*, 1(4), 53–63. doi:10.4018/ijabe.2012100105
- Ritzer, G. (1998). *The McDonaldization Thesis*. London, UK: Sage.
- Robertson, R. (1995). Glocalization: time-space and homogeneity-heterogeneity. In M. Featherstone, S. Lash, & R. Robertson (Eds.), *Global Modernities* (pp. 25–44). London, UK: Sage; doi:10.4135/9781446250563.n2
- Robins, D., & Holmes, J. (2008). Aesthetics and credibility in web site design. *Information Processing & Management*, 44(1), 386–399. doi:10.1016/j.ipm.2007.02.003
- Robles, F., Simon, F., & Haar, J. (2002). *Winning strategies for the new Latin markets*, Financial Times/Prentice Hall.
- Rodie, A. R., & Kleine, S. S. (2000). Customer participation in services production and delivery. In T. A. Swartz & D. Iacobucci (Eds.), *Handbook of services marketing and management*. Thousand Oaks, CA: Sage. doi:10.4135/9781452231327.n10
- Rodríguez-Salvador, M., Paredes, F., & Yi, G. (2016). Towards future customer experience: trends and innovation in retail. *Foresight and STI Governance*, 10(3), 18–28. doi:10.17323/1995-459X.2016.3.18.28
- Rohm, A. J., & Swaminathan, V. (2004). A typology of online shoppers based on shopping motivations. *Journal of Business Research*, 57(7), 748–757. doi:10.1016/S0148-2963(02)00351-X
- Roland Berger. (2013). What the customer really wants. *Roland Berger*. Retrieved from http://www.rolandberger.com/press_releases/513-press_archive2013_sc_content/What_the_customer_really_wants.html
- Roozen, I., & Katidis, P. I. (2019). The importance of the service and shopping customer experience in a retail environment. *Journal of Relationship Marketing*, 1–33. doi:10.1080/15332667.2019.1619064
- Roschk, H., Loureiro, S. M. C., & Breitsohl, J. (2016). Calibrating 30 years of experimental research: a meta-analysis of the atmospheric effects of music, scent, and color. *Journal of Retailing*, 93(2), 228–240. doi:10.1016/j.jretai.2016.10.001

Compilation of References

- Rousey, S. P., & Morganosky, M. A. (1996). Retail format change in US markets. *International Journal of Retail & Distribution Management*, 24(3), 8–16. doi:10.1108/09590559610147883
- Rowley, J. & Slack, F. (2003). *Kiosks in retailing: the quiet revolution*. Communication and Computing Research Centre papers, Sheffield Hallam University. Retrieved at http://digitalcommons.shu.ac.uk/ccrc_papers/2
- Rowley, J., Baregheh, A., & Sambrook, S. (2011). Towards an innovation-type mapping tool. *Management Decision*, 49(1), 73–86. doi:10.1108/00251741111094446
- Rubio, N., Villasenor, N., & Yague, M. J. (2016). Creation of consumer loyalty and trust in the retailer through store brands: The moderating effect of choice of store brand name. *Journal of Retailing and Consumer Services*, 34, 358–368. doi:10.1016/j.jretconser.2016.07.014
- Ruddick, G. (2013). Government should freeze business rates for two years to help the High Street. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/10069475/Government-should-freeze-business-rates-for-two-years-to-help-high-street.html>
- Ruiz-Molina, M. E., Gil-Saura, I., & Servera-Francés, D. (2017). Innovation as a key to strengthen the effect of relationship benefits on loyalty in retailing. *Journal of Services Marketing*, 31(2), 131–141. doi:10.1108/JSM-12-2015-0387
- Rumbo, J. D. (2002). Consumer Resistance in a World of Advertising Clutter: The Case of Adbusters. *Psychology and Marketing*, 19(2), 127–148. doi:10.1002/mar.10006
- Rundle-Thiele, S., & MacKay, M. M. (2001). Assessing the performance of brand loyalty measures. *Journal of Services Marketing*, 15(7), 529–546. doi:10.1108/EUM0000000006210
- Rushby, K. (2018). How to bring a High Street back from the dead. *The Guardian*. Retrieved from <https://www.theguardian.com/lifeandstyle/2018/mar/29/high-street-closed-betting-shops-york-back-from-dead>
- Russo Spena, T., Carida, A., Colurcio, M., & Melia, M. (2012). Store experience and co-creation: the case of temporary shop. *International Journal of Retail & Distribution Management*, 40(1), 21–40. doi:10.1108/09590551211193586
- Ryssel, R., Ritter, T., & Gemunden, H. G. (2004). The impact of information technology deployment on trust, commitment and value creation in business relationships. *Journal of Business and Industrial Marketing*, 19(3), 197–207. doi:10.1108/08858620410531333
- S D Logic. (2019). *What is S-D Logic?* Retrieved from <https://www.sdlogic.net/index.html>
- Sabnis, G. M. (2012). *Green Building with Concrete*. Boca Raton, FL: CRC Press, Taylor & Francis Group.
- Sachdeva, I., & Goel, S. (2015). Retail store environment and customer experience: a paradigm. *Journal of Fashion Marketing and Management: An International Journal*, 19(3), 290–298. doi:10.1108/JFMM-03-2015-0021
- Sahagun, M., & Vasquez-Parraga, A. (2014). Can fast-food consumers be loyal customers, if so how? Theory, method and findings. *Journal of Retailing and Consumer Services*, 21(2), 168–174. doi:10.1016/j.jretconser.2013.12.002
- Same, S., & Larimo, J. (2012). Marketing theory: experience marketing and experiential marketing. In L. Meidute (Ed.), *Proceedings 7th International Scientific Conference Business and Management*, Lithuania, pp. 480–487. 10.3846/bm.2012.063
- Samoggia, A., & Riedel, B. (2018). Coffee consumption and purchasing behavior review: Insights for further research. *Appetite*, 129, 70–81. doi:10.1016/j.appet.2018.07.002 PMID:29991442
- Sampson, J. (2013). Why the High Street isn't dying. *Huffington Post*. Retrieved from http://www.huffingtonpost.co.uk/josie-sampson/why-the-high-street-isnt-dying_b_2811337.html?icid=hp_search_art

- Sánchez Pérez, M., Estrella Ramón, A. M., Ruiz Real, J. L., & García Ramírez, A. (2011). Retailing in Europe: Situation and trends. *Revista de Estudios Empresariales*, segunda época, 2, 67-95.
- Sandberg, J., & Alvesson, M. (2011). Ways of constructing research questions: gap-spotting or problematization? *Organization*, 18(1), 23–44. doi:10.1177/1350508410372151
- Sands, S., Harper, E., & Ferraro, C. (2011). Customer-to-noncustomer interactions: Extending the social dimension of the store environment. *Journal of Retailing and Consumer Services*, 18(5), 438–447. doi:10.1016/j.jretconser.2011.06.007
- Sathish, A. S., & Venkatesakumar, R. (2011). Coffee experience and drivers of satisfaction, loyalty in a coffee outlet – With specially reference to Café Coffee Day. *Journal of Contemporary Management Research*, 5(2), 1–13.
- Sautter, P., Hyman, M. R., & Lukosius, V. (2004). E-tail atmospherics: A critique of the literature and model extension. *Journal of Electronic Commerce Research*, 5(1), 14–24.
- Saviano, M. (2013, June). The Viable Systems Approach (vSA): What it is, what it is not. Doctoral Workshop Tutorial at *The 2013 Naples Forum on Service-Service Dominant Logic, Network & Systems Theory and Service Science: integrating three perspectives for a new service agenda*, June, 18, Ischia, Italy.
- Saviano, M. (2019). Systems thinking and its contribution to service research: The Viable Systems Approach (vSa®). The 2019 Naples Forum on Service, June 4, 2019. doi: doi:10.13140/RG.2.2.32107.08483
- Saviano, M. (2003). *Analisi sistemico vitale della distribuzione commerciale*. Torino, Italy: Giappichelli.
- Saviano, M., Barile, S., Farioli, F., & Orecchini, F. (2019). Strengthening the science–policy–industry interface for progressing toward sustainability: A systems thinking view. *Sustainability Science*, 1–16.
- Saviano, M., Barile, S., Spohrer, J. C., & Caputo, F. (2017). A service research contribution to the global challenge of sustainability. *Journal of Service Theory and Practice*, 27(5), 951–976. doi:10.1108/JSTP-10-2015-0228
- Saviano, M., Bassano, C., Piciocchi, P., Di Nauta, P., & Lettieri, M. (2018). Monitoring viability and sustainability in healthcare organizations. *Sustainability*, 10(10), 3548. doi:10.3390u10103548
- Saviano, M., Polese, F., Caputo, F., & Wallezky, L. (2017). *The contribution of systems and service research to rethinking higher education programs: a T-shaped model*. *Sinergie*, 104, Sep-Dec.
- Saviano, M., Sciarelli, F., Rinaldi, A., & Alowanou, G. G. (2019). Healthcare and SDGs governance in light of the sustainability helix model: evidence from the African continent. *Sustainability*, 11(4), 1203. doi:10.3390u11041203
- Sayman, S., & Raju, J. S. (2004). Investigating the cross-category effects of store brands. *Review of Industrial Organization*, 24(2), 129–141. doi:10.1023/B:REIO.0000033349.67467.b7
- Scalia, M., Barile, S., Saviano, M., & Farioli, F. (2018). Governance for sustainability: A triple-helix model. *Sustainability Science*, 13(5), 1235–1244. doi:10.100711625-018-0567-0
- Schaefer, A., & Crane, A. (2005). Addressing Sustainability and Consumption. *Journal of Macromarketing*, 25(1), 76–92. doi:10.1177/0276146705274987
- Schirmer, N., Ringle, C., Gudergan, S., & Feistel, M. (2018). The link between customer satisfaction and loyalty: The moderating role of customer characteristics. *Journal of Strategic Marketing*, 26(4), 298–317. doi:10.1080/0965254X.2016.1240214
- Schlosser, A. E., White, T. B., & Lloyd, S. M. (2006). Converting web site visitors into buyers: how web site investment increases consumer trusting beliefs and online purchase intentions. *Journal of Marketing*, 70(2), 133–148. doi:10.1509/jmkg.70.2.133

Compilation of References

- Schmitt, B. (2003). *Customer experience management*. New York, NY: The Free Press.
- Schmitt, B. H. (1999). *Experiential Marketing*. New York, NY: The Free Press.
- Schmitt, B. H. (1999). *Experiential Marketing: How to get customers to sense, feel, think, act, relate to your company and brands*. New York: The Free Press.
- Schmitt, B. H. (1999a). Experiential marketing. *Journal of Marketing Management*, 15(1/3), 53–67. doi:10.1362/026725799784870496
- Schmitt, B. H. (1999b). *Experiential marketing*. NY: The Free Press.
- Schoder, D., & Yin, P. L. (2000). Building firm trust online. *Communications of the ACM*, 43(12), 73–79. doi:10.1145/355112.355127
- Schoenbachler, D. D., & Gordon, G. L. (2002). Trust and customer willingness to provide information in database-driven relationship marketing. *Journal of Interactive Marketing*, 16(3), 2–16. doi:10.1002/dir.10033
- Schramm-Klein, H., Morschett, D., & Swoboda, B. (2015). Retailer corporate social responsibility. *International Journal of Retail & Distribution Management*, 43(4/5), 403–431. doi:10.1108/IJRDM-04-2014-0041
- Schumpeter, J. A. (1950). *Capitalism, socialism and democracy*. New York, NY: Harper & Brothers Publishers.
- Scott, J., & Marshall, G. (2009). *Oxford dictionary of sociology*. Oxford, UK: Oxford University Press. doi:10.1093/acref/9780199533008.001.0001
- Scott, W. R. (2014). *Institutions and Organizations Ideas, Interests & Identities* (4th ed.). Thousand Oaks, CA: Sage.
- Seaford, B. C., Culp, R. C., & Brooks, B. W. (2012). Starbucks: maintaining a clear position. *Journal of the International Academy for Case Studies*, 18(3), 39–57.
- Sebastiani, R., & Montagnini, F. (2014). Engaging social movements in developing innovative retail business models. In *Handbook of Research on Retailer-Consumer Relationship Development* (pp. 336–350). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch018
- Sebastiani, R., Montagnini, F., & Dalli, D. (2013). Ethical Consumption and New Business Models in the Food Industry. Evidence from the Eataly Case. *Journal of Business Ethics*, 114(3), 473–488. doi:10.1007/10551-012-1343-1
- Sebri, M., & Zaccour, G. (2017). Cross-country differences in private-label success: An exploratory approach. *Journal of Business Research*, 80, 116–126. doi:10.1016/j.jbusres.2017.07.009
- Seiders, K., Voss, G. B., Grewal, D., & Godfrey, A. L. (2005). Do satisfied customers buy more? Examining moderating influences in a retailing context. *Journal of Marketing*, 69(4), 26–43. doi:10.1509/jmkg.2005.69.4.26
- Sen, S., & Bhattacharya, C. B. (2001). Does doing good always lead to doing better? Consumer reactions to corporate social responsibility. *JMR, Journal of Marketing Research*, 38(2), 225–243. doi:10.1509/jmkr.38.2.225.18838
- Sethuraman, R., & Cole, C. (1999). Factors influencing the price premiums that consumers pay for national brands over store brands. *Journal of Product and Brand Management*, 8(4), 340–351. doi:10.1108/10610429910284319
- Sethuraman, R., & Gielens, K. (2014). Determinants of store brand share. *Journal of Retailing*, 90(2), 141–153. doi:10.1016/j.jretai.2014.04.002
- Shala, A., & Balaj, D. (2016). Electronic service quality and its impact on building brand loyalty in the apparel e-retailing industry. *Review of Innovation and Competitiveness: A Journal of Economic and Social Research*, 2(2), 5-30.

