CHAPTER III
LITERATURE REVIEW

Introduction

A literature review was carried out to identify the previous research efforts and directions related to the present focal area. To the extent possible, the researcher tried to reproduce the original terminology used by the authors, to preserve the originality of the views. The review of literature set off with consumer shopping behaviour in retailing, shopper behaviour versus choice of retail formats, previously proposed models of retail format choice and patronage to introduce a conceptual framework of this study. Then the far-reaching literature relating to important constructs in the proposed model of retail format choice and patronage behaviour is surveyed. Finally, this chapter ends with identification of research gaps and justification of proposed research.

3.1 Consumer Shopping Behaviour in Retailing

The behaviour of shoppers differs according to the place where they are shopping and their involvement level with the act of shopping (Berman and Evans, 2005) and research has also shown that a relationship exists between environment and revenue in retail and service outlet stores (Milliman, 1982, 1986). The basic difference however continues to be the maturity of markets and formats. The basic difference however continues to be the maturity of markets and formats. While retail in the West has evolved in terms of formats over the past hundred years, organised retail in India is still a new phenomenon.
Shopping is the act of identifying the store and purchasing the product. The behaviour of shoppers differs according to the place where they are shopping and their involvement level with the act of shopping (Berman and Evans, 2005). Shopping is a function of the nature of the product, the degree of perceived risk inherent in the product class and the level of knowledge or amount of information about alternatives. Observations of shopper behaviour in the store show that every purchase involves part or the whole of a process that follows a consistent pattern of See-Touch-Sense-Select. Connolly et al., (1999) have classified shopping behaviours into three categories: a) blinkered mode in which shoppers confidently and efficiently zooming in on familiar brands, with no time or interest in logical label reading or studying product attributes, b) ‘magpie’ mode in which the shopper allows himself or herself to be distracted and attracted by different brands on display, and c) ‘browser’ mode in which the shopper behaving more rationally, reading the ‘back of pack’ copy and invariably comparing prices, ingredients, and seeking more information about product attributes, making piece-value comparisons across various brands.

There is a growing need to evaluate the true drivers of shopping behaviour in the Indian context (Sinha and Banerjee, 2004). The trade mark of Indian retailing, the small kirana shops with a high level of personalised service, is making shoppers reluctant to depart from traditional ways of shopping. The knowledge of consumer shopping behaviour is an essential input to the development of an effective marketing strategy, which is required for the
effectiveness, and success of any business (Al-Rasheed et al., 2004). Past research and theories in consumer behaviour have often concentrated on consumer choice behaviour, particularly brand choice behaviour (Sheth, 1983). Compared to the theoretical and empirical work on brand choice behaviour, store patronage behaviour as a distinct field of investigation has received only scant attention (Darden and Lusch, 1983) and further suggested that consumers are using shopping strategies rather than brand strategies in solving many consumption problems. Rhee and Bell (2002) believe that while shoppers often patronise many stores, they typically have a primary affiliation to a ‘main store’ that captures the majority of their purchases. Research conducted by Woodside and Trappey (1992) identified an automatic cognitive processing of store attributes by means of which consumers decide which will be their primary store. It is empirically examined that retail store attributes affect retail format choice and purchases (Leszczyc and Timmermans, 2001).

3.2 Shopping Behaviour and Retail Format Choice
Retail format choice and patronage have been widely studied across the world (Sinha and Banerjee, 2004, p.483). For many years, marketing researchers have considered issues related to consumers’ retail format choice across various purchasing situations (Moore and Carpenter, 2006). From early studies that examine traditional retail format choice (Williams and Dadris, 1972) to recent inquiry into the non-traditional internet format choice (Keen et al., 2004), the marketing literature has identified several factors that are consumer-related and situational factors that impact retail format choice. During the last few decades
there has been a significant increase in one-stop shopping strategies, due to an increase in assortment at supermarkets (Messinger & Narasimhan, 1997). One reason for this change in consumer grocery shopping behaviour is the increased need for shoppers to optimise their time spent for shopping, since demands of everyday professional and personal life have increased for most shoppers. Shoppers economise on the amount of time spent shopping, by making multipurpose trips, combining purchases for different product categories and reducing the number of trips at a particular time period, or by purchasing a large amount of goods, for example, groceries, while making a single-purpose shopping trip, reducing travel costs by combining trip over time (Peter et al., 2004).

