

THE INFLUENCE OF STORE ATMOSPHERE ON REPURCHASE INTENTION TOWARDS CONSUMER EMOTIONAL RESPONSES

Dr. C. Thirumal Azhagan^{#1}, G. Nithya^{*2}

^{#1} Assistant Professor, Department of Management Studies. Anna University BIT Campus,
Trichy.

^{#2} Final MBA Student, Department of Management Studies. Anna University, BIT
Campus, Trichy.

¹ azhaganct@gmail.com

² kavyanithya1223@gmail.com

ABSTRACT

Store atmosphere plays a significant marketing tool. Customers who positively experience a retailer's store atmosphere may feel more satisfied. Space management is the influential unit in the store atmosphere. The primary objective of this research study is to investigate store atmosphere factors namely interior, exterior, layout, visual merchandising, price and promotions that influence the customers repurchase intention also analyses the store layout, what to display in shop, and where to place the products.

Keywords: Store atmosphere, planogram, space management, purchase decisions, consumer emotions, repurchase intention, customer satisfaction, loyalty

1 INTRODUCTION

Store atmosphere is an atmosphere in accordance with the target market and to attract customers to purchase, Kotler (2005). Store atmosphere incorporate exterior, interior, layout, visual merchandising. Customer's expectations and performance are changing now-a-days. They want more categories for single product, assortments of products, in-store promotions, pleasant

atmosphere and proper layout if this is not present, they will go to another store and will never repurchase. Current marketing research has recommend that in-store environmental stimuli, such as shelf-space allotment and product display, have a great influence upon consumer purchasing decision.

Store layout, In-store music, cleanliness, Temperature, Lighting enhances the customer purchase decision, and they will spend more time within the store. A planogram is a figure that shows however and wherever specific retail merchandise have a duty to be placed on retail shelves or displays to enhance the customer purchase decisions, and repurchase intention. Currently, planograms are managed digitally using tab and mobile phones, a person who is doing a visual plan called planogrammer also stated as POGs. The objective of a planogram is to guide and focus in-store merchandising efforts to increase sales. The diagram can document however high or low on a shelf the merchandise would be to show, correspondingly the merchandise ought to adjacent it.

2 LITERATURE REVIEW

1. Jean-Charles Chebat, Claire Gelinias Chebat, Dominique Vailant (2001) Briefed the effects on music attitudes toward the store, the salesperson and the visit to the store are moderated by cognitive process on emotional moderators.

2. Colleen Collins-Dodd, Tara Lindley (2003) Confirmed that a generalized attitude toward store brands is an important determination of individual store brand evaluations and also found support for the influence of store image on specific store brand evaluations.

3. Tshepo Peter Tiapana (2009) Expressed that store layout is an important factor affecting consumer behavior and a critical determinant towards the creation of store image. The independent convenience stores are aware of the impact of store layout on purchasing patterns of consumers. Consumers experience problems with store layout, they found that appearance of the store, merchandise display, store atmosphere, in-store service and accessibility are the major causes of this discomfort.

4. Michael Morrison, Sarah Gan, Chris Dubelaar (2011) states that understanding of shoppers emotions and shopper behaviors in response to in-store atmospherics and offers retailers practical insights. Arousal induced by music results in increase pleasure levels, which in turn positively influence shopper behaviors, including time and money spend.

5.Priyanka Singh (2014) Proved that design factor of a store is the biggest environment factor that impacts customer approach behaviors and its power to influence and interpretation are significantly higher than other factors.

6.Nur Aina Abdul Jalil, amily Fikry, Amizah Zainuddin (2015) Briefed that relationships between store atmosphere factors, perceived value and behavioral intentions will be mediated by customer satisfaction.