- Shama, A. (1978). Management and consumers in era of stagflation. *Journal of Marketing*, 42(3), 43–52.
- Shama, A. (1980). *Marketing in a slow growth economy: the impact of stagflation on consumer psychology*. New York, NY: Praeger Publishers.
- Shankar, V., Kleijnen, M., Ramanathan, S., Rizley, R., Holland, S., & Morrissey, S. (2016). Mobile shopper marketing: Key issues, current insights, and future research avenues. *Journal of Interactive Marketing*, 34, 37–48. doi:10.1016/j.intmar.2016.03.002
- Shankar, V., Urban, G. L., & Sultan, F. (2002). Online trust: a stakeholder perspective, concepts, implications and future directions. *The Journal of Strategic Information Systems*, 11(4), 325–344. doi:10.1016/S0963-8687(02)00022-7
- Shaw, D., & Clarke, I. (1998). Culture, Consumption and Choice: Towards a Conceptual Relationship. *Journal of Consumer Studies & Home Economics*, 22(3), 163–168. doi:10.1111/j.1470-6431.1998.tb00727.x
- Shaw, D., & Clarke, I. (1999). Belief formation in ethical consumer groups: An exploratory study. *Marketing Intelligence & Planning*, 17(2-3), 109–119. doi:10.1108/02634509910260968
- Shaw, D., & Shui, E. (2003). Ethics in consumer choice: A multivariate modelling approach. *European Journal of Marketing*, 37(10), 1485–1498. doi:10.1108/03090560310487202
- Sheehan, K. B. (2005). Public opinions of online privacy: definitions, assessment and implications for industry and public policy. In S. Krishnamurthy (Ed.), *Contemporary Research in E-Marketing*. Hershey (pp. 186–199). Hershey, PA: IGI Global. doi:10.4018/978-1-59140-372-2.ch009
- Sheehan, K. B., & Hoy, M. G. (1999). Flaming, complaining, abstaining: how online users respond to privacy concerns. *Journal of Advertising*, 28(3), 37–51. doi:10.1080/00913367.1999.10673588
- Sheehan, K. B., & Hoy, M. G. (2000). Dimensions of privacy concern among online consumers. *Journal of Public Policy & Marketing*, 19(1), 62–73. doi:10.1509/jppm.19.1.62.16949
- Shembri, S., Merrilees, B., & Kristiansen, S. (2010). Brand consumption and narrative of the self. *Psychology and Marketing*, 27(6), 623–638. doi:10.1002/mar.20348
- Shen, P. (2010). A study on the multi-dimensional relationship between consumer shopping value and retailer brand equity. In *Marketing Science Innovations and Economic Development - Proceedings of 2010 Summit International Marketing Science and Management Technology Conference* (128-132). Retrieved from <http://www.seiofbluemountain.com/upload/product/201008/2010shcyx02a9.pdf>
- Sherman, E., Mathur, A., & Belk Smith, R. (1997). Store environment and consumer purchase behaviour: Mediating role of consumer emotions. *Psychology and Marketing*, 14(4), 361–378. doi:10.1002/(SICI)1520-6793(199707)14:4<361::AID-MAR4>3.0.CO;2-7
- Shields, R. (2013). Google touts retail solutions. *Marketing Week*. Retrieved from <http://www.marketingweek.co.uk/news/google-touts-retail-solutions/4005513.article>
- Shin, G., & Shim, S. S. Y. (2002). A service management framework for m-commerce applications. *Mobile Networks and Applications*, 7(3), 199–212. doi:10.1023/A:1014574628967
- Shneiderman, B. (2000). Designing trust into online experiences. *Communications of the ACM*, 43(12), 57–59. doi:10.1145/355112.355124
- Shpetim, C. (2012). Exploring the relationships among service quality, satisfaction, trust and store loyalty among retail customers. *Journal of Competitiveness*, 4(4), 16–35. doi:10.7441/joc.2012.04.02

Compilation of References

- Siegel, S., & Castellan, J., Jr. (2006). *Estadística No-paramétrica para ciencias do comportamento [Nonparametric Statistics for the Behavioral Sciences]* (2nd ed.). Porto Alegre: Bookman.
- Sierra, D. B., Alier, E., & Falces, C. (2000). Los efectos de las variables ambientales sobre la conducta del consumidor. *Distribución y Consumo*, 54, 5–23.
- Sikora, D. (2013). Online or offline shopping? its not either or neither –it’s both. *Insights*. Retrieved from <http://insights.wired.com/profiles/blogs/online-or-offline-shopping-it-s-not-either-or-neither-it-s-both#axzz2ixud0ZSn>
- Simon, H. (2009). The crisis and customer behavior: Eight quick solutions. *Journal of Customer Behaviour*, 8(2), 177–186. doi:10.1362/147539209X459796
- Sims, R. L., & Kroeck, K. G. (1994). The influence of ethical fit on employee satisfaction, commitment and turnover. *Journal of Business Ethics*, 13(12), 939–947. doi:10.1007/BF00881663
- Singh, H., & Prashar, S. (2014). Anatomy of shopping experience for malls in Mumbai: A confirmatory factor analysis approach. *Journal of Retailing and Consumer Services*, 21(2), 220–228. doi:10.1016/j.jretconser.2013.08.002
- Singh, H., & Sahay, V. (2012). Determinants of shopping experience: exploring the mall shoppers of National Capital Region (NCR) of India. *International Journal of Retail & Distribution Management*, 40(3), 235–248. doi:10.1108/09590551211207184
- Singh, S. (2006). Impact of color on marketing. *Management Decision*, 44(6), 783–789. doi:10.1108/00251740610673332
- Sirgy, M. J. (1982). Self-concept in consumer behavior: A critical review. *The Journal of Consumer Research*, 9(3), 287–300. doi:10.1086/208924
- Sirgy, M. J. (1985). Using self-congruity and ideal congruity to predict purchase motivation. *Journal of Business Research*, 13(3), 195–206. doi:10.1016/0148-2963(85)90026-8
- Sirgy, M. J., Grewal, D., & Mangleburg, T. (2000). Retail environment, self-congruity, and retail patronage: An integrative model and a research agenda. *Journal of Business Research*, 49(2), 127–138. doi:10.1016/S0148-2963(99)00009-0
- Sirgy, M. J., Grewal, D., Mangleburg, T. F., Park, J., Chon, K., Claiborne, C. B., ... Berkman, H. (1997). Assessing the predictive validity of two methods of measuring self-image congruence. *Journal of the Academy of Marketing Science*, 25(3), 229–241. doi:10.1177/0092070397253004
- Sirgy, M. J., Johar, J. S., Samli, A. C., & Claiborne, C. B. (1991). Self-congruity versus functional congruity: Predictors of consumer behaviour. *Journal of the Academy of Marketing Science*, 19(4), 363–375. doi:10.1007/BF02726512
- Sirgy, M. J., & Lee, D. J. (2008). Well-being Marketing: An ethical business philosophy for consumer goods firms. *Journal of Business Ethics*, 77(4), 377–403. doi:10.1007/10551-007-9363-y
- Sirohi, N. E., McLaughlin, W., & Wittink, D. R. (1998). A model of consumer perceptions and store loyalty intentions for a supermarket retailer. *Journal of Retailing*, 74(2), 223–245. doi:10.1016/S0022-4359(99)80094-3
- Sit, J., Merrilees, B., & Birch, D. (2003). Entertainment-seeking shopping centre patrons: The missing segments. *International Journal of Retail & Distribution Management*, 31(2), 80–94. doi:10.1108/09590550310461985
- Sitkin, S., & Weingart, L. (1995). Determinants of risky decision-making behavior: A test of mediating role of risk perception and propensity. *Academy of Management Journal*, 38, 1573–1592.
- Sivadas, E., & Baker-Prewitt, J. L. (2000). An examination of the relationship between service quality, customer satisfaction, and store loyalty. *International Journal of Retail & Distribution Management*, 28(2), 73–82. doi:10.1108/09590550010315223

- Slade, E. L., Williams, M. D., & Dwivedi, Y. K. (2013). Extending UTAUT2 to explore consumer adoption of mobile payments. In *Proceedings of the UK academy for information systems conference*, Oxford, UK.
- Slade, E., Williams, M., Dwivedi, Y., & Piercy, N. (2014). Exploring consumer adoption of proximity mobile payments. *Journal of Strategic Marketing*, 1–15.
- Slovic, P., Finucane, M., Peters, E., & MacGregor, D. (2004). Risk as analysis and risk as feeling: some thoughts about affect, reason, risk and rationality. *Risk Analysis*, 24(2), 311–322. doi:10.1111/j.0272-4332.2004.00433.x PMID:15078302
- Small Business Development Center Network. (2012). *Coffee Shop Business Overview & Trends 2012*. Retrieved from <http://www.sbdcnet.org/small-business-research-reports/coffee-shop-2012>
- Smink, A. R., Frowijn, S., van Reijmersdal, E. A., van Noort, G., & Neijens, P. C. (2019). Try online before you buy: How does shopping with augmented reality affect brand responses and personal data disclosure. *Electronic Commerce Research and Applications*, 35(May–June).
- Smith, K. (2013). 6 challenges retailers face. *EDIDT*. Retrieved from <http://editd.com/blog/2013/04/6-challenges-retailers-face/>
- Smith, A., Hart, S., & Tzokas, N. (2004). Delivering customer loyalty schemes in retailing: Exploring the employee dimension. *International Journal of Retail & Distribution Management*, 32(4), 190–204. doi:10.1108/09590550410528962
- Smith, B., Rippé, C. B., & Dubinsky, A. J. (2018). India's lonely and isolated consumers shopping for an in-store social experience. *Marketing Intelligence & Planning*, 36(7), 722–736. doi:10.1108/MIP-12-2017-0338
- Smith, R. B., & Sherman, E. (1993). Effects of store image and mood on consumer behavior: a theoretical and empirical analysis. In L. McAlister & M. L. Rothschild (Eds.), *Advances in Consumer Research* (Vol. 20). Provo, UT: Association for Consumer Research.
- Smith, S., & Wheeler, J. (2002). *Managing the customer experience: turning customers into advocates*. Harlow, UK: Prentice Hall.
- Snyder, C. R., & Fromkin, H. L. (1977). Abnormality as a positive characteristic: The development and validation of a scale measuring need for uniqueness. *Journal of Abnormal Psychology*, 86(5), 518–527. doi:10.1037/0021-843X.86.5.518 PMID:915113
- Soars, B. (2009). Driving sales through shoppers' sense of sound, sight, smell and touch. *International Journal of Retail & Distribution Management*, 37(3), 286–298. doi:10.1108/09590550910941535
- Solomon, M. R. (1988). Mapping product constellations: A social categorization approach to consumption symbolism. *Psychology and Marketing*, 5, 233–258.
- Solomon, M. R. (2008). *Consumer behavior: buying, having and being* (8th ed.). New York, NY: Prentice Hall.
- Solomon, M. R., Bamossy, G., Askegaard, S., & Hogg, M. K. (2010). *Consumer Behavior – a European perspective*. Essex, UK: Pearson Education Ltd.
- Solomon, M. R., & Rabolt, N. J. (2009). *Consumer Behavior in Fashion*. Pearson Education.
- Son, J.-Y., & Kim, S. S. (2008). Internet users' information privacy-protective responses: a taxonomy and a nomological model. *Management Information Systems Quarterly*, 32(3), 503–529. doi:10.2307/25148854
- Sorescu, A., Frambach, R. T., Singh, J., Rangaswamy, A., & Bridges, C. (2011). Innovations in retail business models. *Journal of Retailing*, 87S(1), S3–S16. doi:10.1016/j.jretai.2011.04.005

Compilation of References

- Souiden, N., Ladhari, R., & Chiadmi, N. E. (2018). New trends in retailing and services. *Journal of Retailing and Consumer Services*, 50, September 2019, pp. 286-288.
- Souza-Monteiro, D., & Hooker, N. (2017). Comparing UK food retailers corporate social responsibility strategies. *British Food Journal*, 119(3), 658–675. doi:10.1108/BFJ-04-2016-0152
- Spangenberg, E. R., Crowley, A. E., & Henderson, P. W. (1996). Improving the store environment: do olfactory cues affect evaluations and behaviours? *Journal of Marketing*, 60(2), 67–80. doi:10.2307/1251931
- Spangenberg, E., Herrmann, A., Zidasek, M., & Sprott, D. (2013). The power of simplicity: processing fluency and the effects of olfactory cues on retail sales. *Journal of Retailing*, 89(1), 30–43. doi:10.1016/j.jretai.2012.08.002
- Spence, C., Puccinelli, N. M., Grewal, D., & Roggeveen, A. L. (2014). Store atmospherics: A multisensory perspective. *Psychology and Marketing*, 31(7), 472–488. doi:10.1002/mar.20709
- Spiegel, M. R. (1971). *Estatistica* [Statistics]. Rio de Janeiro: McGraw-Hill do Brasil.
- Spiggle, S. (1994). Analysis and Interpretation of Qualitative Data in Consumer Research. *The Journal of Consumer Research*, 21(3), 491. doi:10.1086/209413
- Spohrer, J., Maglio, P. P., Bailey, J., & Gruhl, D. (2007). Steps toward a science of service systems. *Computer*, 40(1), 71–77. doi:10.1109/MC.2007.33
- Standish, R. K. (2001). On complexity and emergence. *arXiv preprint nlin/0101006*.
- Stathopoulou, A., & Balabanis, G. (2016). The effects of loyalty programs on customer satisfaction, trust, and loyalty toward high- and low-end fashion retailers. *Journal of Business Research*, 69(12), 5801–5808. doi:10.1016/j.jbusres.2016.04.177
- Statista. (2013). *Market share of the leading coffee chains in the United States in 2011*. Retrieved from <http://www.statista.com/statistics/250166/market-share-of-major-us-coffee-shops>
- Statista. (2016). *Revenue of selected leading coffeehouse chains worldwide in 2015 (in million U.S. dollars)*. Retrieved from <https://www.statista.com/statistics/270091/coffee-house-chains-ranked-by-revenue/>
- Statista. (2018). *Number of Starbucks stores worldwide from 2003 to 2018*. Retrieved from <https://www.statista.com/statistics/266465/number-of-starbucks-stores-worldwide/>
- Statista. (2019). *Statista Coffee United States*. Retrieved from <https://www.statista.com/outlook/30010000/109/coffee/united-states>
- Statistic Brain. (2013). *Coffee Drinking Statistics*. Retrieved from <http://www.statisticbrain.com/coffee-drinking-statistics>
- Steenkamp, J. B. E. M., Van Heerde, H., & Geyskens, I. (2010). What makes consumers willing to pay a price premium for national brands over private labels? *Journal of Marketing Research*, 47(6), 1011–1024. doi:10.1509/jmkr.47.6.1011
- Steenkamp, J. B., & van Trijp, H. (1991). The use of LISREL in validating marketing constructs. *International Journal of Research in Marketing*, 8(4), 283–299. doi:10.1016/0167-8116(91)90027-5
- Steenkamp, J.-B. E. M., & Dekimpe, M. G. (1997). The increasing power of store brands: Building loyalty and market share. *Long Range Planning*, 30(6), 917–930. doi:10.1016/S0024-6301(97)00077-0
- Stein, A., & Ramaseshan, B. (2016). Towards the identification of customer experience touch point elements. *Journal of Retailing and Consumer Services*, 30(May), 8–19. doi:10.1016/j.jretconser.2015.12.001