Grocery shoppers are, therefore, faced by decisions to choose between different types of retail formats. There are a variety of different retail formats including grocery stores of varying sizes, discount stores, supermarkets, large mega stores and hypermarkets. On the one extreme there are smaller grocery stores located in convenient places, offering personalized service, and potentially higher quality products, and on the other extreme there are large mega stores and hypermarkets offering one-stop convenience and lower prices, but often at the cost of less service and less convenient locations. These retail formats tend to differ based on assortment, location, and pricing strategies and hence the extent to which they facilitate multi-purpose shopping. Supermarkets possess several key competitive advantages in comparison to traditional retail stores, including the ability to sell items at lower prices and the ability to offer
consumers the convenience of one stop shopping (Carpenter and Moore, 2006, p.435). Much of Ross Davies’ work was involved with the changing structure and pattern of retail locations, in which the changing nature of retail formats played an especially important role. But what do retailers mean by a “retail format”? How do practitioners think about the formats they create and manage, and how does this relate to academic models of retail change (often referred to as life cycle models)? How do retail formats emerge and evolve in practice? Some commentators have used the “CSS” (convenience, shopping and speciality) classification to differentiate between particular types of goods and those retailers selling them (Bucklin, 1962).

Others think about classifying goods in terms of the trade-off between the risk and effort consumers experience in buying them, and where speciality goods (when the shopper is searching for a specific item) require the greatest effort and carry the greatest risk; compared with convenience goods, where the willingness to substitute one good for another in order to avoid the extra effort is accepted because of a relatively lower risk (Murphy and Enis, 1986). Retailers, commentators and others do not simply use product category or product range as a way of defining a retail format. Indeed, in this research, the researchers found that there was no single accepted definition. The term is used both in a generic sense and also to describe the specific offer of a particular retailer. Instead, there have been several, often somewhat fruitless, attempts to define specific retail formats. The range of definitions for many categories is confusing and often unhelpful. Wal-Mart, for example, has been variously
described as a “discount store operator” “hypermarket” and “power centre”. In each set of the examples it is collated, there are points of disagreement, a focus on different elements of the format and, in any case, they will often describe not the underlying strategy and operation of the format but rather the current offer to consumers. Many contemporary retailers have elements of many formats acquired during the drive for value-adding opportunities outside their traditional domains. In addition, the boundaries between “traditional” formats are becoming blurred.

3.3 Shopping orientation
Shopping orientation could be defined as a shopper’s style that places particular emphasis on a shopping-specific lifestyle encompassing shopping activities, interests and opinions, and reflecting a view of shopping as a complex social, recreational and economic phenomenon (Visser and Preez, 2001). Shopping orientations are related to general predisposition toward acts of shopping. They are conceptualized as a specific dimension of lifestyle and operationalized on the basis of activities, interests and opinion statements pertaining to acts of shopping (Li et. al 1999). Shopping is not only an economic activity but also psychological and social. According to consumers, shopping orientations are various; include economic, convenience, experiential, leisure, and self-fulfilment. Tauber (1972) noted that consumers often shop out of personal motives (diversion from the routine of daily life, self-satisfaction, and sensory stimulation) and social motives (social experience outside the home, peer group attraction, and pleasure of bargaining). This construct is
important as a shopper tends to shop at the store that meet his/her perceived expectations on certain attributes perceived as important to him or her. Stone (1954) classified shoppers into four types: the economic shopper, the personalizing shopper, the ethical shopper and the apathetic shopper.

