

# Role of In-store Factors on Customer Experience: A Case of selected Apparel Stores in major metros

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## Abstract

Fashion and clothing retail industry in India has made a rapid pace due to growth in the organized retail sector. Retailers like shoppers stop, lifestyle continuously integrate designing, promotion as well as administration and vast knowledge of the fashion world and offer better customer experience to their customers to gain competitive advantage. One important factor that makes or breaks the reputation and success of a store is the overall customer experience. Therefore, the present study aims at exploring relevant in-store factors that impact on customer experience. The results of the study indicated that physical evidence, store staff and customer service are the factors which influence overall customer experience.

**Keywords:** Apparel, store, experience, customer.

## 1. Introduction

Retailing in India has witnessed a revolution with the change in the consumer buying behavior and the whole format of shopping. Fashion retail stores in India which has become modern with multi- stored malls, huge shopping centers, and sprawling complexes which offer food, shopping, and entertainment all under the one roof. The scope of the Indian fashion retail market is immense and it is poised for the highest growth in years to come.

Fashion has impressed every sphere of modern consumers globally. The Indian fashion retail market has witnessed several fascinating changes and challenges in recent years, which are indicators of the country's evolving fashion retail market.

Marketers have understood the immense potential to get business in this booming segment. Today, Indian consumers are adopting fashionable items quickly and conveniently with the rise in competition. Fashion retailers are utilizing recent trends in fashion to analyze, develop, and implement sales strategies. Fashion retailers analyses recent trends, the fashion industry, people, and study the reason behind the popularity of the trends. Fashion retailers integrates designing, promotion as well as administration and vast knowledge of the fashion world. Fashion retailers are the visionaries who can identify the target consumer and know how to market the clothes to these groups.

Fashion retail industry has made a rapid pace due to growth in the organized retail sector. Increase in awareness about fashion has made them to be among next generation consumers in India. As fashion retailing stores aligning themselves with the global trends. Fashion retailers have a tremendous chance for growth as well as development in India and abroad. The occurrences of shopping malls are also increasing rapidly in all over India. Spectacular change in consumer's behavior towards shopping and lifestyle, growth in income levels, and emerging new generation. Customers are supporting the growth of fashion retailers in India.

## 2. Objectives of the study

- To examine the factors that influence the overall customer experience
- To analyse the relationship between shopping duration and money spent

## 3. Review of Literature

Spence, Puccinelli, Grewal and Roggeveen (2014) reviewed the scientific evidence related to multisensory store atmospherics, namely-visual, auditory, tactile, olfactory, and gustatory factors of the store environment and their impact on consumer's shopping behaviour. Based on the findings from their study, the need for further research in finding out how the multisensory retail environment shapes customer experience and shopping behaviour.

Baker, Grewal and Levy (1992) emphasized the ambience of the store, the design elements, and the social elements as the three key dimensions of retail atmosphere. They examined ambience cues (light and music), and social cues (number/friendliness of employees) on respondents' pleasure, arousal, and willingness to pay and found that the ambient cues interact with social cues to influence respondents' pleasure whereas the social cues influence arousal in the store environment.

Ambient and social elements in the store environment provide cues that consumers use for their quality inferences (Baker, Grewal and Parasurquaman, 1994). The researchers also examined the mediating role of merchandise quality and service quality on store image.

Baker, Parasuraman, Grewal and Voss (2002) studied the influence of multiple store environment cues on perceived merchandise value and patronage intentions. They proposed a comprehensive store choice model that included store environment cues (social, design, and ambient) as exogenous constructs; various store choice criteria as mediating constructs; and store patronage intentions as the endogenous construct. They empirically examined the extent to which environmental cues influence consumers' assessments of a store on various store choice criteria and how those assessments, in turn, influence patronage intentions.

Bellizzi, and Hite (1992) attempted to examine the role of environment color, consumer feelings, and purchase likelihood. The results of their research indicated that the affective perception of colour rather than the arousal dimension of colour may be responsible for the purchase likelihood.

Robert and John (1982) tested the Mehrabian-Russell environmental psychology model in retail settings. The result of the study indicated that store atmosphere, engendered by the usual myriad of in-store variables, was represented psychologically by consumers in terms of two emotional states, namely-pleasure and arousal. Further, the study showed that these two emotional states (pleasure and arousal) were significant mediators of intended shopping behaviours within the store.