- Steiner, R. (2013). No stopping the online shopping revolution as 'omni-channel' retailers offer more options than ever before. *Thisismoney*. Retrieved from <http://www.thisismoney.co.uk/money/markets/article-2317260/The-omni-channel-online-shopping-revolution.html>
- Steinfeld, C. (2004). The missing link: connecting physical and virtual channels through click & mortar electronic commerce. In K. Stanoevska-Slabeva (Ed.), *Digital Economy* (pp. 141–157). Heidelberg, Germany: Anspruch und Wirklichkeit.
- Stern, L. W., & El-Ansary, A. I. (1977). *Marketing channels*. Englewood Cliffs, NJ: Prentice Hall.
- Stiglitz, J. (2008, Sept. 16). The fruit of hypocrisy. *The Guardian*. Retrieved from <http://www.guardian.co.uk/commentisfree/2008/sep/16/economics.wallstreet>
- Stokburger-Sauer, N., Ratneshwar, S., & Sankar, S. (2012). Drivers of consumer–brand identification. *International Journal of Research in Marketing*, 29(4), 406–418. doi:10.1016/j.ijresmar.2012.06.001
- Stokols, D. (1978). Environmental psychology. *Annual Review of Psychology*, 29(1), 253–259. doi:10.1146/annurev.ps.29.020178.001345 PMID:341781
- Stokos, D. (1972). On the distinction between density and crowding: Some implications for future research. *Psychological Review*, 79(3), 275–277. doi:10.1037/h0032706 PMID:5056743
- Stone, J., Horne, S., & Hibbert, S. (1996). Car boot sales: A study of shopping motives in an alternative retail format. *International Journal of Retail & Distribution Management*, 24(11), 4–15. doi:10.1108/09590559610131682
- Storbacka, K., Brodie, R. J., Böhmman, T., Maglio, P. P., & Nenonen, S. (2016). Actor engagement as a microfoundation for value co-creation. *Journal of Business Research*, 69(8), 3008–3017. doi:10.1016/j.jbusres.2016.02.034
- Strong, C. (1996). Features Contributing to the Growth of Ethical Consumerism – A Preliminary Investigation. *Marketing Intelligence & Planning*, 14(5), 5–13. doi:10.1108/02634509610127518
- Stryker, S. (1968). Identity salience and role performance. *Journal of Marriage and the Family*, 4(4), 558–564. doi:10.2307/349494
- Stryker, S., & Burke, P. J. (2000). The past, present, and future of an identity. *Social Psychology Quarterly*, 63(4), 284–297. doi:10.2307/2695840
- Štulec, I., Petljak, K., & Kukor, A. (2016). The role of store layout and visual merchandising in food retailing. *European Journal of Economics and Business Studies*, 4(1), 139–152. doi:10.26417/ejes.v4i1.p138-151
- Suhaily, M.-R., & Nor Asiah, O. (2017). Exploring the influence of store attributes on customer experience and customer engagement. *International Journal of Retail & Distribution Management*, 45(11), 1138–1158. doi:10.1108/IJRDM-04-2016-0049
- Summers, T., & Hebert, P. (2001). Shedding some light on store atmospherics: Influence of illumination on consumer behaviour. *Journal of Business Research*, 54(2), 145–150. doi:10.1016/S0148-2963(99)00082-X
- Sundström, M., Hjelm-Lidholm, S., & Radon, A. (2019). Clicking the boredom away—Exploring impulse fashion buying behavior online. *Journal of Retailing and Consumer Services*, 47, 150–156. doi:10.1016/j.jretconser.2018.11.006
- Sun, J., & Chi, T. (2019). Investigating the adoption of apparel m-commerce in the US market. *International Journal of Clothing Science and Technology*, 31(4), 544–563. doi:10.1108/IJCST-03-2018-0038
- Su, Q., & Adams, C. (2010). *Consumers' attitude toward mobile commerce: a model to capture the cultural and environment influences*. Hershey, PA: IGI Global. doi:10.4018/978-1-61520-967-5.ch092

Compilation of References

- Surchi, M. (2011). The temporary store: A new marketing tool for fashion brands. *Journal of Fashion Marketing and Management*, 15(2), 257–270. doi:10.1108/13612021111132672
- Swan, J. E. (1974). A functional analysis of innovation in distribution channels. *Journal of Retailing*, 50(1), 9–23.
- Swan, J. E., Bowers, M. R., & Richardson, L. D. (1999). Customer trust in a salesperson: An integrative review and meta-analysis of the empirical literature. *Journal of Business Research*, 44(2), 93–107. doi:10.1016/S0148-2963(97)00244-0
- Sweeney, J. C., & Soutar, G. N. (2001). Consumer perceived value: The development of a multiple item scale. *Journal of Retailing*, 77(2), 203–220. doi:10.1016/S0022-4359(01)00041-0
- Swinyard, W. R. (1993). The effects of mood, involvement, and quality of store experience on shopping intentions. *The Journal of Consumer Research*, 20(2), 271–280. doi:10.1086/209348
- Swoboda, B., Haelsig, F., Schramm-Klein, H., & Morschett, D. (2009). Moderating role of involvement in building a retail brand. *International Journal of Retail & Distribution Management*, 37(11), 952–974. doi:10.1108/09590550910999370
- Szmigin, I., & Bourne, H. (1998). Consumer equity in relationship marketing. *Journal of Consumer Marketing*, 15(6), 544–557. doi:10.1108/07363769810240545
- Tajfel, H., & Turner, J. C. (1986). The social identity theory of inter-group behavior. In S. Worchel & W. G. Austin (Eds.), *Psychology of intergroup relations*. Chicago, IL: Nelson-Hall.
- Takei, H., Kudo, K., Miyata, T., & Ito, Y. (2006). Adaptive strategies for Japan's retail industry facing a turning point. *Nomura Research Institute Papers*, 110, 1-13. Retrieved from <http://www.nri.co.jp/english/opinion/papers/2006/pdf/np2006110.pdf>
- Tan, G., Ooi, K.-B., Chong, S.-C., & Hew, S.-C. (2014). NFC mobile credit card: The next frontier of mobile payment? *Telematics and Informatics*, 31(2), 292–307. doi:10.1016/j.tele.2013.06.002
- Tarasewich, P., Nickerson, R. C., & Warkentin, M. (2002). Issues in mobile e-commerce. *Communications of the Association for Information Systems*, 8, 41–64. doi:10.17705/1CAIS.00803
- Tashakkori, A., & Teddlie, C. (1998). *Mixed Methodology: Combining Qualitative and Quantitative Approaches*. Thousand Oaks, CA: Sage Publication.
- Taylor, D., Mrazek, M. & Mossialos, E. (2004). Regulating pharmaceutical distribution and retail pharmacy in Europe. *Regulating pharmaceuticals in Europe: striving for efficiency, equity and quality. Copenhagen, European observatory on health systems and policies, 2004a*, 196-121.
- Teo, A.-C., Tan, G. W.-H., Ooi, K.-B., Hew, T.-S., & Yew, K.-T. (2015). The effects of convenience and speed in m-payment. *Industrial Management & Data Systems*, 115(2), 311–331. doi:10.1108/IMDS-08-2014-0231
- Tepper Tian, K., Bearden, W. O., & Hunter, G. L. (2001). Consumers' need for uniqueness: Scale development and validation. *The Journal of Consumer Research*, 28(1), 50–66. doi:10.1086/321947
- Ter Braak, A., Dekimpe, M. G., & Geyskens, I. (2013). Retailer private-label margins: The role of supplier and quality-tier differentiation. *Journal of Marketing*, 77(4), 86–103. doi:10.1509/jm.11.0566
- Ter Braak, A., Geyskens, I., & Dekimpe, M. G. (2014). Why premium private label presence varies by category. *Journal of Retailing*, 90(2), 125–140. doi:10.1016/j.jretai.2014.01.003
- Terblanche, N. S., & Boshoff, C. (2001a). Measuring customer satisfaction with some of the controllable elements of the total retail experience: an exploratory study. *South African Journal of Business Management*, 32(2), 35–41. doi:10.4102/ajbm.v32i2.719

- Terblanche, N. S., & Boshoff, C. (2001b). Measuring customer satisfaction with the controllable elements of the in-store shopping: an exploratory study. *South African Journal of Business Management*, 32(4), 11–19. doi:10.4102ajbm.v32i4.726
- Terblanche, N. S., & Boshoff, C. (2004). The in-store shopping experience: a comparative study of supermarket and clothing store customers. *South African Journal of Business Management*, 35(4), 1–10. doi:10.4102ajbm.v35i4.663
- Terblanche, N. S., & Boshoff, C. (2006a). A generic instrument to measure customer satisfaction with the controllable elements of the in-store shopping experience. *South African Journal of Business Management*, 37(3), 1–15. doi:10.4102ajbm.v37i3.603
- Terblanche, N. S., & Boshoff, C. (2006b). The relationship between a satisfactory in-store shopping experience and retailer loyalty. *South African Journal of Business Management*, 37(2), 33–43. doi:10.4102ajbm.v37i2.600
- Terblanche, N. (2018). Revisiting the supermarket in-store customer shopping experience. *Journal of Retailing and Consumer Services*, 40, 48–59. doi:10.1016/j.jretconser.2017.09.004
- TESCO PLC. (2018). *Annual Report 2018*. Author.
- The Nielsen Company – Consumer reaction to the banking crisis. Comments about Economy, Oct. 30, 2008. Retrieved from <http://www.claritas.com/eDownloads/webinar/Nielsen-Claritas-Webinar-Consumer-Reaction-Banking-Crisis-103008.pdf>
- Theodoridis, C., Ntounis, N., & Pal, J. (2017). How to reinvent the High Street: Evidence from the HS2020. *Journal of Placement Management and Development*, 10(4), 380–391. doi:10.1108/JPMD-03-2017-0031
- Thomas, S. (2013). Linking customer loyalty to customer satisfaction and store image: A structural model for retail stores. *Decision (Washington, D.C.)*, 40(1-2), 15–25.
- Thombre, A. (2011). The influence of interactivity and online store atmospherics of a 3D retail store in second life on consumer purchase intentions. (Master thesis, University of North Texas). Retrieved from <https://www.academia.edu/2755115>
- Thompson, C. J., & Arsel, Z. (2004). The Starbucks brandscape and consumers' (anti- corporate) experiences of globalization. *The Journal of Consumer Research*, 31(3), 631–643. doi:10.1086/425098
- Thompson, C. J., & Coskuner-Balli, G. (2007). Countervailing Market Responses to Corporate Co-Optation and the Ideological Recruitment of Consumption Communities. *The Journal of Consumer Research*, 34(2), 135–152. doi:10.1086/519143
- Thompson, C. J., Rindfleisch, A., & Arsel, Z. (2006). Emotional branding and the strategic value of the Doppelgänger brand image. *Journal of Marketing*, 70(1), 50–64. doi:10.1509/jmkg.70.1.050.qxd
- Thompson, S. A., & Sinha, R. K. (2008). Brand Communities and New Product Adoption: The Influence and Limits of Oppositional Loyalty. *Journal of Marketing*, 72(6), 65–80.
- Thomson, M., MacInnis, J. D., & Park, C. W. (2005). The ties that bind: Measuring the strength of consumers' emotional attachments to brands. *Journal of Consumer Psychology*, 15(1), 77–91. doi:10.1207/15327663jcp1501_10
- Tibbitts, S. (2014). 4D printing: Multi-material shape change. *Architectural Design*, 84(1), 116–121. doi:10.1002/ad.1710
- Tischler, L., (2004). Brand the good brand. *Fast Company*, 85, 47-49.
- Tiwari, R., Buse, S., & Herstatt, C. (2006). From electronic to mobile commerce. Opportunities through technology convergence for business services. *Tech Monitor, Sep-Oct*, 38-45.
- Tiwari, R. S. (2009). *Retail management, retail concepts and practices*. Mumbai, India: Global Media.

Compilation of References

- Torres, A., Bikmolt, T., Tribò, J., & Verhoef, P. (2012). Generating global brand equity through corporate social responsibility to key stakeholders. *International Journal of Research in Marketing*, 29(1), 13–24. doi:10.1016/j.ijresmar.2011.10.002
- Tortato, U., & Catapan, A. (2016). Estrategias Sustentáveis – Práticas e Desafios [Sustainable Strategies – practices and challenges. Curitiba: PUC Press.
- Triantafyllidou, A., Siomkos, G., & Papafilippaki, E. (2017). The effects of retail store characteristics on in-store leisure shopping experience. *International Journal of Retail & Distribution Management*, 45(10), 1034–1060. doi:10.1108/IJRDM-07-2016-0121
- Tsai, J. Y., Egelman, S., Cranor, L., & Acquisti, A. (2011). The effect of online privacy information on purchasing behavior: An experimental study. *Information Systems Research*, 22(2), 254–268. doi:10.1287/isre.1090.0260
- Tsai, S. P. (2010). Shopping mall management and entertainment experience: a cross-regional investigation. *Service Industries Journal*, 30(3), 321–337. doi:10.1080/02642060802123376
- Tsaur, S., Luoh, H.-F., & Syue, S.-S. (2015). Positive emotions and behavioral intentions of customers in full-service restaurants: Does aesthetic labor matter? *International Journal of Hospitality Management*, 51, 115–126. doi:10.1016/j.ijhm.2015.08.015
- Tucker, C. (2011). *Coffee culture: local experiences, global connections*. New York, NY: Routledge. doi:10.4324/9780203831243
- Tulipa, D., Gunawan, S., & Supit, V. H. (2014). The influence of store atmosphere on emotional responses and re-purchase intentions. *Business Management and Strategy*, 5(2), 151–164. doi:10.5296/bms.v5i2.6144
- Tummala, V. M. R., Phillips, C. L. M., & Johnson, M. (2006). Assessing supply chain management success factors: A case study. *Supply Chain Management*, 11(2), 179–192. doi:10.1108/13598540610652573
- Turban, E., Strauss, J., & Lai, L. (2016). Marketing communications in social media. In *Social Commerce. Springer Texts in Business and Economics* (pp. 75–98). Cham, Switzerland: Springer.
- Turley, L. W., & Milliman, R. E. (2000). Atmospheric effects on shopping behaviour: a review of the experimental evidence. *Journal of Business Research*, 49(2), 193–211. doi:10.1016/S0148-2963(99)00010-7
- Turner, J. J. & Gardner, T. (2014). Critical reflections on the decline of the UK High Street: Exploratory conceptual research into the role of the service encounter, 127-152. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development*, Hershey, PA: IGI Global.
- Turner, J. J., & Szymkowiak, A. (2019). An analysis into early customer experiences of self-service checkouts: Lessons for improved usability. *Journal of Engineering Management in Production and Services*, 11(1), 36–50. doi:10.2478/emj-2019-0003
- Turner-Mitchell, P. (2012). Don't abandon retail. People will always want the High Street. *The Guardian*, para. 15. Retrieved from <http://www.theguardian.com/uk/the-northerner/2012/sep/21/manchester-salford-high-street-retail-mary-portas-shops>
- Tuškež, U., Golob, U., & Podnar, K. (2013). The role of consumer–brand identification in building brand relationships. *Journal of Business Research*, 66(1), 53–59. doi:10.1016/j.jbusres.2011.07.022
- Uncles, M. D., & Ellis, K. (1989). The buying of own labels. *European Journal of Marketing*, 23(3), 57–70. doi:10.1108/EUM00000000000561
- Underhill, P. (1999). *Why we buy: the science of shopping*. New York, NY: Simon and Schuster.