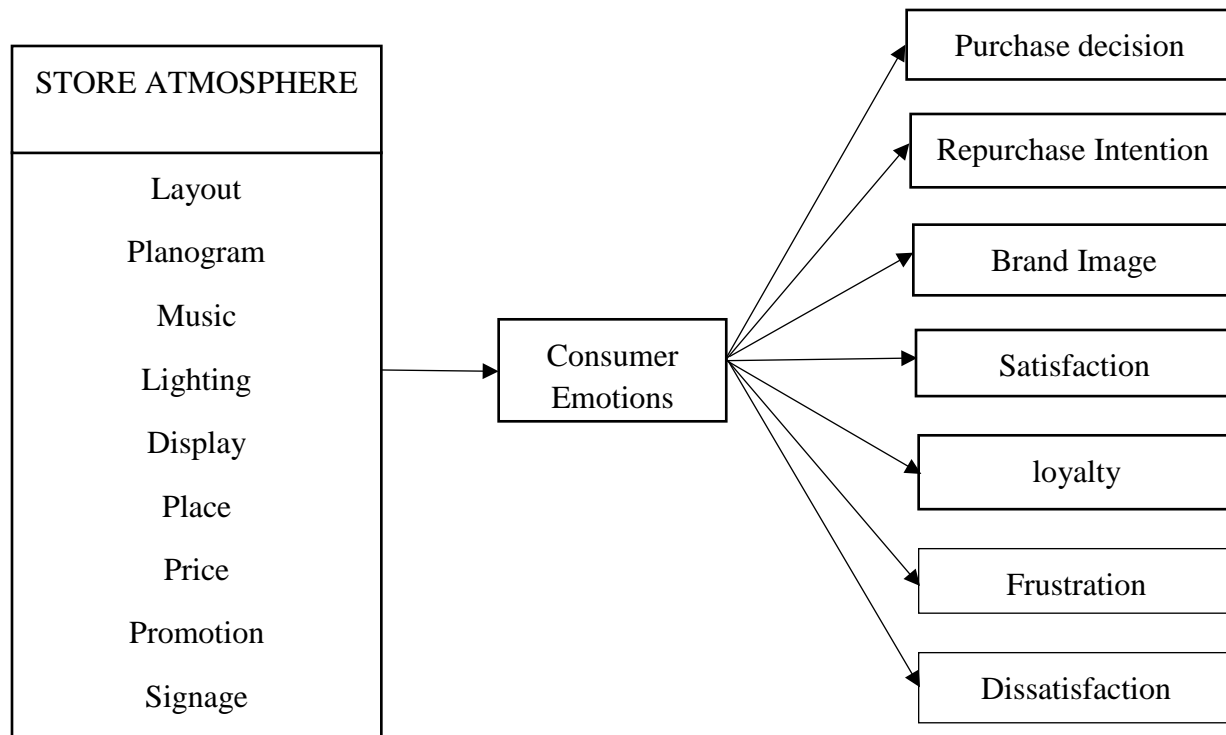
7.Dr. C. Thirumal Azhagan, K. Arivanandham (2016) states that efficacious layout and product placement is the primary promotion things for a retail store. Analyzing independency between the variables and provides successful layout and planogram. There is uniqueness between planogram according to consumer's response.

8.Dr. C. Thirumal Azhagan, K. Arivanandham (2016) Briefed aggregate relationships between store atmosphere, planogram and customer perception are quite rich in the construct's individual dimensions. Store atmosphere and planogram significantly enhances the customer emotions and purchase decisions.

9.Dr. R. Senthil kumar (2019) Confirmed that properly designed layout encourages to spend more time in the store are having positive influence on purchase intention. Space for free movement factor has negatively influenced the purchase intention.

10.Dr. C. Thirumal Azhagan, G. Nithya (2020) Briefed the store atmosphere factors namely interior, exterior, layout, visual merchandising, price and promotions that stimulate the customer's emotions and repurchase intention. And planogram helps to build a better store atmosphere.

3 RESEARCH MODEL



4 METHODOLOGY

4.1 Instrument measures

Various measurement scales are employed in this study. All items were measured by a 5-point Likert scale ranging from 1-strongly agree to 5-strongly disagree also dichotomous scales were used. It is easy to construct the questionnaire.

4.2 Reliability analysis

Reliability testing were conducted among 25 respondents in Trichy. There are 40 number of questions prepared for customers to check the reliability of questionnaire. Using IBM - SPSS AMOS graphics 25.0 reliability test done and Cronbach's alpha is 0.79.