A research paper published in Nature, an international journal of science by Ernst and Banks (2002) proposed that the nervous system combine visual and haptic information in a fashion that is similar to a maximum-likelihood integrator. Researchers also noticed that the visual dominance occurred when the variance associated with visual estimation was lower than that associated with haptic estimation.

In a meta-analytic study on background music in a commercial setting was carried out by Garlin and Owen (2006) by considering more than 30 studies. The authors observed as, "...past research demonstrates the capacity for appropriate background music to illicit positive effects on affective, attitudinal/perceptual, temporal and behavioral variables. A considerable body of work presents evidence for these effects to provide returns to business in the form of sales value and volume, repeat purchase, rate of spend, quantity purchased and gross margin. Many indirect returns to business are apparent, such as positive perceptions of quality and venue/store brand image".

In an experiment conducted by Gorn (1982) showed that association between a product (treated it as conditioned stimulus) and another stimulus such as (treated it as unconditioned stimulus) affect product preferences as measured by product choice. The results of this experiment indicated that hearing a liked or disliked music while exposed to a product can directly affect product preferences.

Konečni (2008) put forwarded an interesting point that music alone might not induce emotion. Based on critical review of major published studies Konecni argued that music may induce low-grade basic emotions through mediators, such as dance and cognitive associations to real-world events.

North, Hargreaves, and McKendrick (1997) published a research article in Nature and concluded that in-store music affects product choice.

Morrison, Gan, Dubelaar and Oppewal (2011) carried out an experiment in order to examine the effect of high / low volume music and presence / absence of vanilla based aroma on young fashion shoppers in a retail setting. The experiment revealed two things. One, volume of music and the presence of a vanilla aroma both have a significant impact on shoppers' emotions and satisfaction levels. Two, music induced arousal and aroma induced pleasure levels that in turn influenced shopping behaviour favourably like money spend etc.

Milliman (1982) studied the effect of background music in super market setting and found that music tempo variations can significantly affect the pace in store-traffic flow and dollar sales volume. In an another study which focused on super market setting identified that the shoppers' liking of the music and perceived music fit with the store image positively affect the length of shopping time. It is interesting to note that music valence does not influence shoppers' behaviours directly but only through the intermediation of the store offering and evaluation of sales personnel (Vida, Obadia and Kunz, 2007).

Fiore, Yah and Yoh (2000) viewed that combining a display with fragrancing is an important marketing tool but at the same time careful selection and application of fragrances are crucial.

Odours stay longer in our memory. In an experiment conducted by Goldman and Seamon (1992), subjects were asked to match odour names to odours, or odours to odour names; and in a sort of recall test, subjects were asked identify odours by name. The results of this experiments showed that odour retention was better for recent that distant odours. It was also argued that significant retention remains for odours that were not experienced since childhood.

Krishna, Lwin and Morrin (2009) studied the effects of product scent (not environment scent) and found that product scent was more effective than ambient scent. They viewed that product scent enhances memory for product information.

In contrast to what Krishna et al. (2009) argument, Morrin and Ratneshwar (2003) viewed that ambient scent improves both recall and recognition of familiar and unfamiliar brands.

Spangenberg, Crowley, and Henderson (1996) elucidated that ambient scent lead to an enhanced subjective experience for retail shoppers (or an enhanced condition of flow); the time consumers spend examining merchandise, waiting in

lines, or waiting for help may be made to seem shorter than it actually is by introducing ambient scent into the environment.

Grewal and Baker (1994) emphasized the importance of environment factors on consumers' price acceptability. They identified three main environment factors namely-ambient, social and design. They observed that store ambient and design factors effects acceptability of the price a product.

Hultén (2012) reported that visual and olfactory sensory cues have a positive impact on shoppers' touching behaviour, purchase intentions and total sale.

Kotler (1973) in his seminal paper highlighted that the conscious planning of atmospheres contribute to the buyers' purchase propensity. He also opined that atmospherics can play a role of differentiator to the firms.

Sight and sound are the most commonly focussed senses by brands in their communication with customers. Lindstrom (2005) observed that brands that communicate from multi-sensory brand platform have the greatest likelihood of forming emotional connections between consumers and their product.

From a field experiments Peck and Childers (2006) field experiment concluded that both individual and environmental touch-related factors increase impulse purchasing.