- Urban, G. L., Sultan, F., & Qualls, W. J. (2000). Placing trust at the center of your internet strategy. *Sloan Management Review*, 42(1), 39–48.
- Urbonavicius, S., & Pikturnien, I. (2010). Consumer in the face of economic crisis: Evidence from two generations in Lithuania. *Economics and Management*, 15, 827–834.
- Urdan, A. T., & Urdan, F. T. (2010). *Marketing Estrategico no Brasil* [Strategic Marketing in Brazil]. Sao Paulo: Atlas.
- User:kilnburn. (2009). Buchanan Street Glasgow [image]. Retrieved from https://commons.wikimedia.org/wiki/File:%28looking_down%29_Buchanan_Street,_Glasgow.jpg
- Uwins, S. (2014). *Creating Loyal brands*. Publish Green.
- Vallaster, C., Lindgreen, A., & Maon, F. (2012). Strategically Leveraging Corporate Social Responsibility: A corporate brand perspective. *California Management Review*, 54(3), 34–60. doi:10.1525/cm.2012.54.3.34
- Van den Poel, D., & Leunis, J. (1999). Consumer acceptance of the internet as a channel of distribution. *Journal of Business Research*, 45(3), 249–256. doi:10.1016/S0148-2963(97)00236-1
- Van Doorn, J., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P., & Verhoef, P. C. (2010). Customer engagement behavior: Theoretical foundations and research directions. *Journal of Service Research*, 13(3), 253–266. doi:10.1177/1094670510375599
- van Esch, P., Arli, D., Gheshlaghi, M. H., Andonopoulos, V., von der Heide, T., & Northey, G. (2019). Anthropomorphism and augmented reality in the retail environment. *Journal of Retailing and Consumer Services*, 49, 35–42. doi:10.1016/j.jretconser.2019.03.002
- van Herpen, E., Pennings, J. M. E., & Meulenbergh, M. (2003). *Consumers' evaluations of socially responsible activities in retailing*. Maastricht, The Netherlands: Maastricht University.
- van Rompay, T. J., Tanja-Dijkstra, K., Verhoeven, J. W., & van Es, A. F. (2012). On store design and consumer motivation: Spatial control and arousal in the retail context. *Environment and Behavior*, 44(6), 800–820. doi:10.1177/0013916511407309
- Vargo, S. L., & Akaka, M. A. (2012). Value co-creation and service systems (re) formation: A service ecosystems view. *Service Science*, 4(3), 207–217. doi:10.1287/erv.1120.0019
- Vargo, S. L., & Lusch, R. F. (2006). Service-dominant logic: What it is, What it is not, What it might be. In R. F. Lusch & S. L. Vargo (Eds.), *The service-dominant logic of marketing: dialog, debate, and directions*. Armonk, NY: M. E. Sharpe.
- Vargo, S. L., & Lusch, R. F. (2008). Why “service”? *Journal of the Academy of Marketing Science*, 36(1), 25–38. doi:10.1007/11747-007-0068-7
- Vargo, S. L., & Lusch, R. F. (2011). It's all B2B... and beyond: Toward a systems perspective of the market. *Industrial Marketing Management*, 40(2), 181–187. doi:10.1016/j.indmarman.2010.06.026
- Vargo, S. L., & Lusch, R. F. (2016). Institutions and axioms: An extension and update of service dominant Logic. *Journal of the Academy of Marketing Science*, 44(5), 5–23. doi:10.1007/11747-015-0456-3
- Vargo, S. L., & Lusch, R. F. (2017). Service-dominant logic 2025. *International Journal of Research in Marketing*, 34(1), 46–67. doi:10.1016/j.ijresmar.2016.11.001
- Vargo, S. L., & Lusch, R. F. (Eds.). (2018). *The SAGE handbook of service-dominant logic*. Sage. doi:10.4135/9781526470355
- Vargo, S. L., Maglio, P. P., & Akaka, M. A. (2008). On value and value co-creation: A service systems and service logic perspective. *European Management Journal*, 26(3), 145–152. doi:10.1016/j.emj.2008.04.003

Compilation of References

- Various Authors. (2011). *Contributions to theoretical and practical advances in management. A viable systems approach (vSA)*. Avellino, Italy: International Printing.
- Varley, R. (2001). *Retail product management: buying and merchandising*. London, UK: Routledge.
- Vasquez-Parraga, A. Z., Sahagun, M., & Escobedo, P. J. (2014). Customer store loyalty: Process, explanation chain, and moderating factors. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 70–85). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch005
- Vasquez-Parraga, A. Z., & Sahagun, M. (2014). Explaining customer loyalty to retail stores in U.S. Hispanic markets. *International Journal of Economic Behavior*, 4, 3–16.
- Velarde Fuertes, J. (2011). Problemática actual de la distribución comercial española (un estado de la cuestión). *ICADE. Revista cuatrimestral de las Facultades de Derecho y Ciencias Económicas y Empresariales*, No. 83-84, 393-411.
- Veloutsou, C., Gioulistanis, E., & Moutinho, L. (2004). Own labels choice criteria and perceived characteristics in Greece and Scotland: Factors influencing the willingness to buy. *Journal of Product and Brand Management*, 13(4/5), 228–241. doi:10.1108/10610420410546943
- Venkatesan, R., Kumar, V., & Ravishankar, N. (2007). Multichannel shopping: causes and consequences. *Journal of Marketing*, 71(2), 114–132. doi:10.1509/jmkg.71.2.114
- Venkatesh, V., & Davis, F. D. (1996). A model of the antecedents of perceived ease of use: Development and test. *Decision Sciences*, 27(3), 451–481. doi:10.1111/j.1540-5915.1996.tb01822.x
- Verhoef, P. C., Kannan, P. K., & Inman, J. J. (2015). From multi-channel retailing to omni-channel retailing. *Journal of Retailing*, 91(2), 174–181. doi:10.1016/j.jretai.2015.02.005
- Verhoef, P., Lemon, K., Parasuraman, A., Roggeveen, A., Tsiros, M., & Schlesinger, L. (2009). Customer experience creation: determinants, dynamics and management strategies. *Journal of Retailing*, 85(1), 31–41. doi:10.1016/j.jretai.2008.11.001
- Verma, H. (2013). Coffee and tea: socio-cultural meaning, context and branding. *Asia-Pacific Journal of Management Research and Innovation*, 9(2), 157–170. doi:10.1177/2319510X13504283
- Veryzer, R. W. (1999). A nonconscious processing explanation of consumer response to product design. *Psychology and Marketing*, 16(6), 497–522. doi:10.1002/(SICI)1520-6793(199909)16:6<497::AID-MAR4>3.0.CO;2-Z
- Vesel, P., & Zabkar, V. (2010). Comprehension of relationship quality in the retail environment. *Managing Service Quality*, 20(3), 213–235. doi:10.1108/09604521011041952
- Vezir Oguz, G. (2018). The influence of virtual store atmosphere, online shopping satisfaction and perceived risk in online shopping on intention to continue online shopping. *Social Sciences Studies Journal*, 4(17), 1452–1458. doi:10.26449/ssj.536
- Vieira, V. A. (2013). Stimuli-organism-response framework: A meta-analytic review in the store environment. *Journal of Business Research*, 66(9), 1420–1426. doi:10.1016/j.jbusres.2012.05.009
- Visser, W. (2012). *The Future of CSR: Towards Transformative CSR, or CSR 2.0*. Kaleidoscope Futures Paper Series, 1
- Visser, W. (2013). *CSR 2.0: Transforming corporate sustainability & responsibility*. Springer.
- Viswanathan, S. (2005). Competing across technology-differentiated channels: the impact of network externalities and switching costs. *Management Science*, 51(3), 483–496. doi:10.1287/mnsc.1040.0338

- Völckner, F., & Sattler, H. (2006). Drivers of brand extension success. *Journal of Marketing*, 70(2), 18–34. doi:10.1509/jmkg.70.2.18
- von Bertalanffy, L. (1968). *General system theory. foundations, development, applications*. New York, NY: George Braziller.
- Vrechopoulos, A. P., Doukidis, G. I., & O'Keefe, R. M. (2000). Virtual store atmosphere in internet retailing, In S. Klein, B. O'Keefe, J. Gricar, & M. Podlogar (Eds.), *Proceedings of the 13th Bled Electronic Commerce Conference: The End of the Beginning*, Bled, Slovenia, June 19-21, p. 445-458.
- Vrechopoulos, A. P., O'Keefe, R. M., Doukidis, G. I., & Siomkos, G. J. (2004). Virtual store layout: An experimental comparison in the context of grocery retail. *Journal of Retailing*, 80(1), 13–22. doi:10.1016/j.jretai.2004.01.006
- Vukadin, A., Lemoine, J.-F., & Badot, O. (2016). Opportunities and risks of combining shopping experience and artistic elements in the same store: a contribution to the magical functions of the point of sale. *Journal of Marketing Management*, 32(9-10), 944–964. doi:10.1080/0267257X.2016.1186106
- Wagner, T., Bicen, P., & Hall, Z. R. (2008). The dark side of retailing: Towards a scale of corporate social irresponsibility. *International Journal of Retail & Distribution Management*, 36(2), 124–142. doi:10.1108/09590550810853075
- Wahyu, W. D., Achmad, F., & Zainul, A. (2017). The effect of online store atmosphere towards emotion and its impact on purchase decision, *RJOAS*, 4(64), 82-93. Retrieved from <https://cyberleninka.ru/article/n/the-effect-of-online-store-atmosphere-towards-emotion-and-its-impact-on-purchase-decision>
- Walker, W. G. (1975). Marketing research is important in retailing, now, more than ever. *Marketing News*, 14 March, 8(17), 9.
- Waller, M., Johnson, M. E., & Davis, T. (1999). Vendor-managed inventory in the retail supply chain. *Journal of Business Logistics*, 20(1).
- Wallop, H. (2013). Click and collect- the new way to go shopping. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/9785532/Click-and-collect-the-new-way-to-go-shopping.html>
- WAL-MART. (2018). *Annual-Report 2018*. Author.
- Walsh, G., & Mitchell, V. W. (2010). Consumers' intention to buy private label brands revisited. *Journal of General Management*, 35(3), 3–24. doi:10.1177/030630701003500302
- Walter, A., Ritter, T., & Gemunden, H. G. (2001). Value creation in buyer-seller relationships. theoretical considerations and empirical results from a supplier's perspective. *Industrial Marketing Management*, 30(4), 365–377. doi:10.1016/S0019-8501(01)00156-0
- Wang, D., Zha, Y., Bi, G., & Chen, Y. (2018). Meta-analysis of satisfaction-loyalty relationship in E-commerce: Sample and measurement characteristics as moderators. *Wireless Personal Communications*, 103(1), 941–962. doi:10.1007/11277-018-5488-9
- Wang, H., Wei, Y., & Yu, C. (2008). Global brand equity model: Combining customer-based with product-market outcome approaches. *Journal of Product and Brand Management*, 17(5), 305–316. doi:10.1108/10610420810896068
- Wang, L. C., & Hsiao, D. F. (2012). Antecedents of flow in retail store shopping. *Journal of Retailing and Consumer Services*, 19(4), 381–389. doi:10.1016/j.jretconser.2012.03.002
- Ward, P., Davies, B., & Kooijman, D. (2003). Ambient smell and the retail environment: Relating olfaction research to consumer behaviour. *Journal of Business and Management*, 9(3), 289–302.