4.3 Validity analysis

Content validity is archiving by formulating literature contents and research results of many experts and scholars. Therefore, the scale could cover the requirements of the research theme adequately.

4.4 Data Analysis

Empirical analyses of the respondents

The population for this study is infinite. Using Cochran's formula the sample size is 384. Due to time constraint, data collected from 156 samples, where 130 was chosen for analysis as the remaining samples are with uncompleted data. Data have been collected in food and grocery stores Trichy.

Demographic analysis: male (44%), female (53%), married (58.2%), unmarried (37.3%) and locality is urban (29.9%), semi-urban (38.1%), city outskirts (16.4%), rural (12.7%).

5 RESULTS AND DISCUSSIONS

5.1 Factor analysis

The KMO and Bartlett's test value is 0.511. Values between 0.5-0.6 is adequate to carry out with factor analysis.

Table : 5.1.1
Table Name: KMO Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.509
Bartlett's Test of Sphericity	Approx. Chi-Square	654.853
	df	406
	Sig.	.000

Table No: 5.1.2
Table Name: Variance

Total Variance Explained						
Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.701	9.312	9.312	2.273	7.837	7.837
2	2.231	7.694	17.006	1.755	6.050	13.888
3	2.031	7.002	24.009	1.743	6.011	19.899
4	1.723	5.940	29.949	1.672	5.767	25.666
5	1.607	5.540	35.489	1.608	5.546	31.212
6	1.503	5.182	40.671	1.518	5.233	36.444
7	1.442	4.971	45.642	1.490	5.138	41.582
8	1.313	4.529	50.171	1.487	5.128	46.710
9	1.289	4.446	54.618	1.479	5.099	51.809
10	1.203	4.149	58.767	1.453	5.009	56.819
11	1.121	3.866	62.633	1.407	4.853	61.672
12	1.030	3.551	66.184	1.308	4.512	66.184
13	.950	3.277	69.461			
14	.906	3.124	72.585			
15	.839	2.893	75.478			
16	.804	2.772	78.250			
17	.776	2.675	80.924			
18	.707	2.437	83.361			
19	.656	2.262	85.623			
20	.575	1.983	87.606			
21	.565	1.947	89.553			
22	.527	1.818	91.371			
23	.471	1.623	92.994			
24	.448	1.545	94.539			
25	.378	1.303	95.842			
26	.333	1.149	96.991			
27	.320	1.103	98.094			
28	.296	1.022	99.116			
29	.256	.884	100.000			

Extraction Method: Principal Component Analysis.

Table: 5.1.3**Table Name: Rotated Component Matrix**

	Component				
	1	2	3	4	5
instore atmosphere	-.279	.101	.017	-.013	.007
Lighting	.047	.582	.001	.251	.172
Temperature	.084	.098	.643	.072	-.077
music_aroma	-.178	-.258	.230	.049	.196
store_front	.203	.188	.054	.584	-.178
lighting_displays	.267	-.148	-.022	.340	.591
Planogram	.242	-.104	.371	-.218	.222
Color	.001	-.676	.278	-.052	.127
Signage	-.372	.022	.120	.225	.392
Fixtures	-.253	.166	-.110	.032	.103
repurchase_emotions	.088	-.307	.036	.153	.088
customers_problems	.780	.104	.044	-.010	.160
Relationship	.728	-.107	.091	.024	.025
Readiness	.688	.165	-.111	.210	.164
Layout	-.194	.626	.166	.014	.056
Parking	-.100	.059	.614	.010	.275
space_utilization	-.027	-.061	.519	.003	-.424
Assortments	.352	.445	.212	-.141	-.208
Décor	-.146	.441	.259	-.352	.209
Recommend	.093	.030	.025	-.232	.664
Comparison	-.061	-.011	.093	.607	.039
prices_discounts	.145	-.303	.516	.389	-.216
reduces_discomfort	-.033	-.064	-.033	.428	.069