According to Stone, economic shoppers are those who express a sense of responsibility for their household purchasing duties. An economic shopper will shop in stores based on their perception of price where they are likely to shop at stores that are perceived to offer goods at cheaper prices than other stores (Osman, 1996). A shopper who does not like shopping tends to shop in stores that are close to their homes (Stone, 1954). Personalizing shoppers include those who prefer shopping at a store “where they know my name’. Personal attachments formed between them and the store personnel will greatly influence their patronage of a store. Economic factors like price, quality and selection of merchandise are less important. Ethical shoppers are those who sacrifice lower price or wider selection of merchandise in order to help their small neighbourhood stores to survive against the big shopping mall. Apathetic shoppers do not discriminate between kinds of stores. They consider shopping as a necessity and thus the main criterion used is locational convenience. Numerous other versions of shopper classification have been made (Darden and Reynolds, 1971, Schiffman et.al. 1977, Lumpkin, 1985, Suchard and Cooper, 1990). The most distinct typologies that appear consistent across studies are economic, social and apathetic shoppers (Wesbrook and Black, 1985). Whatever the basis of shopper taxonomic approaches adopted, it should
be noted that customers are taking a new shape with the adoption of new lifestyle. Past studies have found support for the influence of shopper orientation on the perceived image of a store. (Mason, Durand and Taylor 1983, Lumpkin 1985). As such causal links between shopping orientations and store image as proposed in the model is consistent with past studies.

3.4 Theoretical Framework

Retail format choice and patronage studies have focussed on shoppers’ tendency to concentrate on the same store. The existing models share a set of common variables to predict consumer retail format choice and patronage behaviour. In this section, those previously established patronage models are briefly reviewed, and then the important constructs are compared and discussed to build a conceptual foundation of the study.

The first comprehensive model to illustrate the structural relationships among influencing variables of retail format choice behaviour was introduced by Monroe and Guiltinan (1975). In their preliminary model of retail format choice, Monroe and Guiltinan proposed that consumers’ store patronage behaviour in changing context is explained by sequential effects of different constructs: shoppers’ characteristics, strategies for planning and budgeting, importance of store attributes and perception of stores (Fig 3.1 in Appendix B). Monroe and Guiltinan (1975) examined the patronage effects of the entrance of a new grocery store in a city. An empirical test was performed using path analysis in the context of the market entry of a supermarket chain in the study area. Except the importance of store attributes, all other constructs had been
significant for retail format choice. Relatively low prices and advertising were the strongest indicators of importance of store attributes. However, loyal customers did not place importance on low prices (Monroe and Guiltinan, 1975). Finally, the researchers recommended separation of store perceptions and attribute importance, because of the relative endurance and generality of the store perception compared to the importance of store attributes. They additionally suggested the importance of experience with a store in the formation of retail format choice strategies (Laaksonen, 1993; Monroe & Guiltinan, 1975).

Monroe & Guiltinan’s retail patronage model was refined by Darden who emphasised the importance of enduring and stable shopping orientation determining a shopper’s retail format choice (Darden et al., 1980). Darden (1980) developed the patronage model of consumer behaviour (Fig 3.2 in Appendix C), which gave a comprehensive picture of patronage behaviour. Terminal values, lifestyles, social class, and family were antecedents to shopping orientations. These antecedents with media habits and instrumental values also affected store attribute importance and the evoked store set. The second part of the model was triggered by a stimuli that set the needs queue in motion and started the information search that led to the evoked store set. The evoked store set then influenced store attribute importance leading to patronage intentions and patronage behaviour.

Shim and Kotsiopoulos (1992b) adapted portions of Darden's patronage model of consumer behaviour to develop the model on patronage behaviour of
apparel shopping (Fig 3.3 Appendix D). This model grouped the exogenous variables: lifestyle activities, social class, and family life cycle into personal characteristics that directly affected information sources and shopping orientations and indirectly affected the importance of store attributes and patronage behaviour. Through shopping orientations, information sources also indirectly affected the importance of store attributes and patronage behaviour. Shim and Kotsiopoulos used linear regression to test the model.