Compilation of References

- Warman, M. (2013). The future of shopping: From High Street to iStreet. *The Telegraph*. Retrieved from <http://www.telegraph.co.uk/technology/news/9821702/The-future-of-shopping-from-h>
- Waxman, L. (2006). The coffee shop: social and physical. *Journal of Interior Design*, 31(3), 35–53. doi:10.1111/j.1939-1668.2006.tb00530.x
- Wearn, R. (2013). Online shops take stock and move into the High Street. *BBC News*. Retrieved from <http://www.bbc.co.uk/news/business-22404652?print=true>
- Weber, E., & Milliman, R. (1997). Perceived risk attitudes: Relating risk perception to risky choice. *Management Science*, 43(2), 123–144. doi:10.1287/mnsc.43.2.123
- Webster, J., & Watson, R. T. (2002). Analyzing the past to prepare for the future: writing a literature review. *Management Information Systems Quarterly*, 26(2), XIII–XXIII.
- Weinreb Group. (2011). CSO Back Story. How Chief Sustainability Officers Reached the C-Suite. *Weinreb Group*. Retrieved from: <http://weinrebgroup.com/wp-content/uploads/2011/09/CSO-Back-Story-by-Weinreb-Group.pdf>
- Wells, R., Kleshinski, C. E., & Lau, T. (2012). Attitudes toward and behavioral intentions to adopt mobile marketing; comparisons of Gen Y in the United States, France and China. *International Journal of Mobile Marketing*, 7(2), 5–24.
- Werther, W. B. Jr, & Chandler, B. (2005). Strategic corporate social responsibility as global brand insurance. *Business Horizons*, 48(4), 317–324. doi:10.1016/j.bushor.2004.11.009
- Westbrook, T. (2013). High Street needs e-tail therapy: Lack of vision as much to blame for retailers' failures as the rise of e-commerce. *Insight*. Retrieved from <http://www.cio.co.uk/insight/strategy/high-street-needs-e-tail-therapy/>
- Westwood, V., & Kelly, I. (2016). *Vivienne Westwood*. Rio de Janeiro: Anfiteatro.
- Wheelwright, G. (2017). *Cash or Watson? IBM and VISA bringing AI-based purchasing to cars, running shoes and other objects*. Retrieved from <http://www.geekwire.com/2017/cash-watson-ibm-visa-bringing-ai-based-purchasing-cars-running-shoesobjects>
- Whiteaker, J. (2012). Feature: Is the UK a click & collect nation? *Retailgazette*. Retrieved from <http://www.retailgazette.co.uk/articles/23311-feature-is-the-uk-a-click-collect-nation>
- Whitney, C. (2019, Jan. 7). *Why Italian Is the international language of coffee*. Retrieved from <https://recipes.howstuffworks.com/why-italian-is-international-language-coffee.htm>
- Whysall, P. (2000), *Towards an understanding of our understanding on retail innovation*. Paper presented at the *International EAERCD Conference on Retail Innovation*, ESADE, Barcelona, Spain, July, 13-14.
- Whysall, P. (2000). Addressing ethical issues in retailing: A stakeholder perspective. *International Review of Retail, Distribution and Consumer Research*, 10(3), 305–318. doi:10.1080/095939600405992
- Wieland, H., Polese, F., Vargo, S. L., & Lusch, R. F. (2012). Toward a service (eco)systems perspective on value creation. *International Journal of Service Science, Management, Engineering, and Technology*, 3(3), 12–25. doi:10.4018/jssmet.2012070102
- Wijaya, A. P. (2017). Role of experience in customer self-congruity to maintaining loyalty: a study on fashion store. *Entrepreneurial Business and Economics Review*, 5(3), 189–198. doi:10.15678/EBER.2017.050310
- Wilk, R. (1995). Learning to be local in Belize: global systems of common difference. In D. Miller (Ed.), *Worlds apart: modernity through the prism of the local* (pp. 110–131). London, UK: Routledge.

- Willems, K., Smolders, A., Brengman, M., Luyten, K., & Schöning, J. (2017). The path-to purchase is paved with digital opportunities: An inventory of shopper-oriented retail technologies. *Technological Forecasting and Social Change*, *124*, 228–242. doi:10.1016/j.techfore.2016.10.066
- Willems, K., & Swinnen, G. (2011). Am I cheap? Testing the role of store personality and self-congruity in discount retailing. *International Review of Retail, Distribution and Consumer Research*, *21*(5), 513–539. doi:10.1080/09593969.2011.618888
- Williams, H. (2019). Why online vs. offline is a retail myth. *DTCDaily*. Retrieved from <http://www.dtcdaily.com/2019/01/online-vs-offline-retail-myth/>
- Williams, C. C., & Paddock, C. (2003). The meanings of informal and second-hand retail channels: Some evidence from Leicester. *International Review of Retail, Distribution and Consumer Research*, *13*(3), 317–336. doi:10.1080/0959396032000101372
- Williams-Grut, O. (2017). ‘What we’re seeing is a revolution’: How the internet is remaking the British High Street. *Business Insider*. Retrieved from <http://www.businessinsider.my/future-british-high-street-internet-brexite-retail-2017-8/?r=US&IR=T>
- WiseGeek. (2013). *What is a coffee shop*. Retrieved from <http://www.wise-geek.org/what-is-a-coffee-shop.htm>
- Withers, C. & De Judicibus, D. (2013). Augmented aisles: the online invasion. *The Guardian*, para. 5. Retrieved from <http://www.guardian.co.uk/media-network/media-network-blog/2013/mar/14/online-technology-high-street-innovation>
- Wohlert, R., Mendoza, J., & Pratt, J. H. (2015). *U.S. Patent Application No. 14/267,542*.
- Wolf, K. L. (2008a). City trees and property values. *Facilities Management Journal*, September/October, 120-124.
- Wolfenbarger, M., & Gilly, M. C. (2003). eTailQ: Dimensionalizing, measuring and predicting etail quality. *Journal of Retailing*, *79*(3), 183–198. doi:10.1016/S0022-4359(03)00034-4
- Wolf, K. (2003a). Public response to the urban forest in inner-city business districts. *Journal of Arboriculture*, *29*(3), 117–126.
- Wolf, K. L. (2003b). Freeway roadside management: The urban forest beyond the white line. *Journal of Arboriculture*, *29*(3), 127–136.
- Wolf, K. L. (2004a). Nature in the retail environment: Comparing consumer and business response to urban forest conditions. *Landscape Journal*, *23*(1), 40–51. doi:10.3368/lj.23.1.40
- Wolf, K. L. (2004b). Trees and business district preferences: A case study of Athens, Georgia. *Journal of Arboriculture*, *30*(6), 336–346.
- Wolf, K. L. (2005a). Business district streetscapes, trees, and consumer response. *Journal of Forestry*, *103*(8), 396–400.
- Wolf, K. L. (2005b). Trees in the small city retail business district: Comparing resident and visitor perceptions. *Journal of Forestry*, *103*(8), 390–395.
- Wolf, K. L. (2006). Assessing public response to the freeway roadside: Urban forestry and context sensitive solutions. *Transportation Research Record: Journal of the Transportation Research Board*, (1984), 102–111. doi:10.1177/0361198106198400110
- Wolf, K. L. (2007). The environmental psychology of trees. *International Council of Shopping Centers Research Review*, *14*(3), 39–43.

Compilation of References

- Wolf, K. L. (2008b). Community context and strip mall retail: Public response to the roadside landscape. *Transportation Research Record: Journal of the Transportation Research Board*, 2060(1), 95–103. doi:10.3141/2060-11
- Wolf, K. L. (2009a). Strip malls, city trees, and community values. *Arboriculture & Urban Forestry*, 35(1), 33–40.
- Wolf, K. L. (2009b). Trees mean business: City trees and the retail streetscape. *Main Street News*, 263, 1–9.
- Wolf, K. L. (2013a). Why do we need trees? Let's talk about ecosystem services. *Arborist News*, 22(4), 32–35.
- Wolf, K. L. (2013b). The urban forest. *Communities & Banking*, 24(2), 25–27.
- Wolf, K. L. (2014). City trees and consumer response in retail business districts. In F. Musso & E. Druica (Eds.), *Handbook of research on retailer-consumer relationship development* (pp. 152–172). Hershey, PA: IGI Global. doi:10.4018/978-1-4666-6074-8.ch009
- Wolf, K. L. (2017a). Social aspects of urban forestry and metro nature. In F. Ferrini, C. Konijnendijk van den Bosch, & A. Fini (Eds.), *Handbook of urban forestry* (pp. 65–81). Routledge.
- Wolf, K. L. (2017b). The sanitary to sustainable city: Place, health, and trees. *Arborist News*, 26(4), 40–43.
- Wolf, K. L., Measells, M. K., Grado, S. C., & Robbins, A. S. T. (2015). Economic values of metro nature health benefits: A life course approach. *Urban Forestry & Urban Greening*, 14(3), 694–701. doi:10.1016/j.ufug.2015.06.009
- Wolf, K. L., & Robbins, A. S. T. (2015). Metro nature, environmental health, and economic value. *Environmental Health Perspectives*, 123(5), 390–398. doi:10.1289/ehp.1408216 PMID:25626137
- Wolf, K. L. The Nature Conservancy. (2018). *Cascading benefits: Designing green stormwater infrastructure for human wellness*. Seattle, WA: The Nature Conservancy.
- Won Jeong, S., Fiore, A. M., Niehm, L. S., & Lorenz, F. O. (2009). The role of experiential value in online shopping: The impacts of product presentation on consumer responses towards an apparel web site. *Internet Research*, 19(1), 105–124. doi:10.1108/10662240910927858
- Wong, J. (2010). *Aussie café culture accounts for 'biggest growth in coffee AFN March 4*. Retrieved from <http://www.ausfoodnews.com.au/2010/03/04/aussie-cafe-culture-accounts-for-biggest-growth-in-coffee.html>
- Wong, A. (2004). The role of emotional satisfaction in service encounters. *Managing Service Quality*, 14(5), 365–376. doi:10.1108/09604520410557976
- Wong, A., & Sohal, A. S. (2003). Service quality and customer loyalty perspectives on two levels of retail relationships. *Journal of Services Marketing*, 17(5), 495–513. doi:10.1108/08876040310486285
- Wong, A., & Sohal, A. S. (2006). Understanding the quality of relationships in consumer services. *International Journal of Quality & Reliability Management*, 23(3), 244–264. doi:10.1108/02656710610648215
- Wonnacott, T. H., & Wonnacott, R. J. (1981). *Estatistica Aplicada a Economia e a Administracao* [Applied Statistics for Economy and Business]. Rio de Janeiro: LTC Publishers.
- World Health Organization. (2011). Impact of economic crises on mental health. Retrieved from http://www.euro.who.int/data/assets/pdf_file/0008/134999/e94837.pdf
- Wright, L. T., Newman, A., & Dennis, C. (2006). Enhancing consumer empowerment. *European Journal of Marketing*, 40(9/10), 925–935. doi:10.1108/03090560610680934
- Wrigley, N., & Lambiri, D. (2015). *British High Streets: from crisis to recovery? a comprehensive review of the evidence*. London, UK: ESRC.

- Wu, F., Yeniyurt, S., Kim, D., & Cavusgil, S. T. (2006). The impact of information technology on supply chain capabilities and firm performance: A resource-based view. *Industrial Marketing Management*, 35(4), 493–504. doi:10.1016/j.indmarman.2005.05.003
- Xu-Priour, D. L., & Cliquet, G. (2013). In-store shopping experience in China and France: the impact of habituation in an emerging country. *International Journal of Retail & Distribution Management*, 41(9), 706–732. doi:10.1108/IJRDM-05-2013-0108
- Yakhlef, A. (2015). Customer experience within retail environments: an embodied, spatial approach. *Marketing Theory*, 15(4), 545–564. doi:10.1177/1470593115569016
- Yalch, R., & Spangenberg, E. (1990). Effects of store music on shopping behaviour. *Journal of Services Marketing*, 7(2), 55–63.
- Yalch, R., & Spangenberg, E. (1993). Using store music for retail zoning: A field experiment. *Advances in Consumer Research. Association for Consumer Research (U. S.)*, 20, 632–636.
- Yalch, R., & Spangenberg, E. (2000). The effects of music in a retail setting on real and perceived shopping times. *Journal of Business Research*, 49(2), 139–147. doi:10.1016/S0148-2963(99)00003-X
- Yang, D., & Wang, X. (2010). The effects of 2-tier store brands' perceived quality, perceived value, brand knowledge, and attitude on store loyalty. *Frontiers of Business Research in China*, 4(1), 1–28. doi:10.1007/11782-010-0001-7
- Yang, K. (2010). Determinants of US consumer mobile shopping services adoption; implications for designing mobile shopping services. *Journal of Consumer Marketing*, 27(3), 262–270. doi:10.1108/07363761011038338
- Yan, R.-N., Bae, S. Y., & Xu, H. (2015). Second-hand clothing shopping among college students: The role of psychographic characteristics. *Young Consumers*, 16(1), 85–98. doi:10.1108/YC-02-2014-00429
- Yin, R. (2002). *Case study research. Applied Social Research Methods Series* Newbury Park: Sage.
- Yin, R. K. (2003). *Case Study Research: Design and Methods* (3rd ed.). Thousand Oaks, CA: Sage Publications.
- Yin, R. K. (2003). *Case study research: Design and methods* (3rd ed.). Thousand Oaks, CA: Sage.
- Yin, Y., Pei, E., & Ranchhod, A. (2013). The shopping experience of older supermarket consumers. *Journal of Enterprise Information Management*, 26(4), 444–471. doi:10.1108/JEIM-05-2013-0025
- Yoo, C., Park, J., & MacInnis, D. J. (1998). Effects of store characteristics and in-store emotional experiences on store attitude. *Journal of Business Research*, 42(3), 253–263. doi:10.1016/S0148-2963(97)00122-7
- Yoon, S. (2013). Antecedents and consequences of in-store experiences based on an experiential typology. *European Journal of Marketing*, 47(5), 693–714. doi:10.1108/03090561311306660
- Yoon, S. J. (2002). The antecedents and consequences of trust in online purchase decisions. *Journal of Interactive Marketing*, 16(2), 47–63. doi:10.1002/dir.10008
- Yoon, S., & Park, J. E. (2018). Tests of in-store experience and socially embedded measures as predictors of retail store loyalty. *Journal of Retailing and Consumer Services*, 45, 111–119. doi:10.1016/j.jretconser.2018.08.010
- Yu, H., & Fang, W. (2009). Relative impact from products quality, service quality, and experience quality on customer perceived value and intention to shop for the coffee shop market. *Total Quality Management*, 20(11), 1273–1285. doi:10.1080/14783360802351587