Table: 5.1.4
Table Name: Factor Loading

Factor names and variable explained	Customer repurchase intention variables	Factor Loading
Store atmosphere factor	Instore atmosphere	0.279
	Lighting	0.582
	Temperature	0.643
	Music and Aroma	0.230
	Store Front	0.584
	Lighting displays	0.591
	Planogram	0.371
	Color	0.676
	Signage	0.392
	Fixtures	0.253
	Décor	0.441
	Parking	0.614
	Repurchase intention factor	Layout
Space utilization		0.519
Assortments		0.445
Prices and discounts		0.516
Repurchase emotions		0.307
Customer satisfaction factor	Customers problems	0.780
	Readiness	0.688
	Relationship	0.728
	Recommend	0.664
	Comparison	0.607
	Reduces discomfort	0.428

Table No: 5.1.5

Table Name: The multiple regression analysis and linear model of store atmosphere factors and repurchase intentions.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.292 ^a	.086	.078	.92058
2	.431 ^b	.185	.109	.90495
a. Predictors: (Constant), consumer_emotions				
b. Predictors: (Constant), consumer_emotions, music_aroma, fixtures, lighting_displays, temperature, layout, decor, signage, lighting, store_front, color				

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.147	1	10.147	11.973	.001 ^b
	Residual	108.477	128	.847		
	Total	118.623	129			
2	Regression	21.990	11	1.999	2.441	.009 ^c
	Residual	96.633	118	.819		
	Total	118.623	129			
a. Dependent Variable: repurchase_intention						
b. Predictors: (Constant), consumer_emotions						
c. Predictors: (Constant), consumer_emotions, music_aroma, fixtures, lighting_displays, temperature, layout, decor, signage, lighting, store_front, color						

The R column represents the multiple correlation coefficient. R is the prediction of the dependent variable. A value 0.431 indicates a good level of prediction. R^2 is the proportion of variance in the dependent variable due to change in the independent variable. There is 18.5% variability in dependent variable.

The F-ratio in the ANOVA table shows that the independent variables significantly predict the dependent variable. $F(1,128)=11.973$, $p<.05$ and $F(11,118)=2.441$, $p<0.05$ the regression models are good fit of the data.

6 MAJOR FINDINGS

6.1.1 Factor loading

i. Store atmosphere factor

This factor has emerged as a most vital determinant of research includes layout, lighting, temperature, music and aroma, store front, lightning displays, planogram, color, signage and fixtures. Major element of this factor is Temperature (0.643), lighting displays (0.591), store front (0.584), lighting (0.582). Best layout, temperature, lighting are the factors influence the customer emotions state.

ii. Repurchase intention factor

This factor has also emerged as an important finding of research with variables Layout, Space utilization, Assortments, Prices and discounts and Repurchase emotions. Major elements of this factor are Layout (0.626), Space utilization (0.519). This study shows that layout and space utilization stimulate the customer's repurchase intention.

iii. Customer satisfaction factor

This factor also emerged as the effective factor of research includes Customers problems, Readiness, Relationship, Recommend, Comparison and Reduces discomfort. Major elements of this factor are Customers problems (0.780), Relationship (0.728) and Readiness (0.688). These are the elements to fulfill the customer's expectations and makes them satisfaction.

6.1.2 Multiple regression analysis and linear model results

Unstandardized coefficients indicates how much the dependent variable varies with an independent variable. The unstandardized coefficient B3 is -0.28 represents amount of change in the dependent variable per single unit change in the predictor variable. Result shows that increase in lighting displays decrease in repurchase intention. Similarly color and fixtures represents the amount of change in the dependent variable.