Bellenger and Moschis (1982) noticed that past patronage studies were based on either interpersonal/psychological perspective or intrapersonal/social theory. They developed a multi-theoretical approach toward retail patronage model combining a person’s socialisation process with shopping behaviour (Fig 3.4 in Appendix E). The socialisation model predicts a consumers’ general store patronage pattern, institutional store patronage pattern and more specific retail format choice pattern. Bellenger and Moschis proposed that social structural variables, such as social class, gender, age, income, and family size have direct effects on cognitive and behavioural outcomes of store patronage or they have direct effects by influencing socialisation process. In this model, cognitive orientations toward shopping and store are important factors determining consumer patronage behaviour. Laaksonen (1993) published a monograph compiling the works of both European and American researchers on retail patronage. Laaksonen analyzed past models and developed a new patronage model that focused on a dynamic, interactive approach to retail patronage (Fig 3.5 in Appendix F).
Soonhwa Choi (2000) developed a general model of retail patronage and empirically tested the relationships proposed in the model in the context of discount retail model (Fig 3.6 in Appendix G). Findings of the study supported the hierarchical structure of variables proposed in the discount store patronage model. The results of the structural equation model indicated that consumer’s socioeconomic class has strong effect on price perceptions, which are significantly and directly related to attitudes towards discount store shopping, and consequently discount store patronage patterns. Materialistic values and uniqueness desire were found to be positively associated with prestige sensitivity and preference for unique consumer products respectively, which again have influences on store attitude and patronage behaviour. The intervening roles of shopping orientation and store attitude confirmed the validity of the proposed model.

Solgaard and Hansen (2003) developed hierarchical Bayes model to assess the importance of the choice determinants by analyzing direct and cross choice elasticities in the context of grocery store formats. The model was developed within the framework of the multinomial logit model that has been widely used in retailing but also strongly criticized. In this model, retail format attributes such as price, merchandise quality, atmospherics, service levels, and accessibility were assessed for consumer’s choice between different retail formats. It is found from their findings that assortment appears to be the most important single driver for the choice between retail formats and quality and service on the other hand do not differentiate between formats.
Sinha and Banerjee (2004) developed a conceptual framework for retail format choice in an evolving market in the context of Indian retailing (Fig 3.7 in Appendix H). In this untested model, different constructs are explained: evolution of retail format choice drivers such as risk reducers (proximity, quality of merchandise, personal relationship), choice enhancers (convenience, availability & spread, design-format), shopping experience enhancer (ambience, customer service, entertainment), shopping motivations, product type, and store patronage loyalty.

Kelly. S. Welker (2004) developed a patronage model in the context of small apparel retail firms (Fig. 3.8 in Appendix I). The components of the proposed patronage behaviour model derived from Darden’s patronage model of consumer behaviour (1980) and Shim and Kotsiopulo’s apparel retail patronage behaviour model (1992) were used for all hypotheses. Findings indicated that the “local store shopper” was the best indicator of small, retail apparel firm patronage. Differences among the small, retail apparel firms existed among half of the components in the patronage model, which is attributed to the uniqueness of small, retail apparel firms.

Grace and Cass (2005) developed a conceptual model to examine the antecedents of repatronage intentions in the retail store setting (Fig 3.9 in Appendix J), the relationships of which are then tested and compared across department stores and discount stores. Their study explored the extent to which repatronage intentions of retail stores are affected by perceived value for money, customer satisfaction and consumption feelings.
In addition, they examined the effect of store service provision as an antecedent to such consumer evaluations of retail stores. These relationships are modelled overall and then examined in the context of both department stores (defined as mass-merchandisers, which highlight quality image and high customer service) and discount stores (defined as mass-merchandisers with an emphasis on self-service and low prices). While all paths (except one) were significant in the overall model, differences were found when comparing the department and discount store models. Overall, perceived value for money played a much more significant role in the discount store model, whereas consumption feelings were shown to be more central to the department store model.