Compilation of References

- Yu, H., & Rahman, O. (2018). Inclusive apparel shopping experiences for older consumers in China: product attributes and retail environment. *International Review of Retail, Distribution and Consumer Research*, 28(5), 531–553. doi:10.1080/09593969.2018.1509800
- Yun, S. J., Jung, H. I., & Choo, H. J. (2015). Consumer experiences in fitting rooms in SPA stores. *Fashion and Textiles*, 2(18), 1–14.
- Yu, W., & Ramanathan, R. (2008). An assessment of operational efficiencies in the UK retail sector. *International Journal of Retail & Distribution Management*, 36(11), 861–882. doi:10.1108/09590550810911656
- Zaefarian, G., Forkmann, S., Mitrega, M., & Henneberg, S. C. (2017). A capability perspective on relationship ending and its impact on product innovation success and firm performance. *Long Range Planning*, 50(2), 184–199. doi:10.1016/j.lrp.2015.12.023
- Zaheer, I. S., & Bach, C. (2014). *Sustainability the new Mantra*. Retrieved February 27th, 2017 from http://www.academia.edu/8129477/Sustainability_the_new_Mantra
- Zamora, J., Vasquez-Parraga, A. Z., Morales, F., & Cisternas, C. (2004). Formation process of guest loyalty: Theory and an empirical test. *Studies and Perspectives in Tourism*, 13(3-4), 197–221.
- Zamora, J., Vasquez-Parraga, A. Z., Rodriguez, A., & Gonzalez, A. (2011). Road travelers' motivations and loyalty: Train versus bus services. *Journal of Travel & Tourism Marketing*, 28(5), 541–555. doi:10.1080/10548408.2011.588119
- Zbaracki, M., Ritson, M., Levy, D., Dutta, S., & Bergen, M. (2004). Managerial and customer costs of price adjustment: direct evidence from industrial markets. *The Review of Economics and Statistics*, 86(2), 514–533. doi:10.1162/003465304323031085
- Zeithaml, V. A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing*, 52(July), 2–22. doi:10.1177/002224298805200302
- Zentes, J., Morschett, D., & Schramm-Klein, H. (2007). *Strategic retail management. Text and international cases*. Wiesbaden, Germany: Gabler.
- Zentes, J., Morschett, D., & Schramm-Klein, H. (2007). *Strategic retail management: text and international cases*. Springer.
- Zolfagharian, M. A., & Paswan, A. (2009). Perceived service innovativeness, consumer trait innovativeness and patronage intention. *Journal of Retailing and Consumer Services*, 16(2), 155–162. doi:10.1016/j.jretconser.2008.11.007
- Zorrilla, P. (2000). Política de merchandising en la empresa de distribución detallista. In M. S. Aguirre (Ed.), *Marketing En Sectores Específicos*. Madrid, Spain: Editorial Pirámide.
- Zurawicki, L., & Braidot, N. (2005). Consumer during the crisis: Responses from the middle class in Argentina. *Journal of Business Research*, 58(8), 1100–1109. doi:10.1016/j.jbusres.2004.03.005

About the Contributors

Fabio Musso is Full Professor of Business Management in the Department of Economics, Society and Politics, and Chairman of the M. S. in Marketing and Communication at the Carlo Bo University of Urbino (Italy). He is Editor in Chief of the International Journal of Economic Behavior. Prior to entering the University he worked as marketing manager in the furniture and automotive industry. He has 24 years of experience in teaching and research. His current research interests include international strategy, internationalization, marketing, marketing channels, retailing, logistics, CSR. He has more than 170 research publications in various refereed international journals/conferences and he published fourteen books. He is Associate Editor of the International Journal of Applied Behavioral Economics and member of the Scientific Board of several international journals. He is member of: European International Business Academy (EIBA).

* * *

Roxana Adam received her PhD in Economics from the National Institute of Economic Research, Romanian Academy in 2015. From 2013 to 2018, she collaborated with Faculty of Administration and Business at the University of Bucharest and is currently a Statistician Expert at Romanian National Institute of Statistics. Her research interests are on consumer behavior, innovation and management, and is co-author of National Official Statistics Publications on European system of integrated social protection statistics.

Sergio Barile is full professor of business management at Sapienza, University of Rome, where he is the head of the Department of Management and coordinates the Doctoral program in Management, Banking and Commodity Sciences. He is a member of the Scientific Committee of the SiMAS at the University of Salerno. His areas of research range from business management to systems, decision, and complexity theories. He founded the Association for research on Viable Systems (ASVSA) and is one of the main references for the studies on the Viable Systems Approach (VSA, https://en.wikipedia.org/wiki/Viable_systems_approach). He is the editor in chief of the Routledge-Giappichelli “Systems Management” Book Series. He is also member of the editorial board of leading journals dealing with business management and economics science and author of numerous books and articles published in national and international journals, among which the European Management Journal, Managing Service Quality, Journal of Service Management, Systems Research and Behavioral Science, Service Science (Informs), TQM, Sustainability, Sustainability Science. He was awarded the Evert Gummesson Outstanding Research Award in 2015.

About the Contributors

Gloria Berenguer-Contrí is Full Professor of Marketing at the Universitat de Valencia (Spain). Her main teaching and research interests include consumer behaviour. The results of her research have been published in several journals and conference proceedings.

Alessandro Bigi received his MBA from Rotterdam School of Management in 2005 and his Ph. D from the Royal Institute of Technology (KTH) in 2017. He started his academic experience with Brescia University in 2005 as Executive classes teacher. After several years as a marketing consultant, he is now an adjunct professor in Digital Marketing at Verona University and adjunct professor in Marketing at Franklin University Switzerland. His research interests are digital marketing and tourism marketing.

Michelle Bonera holds a Ph.D. in Business Economics at Brescia University. She is Associate Professor of Marketing at Brescia University (Italy). She wrote many academic publications in various refereed international journals/conferences in the area of Internet Marketing, Tourism Marketing, Marketing Communication, Green Consumer Behaviour, Retail Marketing.

Angelo Bonfanti, Ph.D., is Associate Professor of Business Management at the Department of Business Administration, University of Verona (Italy). He received his PhD from the “Parthenope” University of Naples and is Coordinator of the Editorial Review Team of “Sinergie Italian Journal of Management”. His current research interests include service management and marketing, retail management, and social entrepreneurship. His publications have appeared in the following journals: Corporate Communication: An International Journal, Journal of Innovation and Entrepreneurship, Journal of Services Marketing, Journal of the Knowledge Economy, Management Decision, Sinergie Italian Journal of Management, and The TQM Journal.

Barbara Borusiak is an associate professor at Poznan University of Economics and Business (Poland), head of the Department of Commerce and Marketing on the Faculty of Management. Specializes in marketing and commerce. Most interested in systems of distribution, models and strategies of retailers' growth, retailers' internationalization and innovations in distribution and in the retail sector. Currently conducts research on the personalization of the offers, the attitudes regarding privacy of buyers and on the attractiveness of the shopping centers. Member of the program committee of „Handel wewnątrzny w Polsce” (Commerce in Poland) – a report edited annually by Institute for Market, Consumption and Business Cycles Research in Warsaw (Poland).

Elena Candelo, PhD, is Associate Professor of Strategic Management at the University of Turin (Italy) where she teaches Corporate Strategy and Marketing. During her career, she has coordinated several research projects and seminars on corporate social responsibility in different areas of business. Her topics of research deal with strategic marketing, consumer relationship management and consumers' perceptions.

Rossella Canestrino, PhD, is Visiting Professor at University of Jaèn (Spain) - ranked among the top universities in the world, according to the Center for World University Rankings (CWUR) - where she teaches Strategic Management and Marketing III within the double international degree in Business Administration and Management. At “Parthenope” University of Naples (Italy), she is Assistant Professor in Business Ethics and CSR within the master degree in Marketing and International Management. Her

researches focus on Social Entrepreneurship, Social Innovation, and Sustainability mainly referring to the way cultural diversities and institutional constraints affect firms' propensity to adopt social responsible and sustainable practices. Rossella Canestrino is Associate Editor for the International Journal of Sustainable Entrepreneurship and Corporate Social Responsibility and reviewer for the Journal of Business Ethics; Technovation, and Sinergie Italian Journal of Management. Accepted Visiting Researcher at Cracow University of Economics (Poland), she is involved in international collaborations and research projects about Social Entrepreneurship and Social Innovation. By the 2015, she is selected track organizer for IFKAD, the international forum on knowledge asset dynamics, mainly devoted to the issue of knowledge management and knowledge-based development.

Angela Caridà is Post-doc Researcher of Business Management, University "Magna Græcia" of Catanzaro, Italy. In 2013, she received the "Outstanding Paper Award 2013" from the Emerald Literati Network for the article "Store experience and co-creation: the case of temporary shop", published in the International Journal of Retail & Distribution Management in 2012. She has attended several international conferences, such as QUIS, RESER, The Naples Forum on Service, and EMAC. Her research interests lie in marketing and services, focusing specifically on service innovation, service eco-systems and smart technologies.

Cecilia Casalegno, PhD in business administration, researcher and lecturer at the Department of Management, University of Turin, qualified as Associated Professor. She teaches Marketing, Strategy and Communication. Her main fields of research concern the integrated marketing communication and the leadership development strategy. She is author of national and international publications. She is co-founder of Spin Lab Srl, a University spin off focused on delivering services to local small and medium enterprises.

Sandro Castaldo is Professor of Marketing at Bocconi University. He holds a PhD in Management from Bocconi University. He teaches Channel Marketing, Trade Marketing and Retailing at graduate (Master of Science) and post graduate level (Mba and executive education). His research is mainly focused on collaborative channel relationships, multichannel management (on line vs off line), and trust in market relationships. He published many articles on international journals and books. Trust in Market Relationships (Edward Elgar, 2007), Coopetition: Winning Strategies for the 21st Century (edited book, Edward Elgar, 2010) and Channel and Retail Marketing (with Monica Grosso and Katia Premazzi, Edward Elgar, 2013; 2nd edition is forthcoming), Marketing (with Monica Grosso, Egea, 2016) are his most recent books.

Paola Castellani is assistant professor of Business Management, Department of Business Administration, University of Verona (Italy). Her research interests are: 1) innovation management; 2) experience marketing; 3) corporate communication; 4) the value co-creation processes; 5) the entrepreneurship of the small and medium enterprises and of the family businesses; 6) heritage management; 7) corporate museums. Her main research articles are published in The Learning Organization, Development and Learning in Organizations: An International Journal, Sinergie Italian Journal of Management, Journal of Communication Management

About the Contributors

Chiara Civera holds a Ph.D. in Business and Management from the University of Turin, Department of Management and is currently a researcher at the Department of Management, University of Turin (IT), qualified as Associate Professor and adjunct professor of Strategic Marketing at SAA School of Management. She has published in top-tier international journals such as *British Food Journal*, *Business Ethics: a European Review*, and *Psychology and Marketing* around the topics of Corporate Social Responsibility, Sustainability, Communication, Stakeholder Engagement and Empowerment applied to various industries with a focus on the food and beverage industry and its sectors, such as the coffee chain.

Elisabetta Corvi is Associate Professor of Marketing and Communication Management in the Department of Economics and Management at Brescia University (Italy). She has many research publications in various refereed international journals/conferences and she published eight books. Her current research interests include Strategic Marketing, Marketing Communication, Consumer Behaviour, Experiential Marketing, Retail Marketing.

Patrizia de Luca, Ph.D. in Management, is Associate Professor of Marketing and Management at the University of Trieste, Italy. Currently she teaches Marketing and Marketing Research. She is author and co-author of several books, chapters and articles in national and international publications. Her research interests lie in the area of marketing innovation - from the perspective of experiential, sustainable, and digital marketing - with a focus on new trends in purchasing behaviour and marketing channels.

Amalia Duțu is a PhD associate professor at Faculty of Economic Sciences, Department of Management and Business Administration, University of Pitești. She currently holds the position of Head of Academic Marketing Department. She has also been working as a freelance consultant since 2010, and has conducted several consultancy missions regarding Internal Managerial Control Standards in the local public administration in Romania. The main research interests: market orientation implementation; the shifts of consumers' behavior in uncertainty; and the extension of the market orientation within the practice of public administration and higher education institutions, new product development (NPD) by cross-functional teams. Current Management Position: Head of Academic Marketing Department Requirements of the management position: develops and coordinates the implementation of the University marketing strategy, develops the relationships with the business environment representatives, manage the advertising campaigns in order to develop the University image, coordinates the University IMS (Informational Marketing System), designs and implements market research. Skills & Competences: having knowledge of marketing and management, developing marketing strategies, applying the marketing concepts and strategies, conducting the strategic planning processes, having knowledge regarding the multinational companies marketing strategies, developing and implementing the market research plan, statistical data analysis using SPSS, final market research drafting, planning and conducting qualitative research, project management, planning and organizing project management teams and events, conducting internal audit missions, developing funding applications for European funding competitions. Teaching activity: Marketing, Marketing Research, International marketing, Marketing projects. Research activity: 6 books published by prestigious publishing houses CNCSIS recognized, 3 chapters in books, of which 1 chapter in international book, 1 contract in capacity of director, 7 contracts in capacity of member, more than 60 scientific articles in specialized journals / scientific communications at international and national conferences. Consultancy activity: Business development and management

Cristina García-Gumiel is marketing manager in Port Adriano (Ocíbar, Palma de Mallorca, Spain). She started her career in the retail market in 2005 as a market research manager at Sonae Sierra, the biggest portuguese retail company, specialized in shopping centres. In 2007, she was appointed head of strategic marketing for Spain and Portugal. In 2009, she joined Unibail Rodamco Spain, as a strategic marketing manager, being promoted to Head of Marketing and Brand Events for Spain in 2012. She was the head of marketing and brand events for Spain at Unibail –Rodamco until 2015. Member of the technical committee in the Spanish Shopping Centre Association (AECC) Cristina has focused her career to the customer analysis and satisfaction. She has published several articles and book chapters related to consumer behavior and sensorial marketing.

Irene Gil-Saura is Full Professor of Marketing at the Universitat de Valencia (Spain). Her main teaching and research interests include services marketing and retailing. The results of her research have been published in several journals and conference proceedings.

Mónica Gómez-Suárez is an Associate Professor of Marketing at the Universidad Autónoma de Madrid (UAM), Spain. Her research interests include consumer behavior, branding, retailing and marketing research techniques, including both quantitative and qualitative methodologies. She has published several books and more than forty peer-reviewed articles in those knowledge areas. They have appeared in such journals as the European Journal of Marketing, International Journal of Market Research, Journal of Retailing and Consumer Services, Journal of Product and Brand Management, European Journal of International Management, International Journal of Retailing and Distribution Management, among others. She coordinates the UAM research group TECHNOCOM “Research on Consumer Behavior and Technology”.

Monica Grosso is Associate Professor of Marketing at Emlyon Business School, France. She holds a PhD in Management from Bocconi University. She teaches Marketing Management, Go to market Strategy, Retail Management and Category Management and store digitalization both at the graduate (Master of Science), undergraduate and executive level. Her research focuses on vertical channel relationships, with a focus on private labels and brand competition, partnerships between manufacturers and retailers, retailers’ relationship management with their shoppers, shoppers perceptions of the store and privacy issues and omnichannel management in the digital channels. Coopetition, satisfaction, trust and loyalty are the key variables investigated in her studies.

Isabella Maggioni is an Assistant Professor in Marketing at ESCP Europe. Isabella’s research interests cover the area of consumer behaviour and psychology, with a specific focus on consumer well-being, identity-based consumption, and sustainable consumption behaviour in retail and tourism research settings. Isabella has published her research in journals such as European Management Journal, Journal of Retailing and Consumer Services, International Journal of Hospitality Management, and International Journal of Tourism Research. She has worked on applied research projects with world-leading organisations and delivered presentations to practitioners and academics across Europe, Australia and New Zealand on retail innovation, consumer and marketing trends, customer experience and service design.