7 IMPLICATIONS AND RECOMMENDATIONS

1. The results confirm that fixtures, music and aroma will not stimulate the consumer repurchase intention level. In addition the results suggest that lighting displays and fixtures not have a significant impact on consumer emotions and repurchase intention. Improve the lighting displays, fixtures and play mild music in the store, this will create positive emotions and enhances customer spending time in the store.
2. To attract the customers, exterior design is important. The design includes store front, enchanting colors, well designed layout, and wider parking facility. Customers can easily influence with the exterior atmosphere of the store this will create a positive image among customers.
3. Space utilization is a major factor in the store. Use planogram design to build the store. Give more prices and discounts, wide assortments so that customers never think about another store. The result will be repurchase intention, if customers feel happy and satisfied they will come for repurchase.
4. In order to enhance the customer repurchase intention and customer satisfaction the results shows that maintain a good temperature in the store atmosphere and employees are always readiness to respond and willing to solve customer's problems. This will generate positive relationship with store as well as employees. Customers feel happy with your store atmosphere and recommend other customers to buy.

8 CONCLUSION

Now-a-days in retail markets stimulating the repurchase intention and satisfying a shopping experience is a difficult one. The results of this study helps retailers with valuable information to develop a unique retail store that enhance the repurchase intention and more satisfied customers. This research study established that store atmosphere factors influence the customer emotions and stimulate for the repurchase intentions. Not all store atmosphere factors influencing consumer emotional state. Factors like proper layout, Temperature, store front, lighting displays and exterior design will stimulate the customers to enter in the store, spend more time and repurchase intention. This study also elevated the hidden fact that good store atmosphere makes a customer to be

satisfied and employee's readiness to respond to customer's request will also result on manifest satisfaction and loyalty.

References

1. Jean-Charles & Chebat, Claire Gelinat & Chebat, Vaillant Dominique, (2001) *Environmental background music and in-store selling. Journal of Business Research. Volume 54, Pages 115-123.*
2. Shun Yin Lam, City University of Hong Kong(2001), *The effects of Store Environment on Shopping Behaviors: a Critical Review. Association for Consumer Research Volume 28, Pages 190-197.*
3. Tshepo Peter Tiapana (2009), *Store layout and its impact on consumer purchasing behaviour at convenience stores in kwa mashu.*
4. Michael Morrison, Sarah Gan, Chris Dubelaar, Harmen Oppewal(2011), *In-store music and aroma influences on shopper behavior and satisfaction. Journal of Business Research. Volume 64, Pages 558-564.*
5. Archana Kumar, Youn-Kyung Kim (2014), *The store as-a-brand strategy: The effect of store environment on customer responses, Journal of Retailing and consumer services. Volume 21, No. 685-695.*
6. Priyanka Singh, Neha Katiyar, Gaurav Verma (2014), *Retail shoppability: The Impact of store atmospherics & store layout on consumer buying patterns, Journal of Scientific & Technology Research Volume 3, Issue 8.*
7. Diyah Tulipa, Sri Gunawan, V.Henky Supit (2014), *The influence of Store atmosphere on emotional responses and re-purchase intentions, Journal of Business Management and Strategy Vol. 5, No. 2.*
8. Gupta S, Jain R & Parmal V (2014), *Study of impact of brand image of retailers on customers' buying decision of store brands. International Journal of Sales, Retailing and Marketing.*
9. Kristin Deihl, Erica van Herpen, Cait Lamberton (2015), *Organizing products with complements versus substitutes: Effects on store preferences as a function of effort and assortment perceptions, Journal of Retailing.*

10. *Dr. C. Thirumal Azhagan, and K. Arivanandham (2016), A study on effective layout strategies and planogram for retail stores. Journal of Commerce and Management Research. Volume No. IV, Issue No. 1.*
11. *Dr. C. Thirumal Azhagan and K. Arivanandham (2016), Influence of retail atmospherics and planogram on customer perception in retail stores. Global Journal of Engineering Sciences and Research Management. 3(5).*
12. *Dr. Senthil Kumar (2019), Impact of Organized retail store layout factors on Customer Behavior, Journal of The Gujarat Research Society Volume 21 Issue 12.*
13. *BM van Niekerk (2015), The influence of Boutique Store Atmosphere on Customer Satisfaction, Store Loyalty and Repurchase Intention.*
14. *Dr. C. Thirumal Azhagan, and G. Nithya (2020), The influence of store atmosphere and planogram on customer repurchase intention. International Journal of Advanced Research in Management and Social Sciences. Volume 9, No. 2.*