#### 4. Method

By using convenience sampling method, a primary data through structured questionnaire was collected from 100 respondents. SPSS was used to analyse the data. Appropriate statistical techniques like correlation and linear regression were used to analyse the data.

#### 5. Data Analysis and Findings

This section of the paper deals with data analysis and major findings of the research.

<b>Gender</b>	Male	32%
	Female	68%
<b>Marital Status</b>	Married	12%
	Unmarried	88%
<b>Age</b>	20 to 30 years	90%
	31 to 40 years	03%
	41 to 50 years	04%
	51 to 60 years	03%
<b>Qualification</b>	Intermediate	01%
	Diploma	05%
	Graduate	75%
	Post-graduate	18%
	Others	01%
<b>Occupation</b>	Student	65%
	Employee	24%
	Business	08%
	Housewife	03%
<b>Annual Income</b>	Up to Rs.3,00,000	25%
	Rs. 3,00,001 to Rs.6,00,000	57%
	Rs. 6,00,001 to Rs.9,00,000	12%
	Rs. 9,00,001 to Rs. 12,00,000	5%
	More than 12,00,000	1%

The above table shows that 32 percentage of the respondents were male and 68 percentage of the respondents were female. Among 100 respondents, 12 percentage of the respondents were married and remaining 88 percentage of the respondents were unmarried. Majority of the respondents (90%) of the respondents were under the age bracket of 20 to 30 years old. Seventy five percentage of the respondents

were graduates and 65 percentage of the respondents were students. More than 50 percentage of the respondents annual income was in the bracket of Rs.3,00,000 to Rs.6,00,000.

Weekly	8%
Fortnightly	41%
Monthly	46%
Quarterly	5%

From the above table 5.2, it can be observed that, 46 percentage of the respondents shop once in a month and 41 percentage of the respondents reported that they shop once in fifteen days. Further, the mean shopping frequency is 2.48 and standard deviation is 0.717.

NIL	03%
Less than Rs.5,000	61%
Rs.5,001 to Rs.10,000	28%
Rs. 10,001 to Rs.15,000	07%
Rs. 15,001 to Rs.20,000	1%

From the above table 5.3., it can be observed that 61 percentage of the respondents spend less than Rs.5,000/- on shopping on each shopping visit. The calculated mean money spent on each shopping visit is 2.42 and standard deviation is 0.713.

0 - 30 minutes	11%
30 minutes to 01 hour	58%
01 hour to 1 hour 30 minutes	28%
01 hour 30 minutes to 2 hours	02%
Above 2 hours	01%

From the above table 5.4, it can be noted that nearly 60 percentage of the respondents spend half an hour to one hour in a store.

		Amount spent	Time spent
Amount spent	Pearson Correlation	1	.098
	N	100	100
Time spent	Pearson Correlation	.098	1
	N	100	100

From the above table 5.5, it is found that amount spent and time spent in a store are highly positively correlated.

Further, the study used linear regression method to test whether physical evidence of the store, social factors of the store (like how store sales staff behave) and customer experience significantly predicted the overall experience of the customers visiting a particular apparel store. Below tables (4.6.1 and 4.6.2) shows the results of the regression analysis.

**Table 5.6.1: Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.594 <sup>a</sup>	.353	.333	.26391	1.806

a. Predictors: (Constant), Customer\_Service, Social\_Factors, Phys\_Evidence

b. Dependent Variable: Overall\_Experience

**Table 5.6.2. Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.465	.370		3.957	.000
	Phys_Evidence	.210	.102	.011	.115	.001
	Social_Factors	.200	.042	.435	4.720	.000
	Customer_Service	.381	.073	.468	5.191	.000

a. Dependent Variable: Overall\_Experience

The results of regression indicated that the three predicting variables, namely, physical evidence of the store, social factors of the store (like how store sales staff behave) and customer experience explained 33 percent of the variance (Adjusted R<sup>2</sup> = 0.333).

## 6. Conclusion

The present study concludes that overall customer experience is an important factor that influences the customer duration to spend in shopping store and amount spent on a shopping website. It is found that there is positive correlation between time spent and money spent in a store. Therefore, an implication can be drawn from this finding that stores should improve the overall store design and engage customers more in the store. It is also found that, physical evidence of the store, store staff and customer service impact customer's overall experience of a store. Therefore, apparel retailers may focus on these factors and improve them so that it will lead a positive customer experience.

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