Elisa Martinelli is Associate Professor of Management in the Department of Economics Marco Biagi at the University of Modena and Reggio Emilia, Italy. Elisa’s work is primarily concerned with

About the Contributors

retailing and consumer behavior, with particular reference to private labels, retail brand extension and customer loyalty. She has published in a variety of leading academic journals, including: *The Service Industries Journal*, *International Review of Retail, Distribution and Consumer Research*, *International Journal of Entrepreneurial Behavior & Research*, *Journal of International Consumer Marketing* and the *British Food Journal*.

Monia Melia is a Post-Doc Researcher of Business Management at University of Catanzaro Magna Graecia where she received her PhD in Economics and Management in 2011. She is Adjunct Professor of Marketing. Her primary research interests are service innovation, value co-creation and retail marketing. She has participated in several academic conferences in Italy and Europe and published articles in national and international journals, such as the *International Journal of Retail & Distribution Management*, *Journal of Business Ethics*, *International Journal of Applied Behavioural Economics*.

Francesca Montagnini is researcher at Centrimark – Marketing Research Centre of Università Cattolica in Milan, Italy. Her research interests focuses on service innovation, retail and sustainability

Mirian Palmeira is Associate Professor at Federal University of Parana, Brazil, working in Business Administration Undergraduate Programmes. Member of the Scientific Advisory Board of the *International Journal of Economic Behavior – IJEB*. Author of different articles related to the fields of Retailing and Services, Fashion, Experiential Marketing, and Information and Integrated Marketing Communication. Her education levels are Fashion Design (2012) at Centro Europeu, Curitiba, Parana, PhD (1995) and Master (1988) degrees in Marketing at Fundacao Getulio Vargas, Sao Paulo, Brazil.

Giovanna Pegan is Associate Professor of Marketing and Management at the University of Trieste, where she teaches Consumer Behaviour, Business Communication and Consumer Psychology. Since May 2016 she has been delegated from Rector for “Communication Strategies” of the University of Trieste. She is the author or co-author of numerous publications, which are the result of the participation of various national and international research projects. Her current research interests focus mainly on sustainable consumption, marketing innovation and COO effect in international distribution channels.

Sanda Renko, PhD, is a Full Professor in Tenure at the Department of Trade and International Business. She works as a co-ordinator and a teacher in Wholesale and retail business, Business Logistics, Trade Services, Fashion Retailing, Trade Business, courses at the Faculty of Economics & Business in Zagreb. She was a co-ordinator of several scientific projects in the area of Retail, Wholesale and Logistics; and the author of scientific works about retailing, logistics, supply chain, etc. .

Mario Riso is Full Professor of Management and he is Dean of School of Economics at the Niccolò Cusano University-Rome (Italy). He holds a PhD in Banking and Finance from University of Rome Tor Vergata, a Master in Asset Management and a Master in Retail Management. He holds University Degree in Business Administration, from University of Rome “Tor Vergata”. His research interests include retailing, global supply chain management, corporate social responsibility, international business. He teaches Business Management and Marketing at the Niccolò Cusano University and Retail Management at the University of Rome Tor Vergata. He is member of Scientific Committee and Strategic Co-editor

of “Symphonia. Emerging Issues in Management” and member of the Scientific Advisory Board of the International Journal of Economic Behavior.

Maria-Eugenia Ruiz-Molina is Associate Professor of Marketing at the Universitat de Valencia (Spain). Her main teaching and research interests include services and tourism marketing, with special interest on the impact of ICT and innovation. The results of her research have been published in several journals and conference proceedings.

Miguel A. Sahagun is an Assistant Professor of Marketing at High Point University (HPU), Dr. Sahagun obtained his Ph.D. from The University of Texas-Pan American (UTPA), his Master of Business Administration from the University of Texas-Brownsville (UTB), and his Bachelor’s degree in Industrial Engineering from the Instituto Tecnológico y de Estudios Superiores de Occidente (ITESO). Dr. Sahagun has 25 years of corporate and academic experience. He is an active member of AMA, SMA, and ISoF. Dr. Sahagun has published and presented his research at various scientific journals, book chapters, and international conferences in Peru, Mexico, Romania, Ecuador, Cuba, Canada, China, Chile, Portugal, Morocco, Greece, and the United States of America.

Marialuisa Saviano, PhD, is full professor of business management at the University of Salerno, Italy, where she teaches courses of pharmacy management, business management, service management, and healthcare management. She is Director of the Pharmanomics Interdepartmental Research Centre and a Member of the Board of Directors of the S.I.Mas. She is also: President of the ASVSA, (Association for research on Viable Systems), President of the IASS (Italian Association for Sustainability Science), Faculty Member of PhD Course in Marketing & Communication at the University of Salerno. She has participated in several researches and studies contributing to the development of the Viable Systems Approach (VSA). Her main research interests include the Viable Systems Approach (VSA), Sustainability, Healthcare, and Pharmacy Management, Cultural Heritage Management. She is co-editor in chief of the Routledge-Giappichelli “Systems Management” Book Series (<https://www.routledge.com/Routledge-Giappichelli-Systems-Management/book-series/RGSYSTEMSMAN>). She has published several books and articles in national and international journals, among which the Land Use Policy, Futures, Sustainability, Sustainability Science, European Management Journal, Managing Service Quality, Journal of Service Management, Journal of Service Theory and Practice, Service Science Inform, Sinergie Italian Journal of Management, World Wide Web Journal. She was also finalist at the 2012/2013 Emerald/EMRBI Business Research Award for Emerging Researchers and received several Awards (2011 Naples Forum on Service Conference; 2012 XXIV Sinergie Annual Conference; 2016 19th Toulon-Verona Conference Excellence in Services, 2017 Conference of the EuroMed Academy of Business Global and Domestic Business Theory and Practice: Bridging the Past with the Future; 2017 Highly Commended Paper Award Euromed Academy of Business - EMAB; 2018 Best Paper Award Conference Evoluzionismo sistemico: il fascino della precarietà University of Rome ‘Tor Vergata’; 2019 Naples Forum on Service).

Anne Schmitz joined the Universidad Autónoma de Madrid (UAM) in 2015 as a teaching assistant. She is also a PhD student at this university. She holds a degree in Tourism Management and a Masters degree in Marketing Management. Her research interests include consumer behaviour and service marketing. She has participated in several national and international conferences, seminars and workshops.

About the Contributors

Roberta Sebastiani is Associate Professor of Business Management and Marketing at the Università Cattolica del Sacro Cuore (Catholic University of the Sacred Heart), S.E.GEST.A. Department of Management, School of Economics, Milan, Italy. She is currently Associate Director of Centrimark - Center for Marketing Research - responsible for planning, coordinating and executing research and development activities, and, since 2006, Director of the Master Program in Marketing Management at UCSC. Her research focuses on issues related to service innovation, value co-creation, and sustainable innovation. Her work has appeared in a number of leading national and international journals and books.

Ivana Štulec, Ph.D., works as an Assistant Professor at the University of Zagreb Faculty of Economics and Business. She gained her Ph.D. in 2013 at the same Faculty. Wrote Ph.D. Thesis on the subject of weather risk management in food retail with special emphasis on effectiveness of weather derivatives as risk mitigating tools. Teaches several undergraduate and graduate courses. Member of a Department of Trade and International Business at Faculty of Economics & Business.

Susanna Tavino is PhD Student in Governance and Management for Business Innovation at the Niccolò Cusano University. She is graduate in Economics and Trade at the Sapienza University of Rome. She is a chartered accountant and statutory auditor and project evaluator on innovation and female entrepreneurship.

Jason Turner is Head of the Graduate School of Business, Asia Pacific University of Technology & Innovation, Malaysia. As an academic for over 17 years he has held and holds a number of external positions and grants. His research is in the area of human capital, investigating the graduate skills gap and enterprise education, preparing learners for the employment market through experiential learning and enterprise activities which has resulted in several peer-reviewed publications.

Arturo Z. Vasquez-Parraga is Professor of Marketing and International Business at the University of Texas Rio Grande Valley (UTRGV). He holds a Ph.D. degree in Economics from the University of Texas at Austin, and a second Ph.D. degree in Marketing and International Business from Texas Tech University. He currently teaches Ph.D. seminars, MBA and undergraduate courses in Marketing, Business Ethics, and International Business at UTRGV. He has performed scientific research in strategic marketing, customer loyalty, marketing and business ethics, and has published in leading journals such as the Journal of Marketing Research, Journal of Business Research, Journal of Business and Industrial Marketing, Journal of Retailing and Consumer Services, Journal of Travel and Tourism Marketing, and Journal of Consumer Marketing.

Donata Tania Vergura is a Researcher at the Department of Economics and Management of the University of Parma, Italy. She teaches “E-business and E-commerce” and “Digital Marketing” and her main areas of research interest include consumer behavior, product packaging, social media marketing and neuromarketing.

Donata Vianelli is Full Professor of Marketing and Management at the University of Trieste, Italy. She got a PhD in Management at Ca' Foscari University in Venice. She has authored four books and has published in a range of international journals. She researches global distribution and cross-cultural consumer behavior with a focus on Europe, US and Asia.

Vania Vigolo, Ph.D., is Associate Professor of Management at the Department of Business Administration, University of Verona (Italy). She is a member of the Editorial Review Board of *Sinergie Italian Journal of Management*, *Journal of Consumer Marketing* and *The TQM Journal*. Her main research interests include services marketing, customer loyalty and branding strategies. She has published work in several journals such as *International Journal of Tourism Research*, *Journal of Fashion Marketing and Management*, *Nonprofit and Voluntary Sector Quarterly* and *The TQM Journal*.

Kathleen Wolf is a Research Social Scientist with the College of the Environment at the University of Washington (Seattle). Her research focus is the human dimensions of urban forestry and urban ecosystems, particularly human health. Another interest is the translation of scientific evidence for use in local government policy and planning. You can view her research at www.naturewithin.info; and the Green Cities: Good Health project at: www.greenhealth.washington.edu.

María Jesús Yagüe is Full Professor of Marketing at the Universidad Autónoma de Madrid (UAM) and has published in a variety of areas related to brand management, retailing, tourism and product innovation. She has published works related to these fields in several prestigious international journals *International Journal of Hospitality Management*, *European Journal of Marketing*, *International Journal of Market Research*, *Tourism Management*, *International Journal of Market Research*, *Journal of Tourism Research*, *Tourism Economics*, and *International Journal of Tourism Research*, to mention a few.

Index

3Rs 421-422, 424, 428, 430, 432, 435, 437

A

access 33-34, 39-41, 43-44, 63, 92, 146, 185, 196, 204, 214, 218, 271, 288-289, 297, 344-346, 354, 359, 361, 411, 450, 468, 472, 479

actor engagement 400-402, 407, 410-411, 413, 420

Adaptation Theory 193, 204

affective attitudes 15-16, 19, 27

Alexa 345, 385, 390

Alternative Retail Format 204

ambient 91-92, 145, 164, 166-168, 182, 195, 250, 256, 269

ANCOVA 363-364, 366, 369, 379

ANOVA 318, 324-325, 363-365, 369, 379

artificial intelligence 287, 345-346

assortment 3-4, 33-34, 37-41, 43-44, 143, 151, 185-187, 190, 196, 204, 208, 258, 264, 268-270, 272, 291-293, 300, 311, 316, 322, 325-328, 340, 381, 408, 437

atmosphere 6, 69, 87-94, 96, 98-102, 109, 119, 142-146, 148, 150-151, 153-154, 161, 163-164, 176, 182, 221, 224, 258, 264, 268-270, 272-273, 275, 283, 326-327, 398, 406, 408-409, 412, 468

Atmospheric Characteristics 382, 398

atmospheric cues 89, 92, 95-96, 99-102, 109

atmospherics 6-7, 88-91, 94, 96, 109, 233, 239, 251, 256, 328

auditory 92, 156, 166, 168

Augmented Reality (AR) 120, 134, 210, 338, 344, 354

awareness 73, 182, 260, 293, 296, 312-316, 324-325, 327, 337, 422, 425-426, 450, 452, 454, 468-469, 473

B

behavior alteration 57, 59, 63-64, 66, 73, 75, 78-79, 85

behavioral economics 234, 237-239, 245-246, 256, 346

Behavioural Intentions 39, 46, 93, 263, 310-311, 313, 315-316, 324-327, 337

Biophilia 239, 245-246, 256

branding 5, 8, 34, 46, 312, 394, 445, 447, 449, 451, 453, 456, 461

C

Cause-Related Marketing 451, 453, 455, 461

checkout technologies 312-313, 338, 343

city trees 234, 240, 246, 250-251

Cluster Analysis 385, 398

Coffee Communities 269

coffee consumption 257, 259, 262-263, 270

coffee culture 259-260, 262, 270-271, 273, 283

coffee shop 257-260, 262-265, 267-273, 275, 283

cognitive attitudes 15

Collective Identity 405, 420

Colour 88, 91-93, 109, 145-146, 156, 166-167, 195, 239, 246-247, 382-383, 471

Community Pharmacy 284, 286, 294-296, 298-300

confidence 32, 57-59, 63, 68, 70, 73-74, 77, 85, 171, 318, 450, 454

Conflict Theories 190, 192-193, 204

Consumer – Brand Identification 14

Consumer – Retailer Identification 6-8, 14

consumer behavior 59, 62-63, 66, 71, 74-75, 162, 166, 175, 233-234, 236, 239-240, 251, 256, 311, 316, 323, 327, 421-422, 430, 437

consumer well-being 1-2, 5-7, 9, 14

consumer-retailer identification 1-2, 7-8

content analysis 112, 114, 380, 398, 453

Corporate Responsibility 445-447, 449, 451, 456, 461

Counter-Culture 401, 420

Covariate Variable 379

Creating Place 246

Croatia 88, 96, 98, 100

Cross-Docking 341, 354

CSR 445-446, 449-450, 452, 462-465, 473-474

customer commitment 15, 18, 27, 32
 customer engagement 402, 410-411
 customer experience 2-3, 7, 14, 113, 119, 142-145,
 151-156, 172, 207, 210-211, 218-219, 222, 224-
 225, 257-259, 263-265, 267-268, 270, 272-273,
 275, 283, 288, 293, 412, 420
 customer loyalty 6, 15-20, 22-24, 27, 32-35, 37-41,
 43-46, 55, 246, 324
 customer satisfaction 15, 17-20, 22, 27, 32-35, 39-41,
 43, 45-46, 55, 117, 163, 175-176, 263, 316-317,
 321, 326-327, 345, 382, 463
 customer service 206, 210-211, 216-217, 219-225,
 232, 234, 247, 271-272, 362
 customer store loyalty 15-16, 18-19, 24, 26-27, 32
 customer trust 18, 27, 32

D

decline of the UK High Street 205-206, 210, 224-
 225, 232
 dynamic pricing 313

E

Eataly 293, 400, 402, 405-413, 420
 e-commerce 76, 98, 115, 187, 339, 344, 347, 357-359,
 372, 380, 382-384, 390, 394
 Economic Shock Exposure 85
 economic turbulent times 58-59, 63, 66-67, 71, 73,
 79, 85
 ecosystem services 235
 education 35-36, 40, 61, 193, 236, 354, 402, 423-424,
 426, 437, 443, 465-466, 469, 471-472, 474, 479
 Electronic Shelf Label (ESL) System 354
 emotion 58, 68, 109, 239, 245
 employees engagement 474
 environmental psychology 90, 164, 238-239, 256
 Equal Opportunity and Gender 466, 471, 479
 E-sourcing 338, 342
 experience 2-4, 6-7, 14, 16-18, 20, 36, 41, 68, 71-72,
 85, 88, 90-91, 93, 99-101, 109-122, 124, 134,
 142-149, 151-156, 161, 163, 171-172, 176, 187,
 205-211, 214, 218-220, 222-225, 234, 236, 238,
 248, 251, 257-260, 262-265, 267-273, 275, 283,
 287-288, 293-294, 300, 315, 328, 339, 342, 372,
 381-383, 394, 402, 404, 407-409, 411-412, 420,
 425, 468, 470, 474
 experiential marketing 111, 115, 148, 162-164, 171-
 176, 182, 285, 293
 Experiential Marketing Orientation 182
 Experiential Shopping 111, 134

explanation chain 15, 18-19, 22, 24, 26-27, 32
 Explanation Chain of Customer Store Loyalty 32
 exterior 88, 91-92, 99, 166-167, 193

F

FICO – Eataly World 420
 Food Retail 400

G

Gameful Experience 134
 Green infrastructure 248-249, 256
 groceries 55, 212
 Grocery Retailer 55
 grocery retailing 33, 38, 40

H

Health and Safety 466, 468-469, 479
 Health Corner 148-150, 153, 155-156, 161
 hedonic value 6, 119, 345
 High Task-Relevant Cues 382, 398
 Holistic Approach 109
 holistic customer experience 142, 151, 153, 156, 270
 holistic experience 134, 142, 161

I

ICT 287-288, 296-298, 310-317, 321-323, 325-328,
 340, 355, 379, 464
 immersive experience 134, 142, 407
 In Store Communication 144, 161
 incentive 273, 360-364, 367-370, 373, 379
 Incentive or Compensation 379
 Industrial relations 466-467, 479
 Information and Communication Technologies 287,
 296, 311, 316, 327, 337, 379
 information sharing 355-358, 360-361, 363-364,
 366-373
 institutions 186, 287, 356, 401, 403-405, 409-411,
 413, 471
 in-store atmosphere 142-145, 148, 153-154, 273
 In-Store Experiential Technology 134
 in-store shopping experience 110-119, 121-122, 124,
 134, 222
 in-store technology 216, 224, 232
 Integrated Corporate Social Responsibility 461
 Integrated Marketing Communication 461
 Integrated Output 449, 461

Index

interaction 14, 17, 24, 90, 93, 101, 111, 146, 151-152, 156, 161, 164, 175, 209, 222, 237, 246, 284-285, 288-294, 299-301, 308, 338-340, 347, 354-355, 363-364, 367, 369, 373, 400-401, 404, 407, 409-410, 427, 467
interior 91-93, 99, 166-167, 233, 239, 269, 273
internal organization 463, 465-466, 479
Internet of Things (IoT) 134, 287, 341, 345, 354
Italy 34, 38-39, 116, 144, 195, 259-260, 264, 268, 271, 294-295, 300, 363, 371-372, 407, 420, 422, 427, 431-432, 437, 445, 447, 452-456, 468-470, 473

K

kinetic 166, 170-171
knowledge management 464, 474, 479

L

Landscape Preference 240, 242, 256
layout 9, 88, 91-93, 98-100, 102, 109, 111, 143, 145-146, 148, 151, 153, 155-156, 166, 222, 239, 272, 406, 409
Low Task-Relevant Cues 382, 398
loyalty 3, 5-8, 15-20, 22-24, 26-27, 32-41, 43-46, 55, 62-63, 65, 77, 79, 85, 88, 101, 117, 148, 246, 262, 287, 300, 312-316, 323-325, 327, 337, 345, 447, 449-450, 472

M

marketing research 147, 239, 269, 283
marketing strategy 71, 73, 152, 184, 186, 204, 348
m-commerce 184-185, 195-197, 204, 372
memorable customer experience 14, 258
merchandising 90, 145, 148, 163, 166, 182, 285, 289, 293, 296, 311, 316, 321, 337, 380-382, 384-385, 387-389, 392, 394, 398
mixed method approach 380
mobile payments 338, 344
mood 57, 62, 73-74, 93, 109, 119, 168-169, 176, 239, 272-273
Multimedia Kiosk 354
Multi-Sensory Experience 120, 161
music 88, 91-92, 99-100, 102, 109, 146, 150-151, 153, 156, 166, 168-170, 173, 176, 182, 233, 239, 258, 262, 270, 272-273, 327-328, 382, 398

N

nature 3, 57, 69, 90, 115-116, 119, 143, 184-186, 190, 192, 204, 207, 233-236, 239-240, 245-246, 248, 251, 256, 258, 265, 273, 285, 287-289, 291-292, 294, 296, 300, 308, 312, 314, 357-358, 360, 400-401, 403-404, 409, 412, 420, 423, 426, 450, 455, 473
Nature Atmospheric 256
Near-Field Communication (NFC) 344, 354
nethnography 259, 265, 269-270, 283

O

Omnichannel Approach 381, 398
Omnichannel Shopping Experience 134
Online Community 283
online shopping 63, 66, 111, 114, 163, 197, 205, 208-209, 211, 213, 215, 218, 221-224, 232, 345, 363-364, 366, 369
online visual merchandising 380, 382, 384, 394, 398
organization 17, 68, 78, 152, 164, 166, 289, 296, 359, 420, 423, 425-427, 453, 463, 465-466, 472, 474, 479

P

panic mechanism 57, 59, 66, 85
patient engagement 298
patronage behavior 233, 243, 245
people's values 421-422, 425-426, 428, 432, 435, 437, 442
perceived quality 5, 33-34, 36, 39-40, 45, 337
perceived value 5, 36, 292, 312-313, 316, 327, 337
performance 6, 36, 39, 41, 65, 74, 90, 162, 164, 175-177, 236, 248, 340, 342-343, 362, 394, 423, 464, 469, 473-474
pharmacies 142-144, 148, 151-156, 161, 294-298, 300
pharmacy 151, 154-157, 284, 286, 294-300, 315
place perceptions 242, 245, 251
pop-up store 184, 195-198, 204
Premium Private Label(s) 33-34, 37, 55
privacy 94, 197, 327, 344, 356-361, 363-364, 366, 369, 371-373, 379, 383
privacy concern 357, 363-364, 369, 372-373, 379
private label 18, 33-34, 55, 76
psychology 59, 61, 63, 66-67, 79, 90, 164, 236, 238-239, 256

purchasing 3, 5, 17, 36, 57, 63, 66-68, 73, 75-76, 78-79, 85, 88-89, 92, 95-96, 98-99, 102, 144-146, 150, 153-154, 163, 166, 169, 171, 175-176, 212, 225, 232, 236, 238-239, 250, 261, 273, 275, 340, 342, 346-347, 383, 398, 410, 442, 447, 463

Q

qualitative research 143, 224, 257, 267, 273, 275, 283

R

Radio-Frequency Identification (RFID) 341, 343, 354
reduce 4, 62, 64, 70, 166, 171, 206, 211, 236, 247-248, 359, 361, 373, 390, 401, 404, 421-422, 424, 430-432, 437, 442, 468-469, 472

relationship 3, 6-8, 16-19, 27, 32-36, 38-39, 45-46, 68, 70, 78-79, 95-96, 144, 152-153, 156, 161, 168-171, 173, 211, 234, 240, 243, 263, 275, 284-290, 292, 294-295, 297-301, 310-316, 321-323, 327, 339, 343, 345, 347-348, 356, 358-361, 364, 367, 371, 373, 390, 402, 409-412, 464, 472, 479

relationship marketing 285-286, 288, 290

retail 1-4, 6-9, 14-15, 33-38, 40-41, 44-45, 58, 75-76, 87-91, 93-94, 100, 110-115, 119, 124, 142-143, 145-146, 151, 154, 161-164, 166, 172, 174, 177, 184-188, 190, 192-196, 198, 204-208, 210, 214, 216-217, 219, 225, 232-234, 236, 238-242, 245-251, 256, 258, 262, 264-265, 273, 283-289, 291-296, 299-301, 308, 310-318, 321-323, 325-328, 337-338, 340-347, 354, 361, 363, 371-372, 381, 394, 398, 400, 402, 405-408, 410, 413, 420, 422, 426-427, 462-465, 468, 470, 472, 474

Retail Accordion Theory 190, 204

retail format 75, 184-187, 190, 194, 196, 204, 400, 406-407, 413

Retail Format Life Cycle Theory 190, 204

retail innovativeness 310-318, 321-323, 325-328, 337

retail marketing 284-289, 291, 295-296, 300, 308, 342, 345

retail service marketing 291, 308

retailer brand equity 315-316, 324-325, 337

Retailer Brand Warmth 14

Retailer Distinctiveness 14

Retailer Personality 14

Retailer Prestige 14

Retailer Product and Service Quality 337

Retailer Social Benefits 14

Retailer User Imagery 14

retailer's product 185, 204

retailing 33-34, 38, 40-41, 46, 88-89, 91, 93, 98, 101, 115, 119, 124, 154, 189-190, 192, 195, 198, 204-206, 208, 210, 214-216, 223-224, 264, 285-287, 289-293, 300-301, 311-313, 316, 327, 337-340, 342, 346-347, 371-372, 400, 408, 410, 421-422, 425-426, 435

retailing customers 421-422, 426, 435

RFID 341, 343, 354

risk aversion 67-68, 70-72, 79, 85

Risk Aversion in Recession Context (Uncertainty) 85

risk perception 67-68, 70-72, 79, 85

Risk Perception in Recession Context (Uncertainty) 85

S

scent 91, 93, 109, 146, 166, 170-171, 173, 239

Scotland 206, 212, 224, 232

Self-Congruity 2, 4-5, 7, 9, 14

senses 90-91, 109, 111, 142, 146, 153, 156, 161, 163-164, 173, 182, 424-425

sensorial marketing 163, 173-175, 182

sensorial variables 166, 173, 182

sensory 88, 91, 111, 134, 146, 161-164, 166, 171-174, 176-177, 345

service ecosystem 400, 403-408, 410-413, 420

service encounter 205-206, 210-211, 216, 219, 223-224, 232

service system 289, 292-294, 301, 308, 401-402, 413

Service-Dominant Logic 284-286, 300, 308

shopping center 176, 182, 246, 346, 427

Slow Food 400, 402, 405-410, 412, 420

Social Movement(s) 400, 402, 404-405, 408, 410, 412, 420

Social Spaces 248

specialty coffee 260, 267, 283

standards 63, 99, 151, 189-190, 194, 216, 449, 451, 453-454, 461, 465, 467-469, 472

store atmosphere 89-90, 93-94, 96, 99, 101, 109, 143, 145, 161, 264, 272, 275, 283, 326-327

Store Customer 32

store design 9, 93, 286

Store Experiential Management 134

stores 3-4, 6-8, 15-18, 20, 27, 32, 37, 39-40, 46, 55, 87-89, 92, 94-96, 98, 100-102, 111-112, 114, 134, 148, 151, 155-157, 164, 172, 182, 185, 187, 189-190, 192-198, 206, 209, 213, 225, 233, 236, 239, 246, 262, 267, 284, 286-287, 293-294, 296, 300, 312, 315-316, 323, 325, 327-328, 341, 345, 347, 381, 383, 385, 387, 406, 408, 411, 427, 465, 469, 473

Strategic Philanthropy 451, 453-454, 461

Structural Equation Modeling (SEM) 41, 55
 sustainability 186, 233-234, 248, 250-251, 260, 275,
 404, 406, 408-409, 421-424, 426, 428, 430, 432,
 437, 446, 448, 452-453, 455, 461, 463-464, 473-
 474, 479
 Systat 384
 systems thinking 284-285, 287-289, 301, 308

T

Taking Care of Employees 464, 479
 targeting 189, 373, 394
 Third Wave of Coffee 260, 283
 traffic analysis 380
 trust 15, 18-20, 22, 24, 27, 32, 45-46, 58, 77, 143,
 148-149, 210, 272, 298-300, 314, 355-373, 379,
 409, 446, 450, 456, 467

U

uncertainty 36, 40, 57-59, 63-64, 66-67, 69-73, 76,
 78-79, 85, 205, 359, 401, 404
 Uncertainty Associated to Recession 85
 urban forestry 235, 245, 248, 251, 256

V

Value Co-Creation 143, 284, 286, 292, 294, 298, 308,
 400-405, 408, 410-413
 Vasquez-Alonso (V-A) Approach 19, 32
 Vending Machine 354
 Vendor Managed Category Management 341-342
 Vendor Management Inventory (VMI) 341, 354
 Viable Systems Approach 284-285, 308
 Viable Systems Approach (VSA) 284-285, 308
 visual 91-92, 145-146, 150, 153, 156, 164, 166-167,
 173, 237, 240-243, 245, 247, 249, 251, 289, 293,
 296, 380-385, 387-389, 392, 394, 398
 visual quality 242-243, 245, 251

W

waves of coffee 257, 261, 275
 website 92, 98-100, 102, 197, 208, 219, 236, 322-323,
 327, 358-360, 363, 371, 373, 380, 382-385, 390-
 391, 394, 398
 well-being 1-2, 5-9, 14, 37, 46, 57, 61, 68, 146, 236,
 297, 423, 479
 Wheel of Retailing theory 189-190, 192, 204
 working conditions 463, 465-468, 479