Sinha *et al.*, (2005) developed a format choice of food and grocery retailer based on transaction utility model (Thaler, 1983). They applied conjoint analysis and identified various store attribute utilities in the following hierarchy: ambience, accessibility, price, number of SKUs, type of merchandise, service mode and number of brands influencing retail format choice in the context of Indian food and grocery retailing.

Kaul (2006) developed a conceptual model of store patronage: antecedents and consequences in the context of Indian retailing (Fig. 3.10 in Appendix K), which was not empirically tested. In this model, she underlined different constructs which are interactive: personal characteristics, product/market characteristics, shopping trip pattern, shopping experience, information processing, store image, retail format choice, and store patronage.
Her conceptual framework explained relationships among different constructs towards store image and store patronage.

The comparison of the existing models indicates that five global constructs are consistently involved to explain consumers’ retail format choice and patronage behaviour: shopper attributes, store format attributes, attitudes toward retail format that is store format image, retail format choice and repeat patronage intentions that is patronage loyalty. Because of various aspects and different levels of abstraction of the constructs in the retail format choice process, it has not been easy to build a perfect retail patronage model (Bellenger and Moschis, 1982). In a like manner, key variables determining retail format choice and patronage behaviour and linkages among the variables have not been clearly established in the previous models.

Some of the previous models have been conceptually developed but they lack empirical tests to support their framework or are criticised with methodological issues like over simplification and measurement problems (Laaksonen, 1993). Description and comparison of various models covering the identified global constructs in store patronage behaviour are summarised in Table 3.1.

Therefore, the present study is developed based on different global constructs used in previous conceptual models in retail format choice and patronage behaviour in grocery retailing in order to identify the determinant attributes of retail format choice and patronage in food and grocery retailing in the Indian context. The proposed model for the present study is an adapted and
modified version of Sequence of effects in retail format choices (Monroe & Guiltinan, 1975, p. 21). The conceptual framework for this study has been depicted in figure 3. 11.
Table 3.1 Comparison of retail format choice and patronage behaviour models

<table>
<thead>
<tr>
<th>Model (Year)</th>
<th>Retail format choice and Patronage determinant Constructs</th>
<th>Shopper characteristics</th>
<th>Store attributes</th>
<th>Patronage behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monroe &amp; Guiltinan (1975)</td>
<td></td>
<td>Demographic, economic lifestyle and personality</td>
<td>Based on the perceptions of store attributes</td>
<td>Retail format choice behaviour</td>
</tr>
<tr>
<td>Darden et al., (1980)</td>
<td></td>
<td>Values, social class and family life cycle</td>
<td>Store attribute beliefs</td>
<td>Patronage behaviour</td>
</tr>
<tr>
<td>Bellenger and Moschis (1982)</td>
<td></td>
<td>Social class, age and life cycle</td>
<td>Cognitive orientation toward store/store type</td>
<td>Retail format choice &amp; Patronage behaviour</td>
</tr>
<tr>
<td>Shim &amp; Kotsiopoulos (1992b)</td>
<td></td>
<td>Social class, family life cycle and lifestyle activities</td>
<td>Importance of store attributes</td>
<td>Patronage behaviour</td>
</tr>
<tr>
<td>Laakonsen (1993)</td>
<td></td>
<td>Socio-Economic background, lifestyle and values</td>
<td>Retail format choice attributes</td>
<td>Patronage behaviour</td>
</tr>
<tr>
<td>Soonhwa Choi (2000)</td>
<td></td>
<td>Family size, socio-economic status and materialistic values</td>
<td>Cognitive orientation toward store type based on perceptions of store attributes</td>
<td>Patronage behaviour</td>
</tr>
<tr>
<td>Kelly. S. Welker (2004)</td>
<td></td>
<td>Social class, family life cycle, lifestyle and terminal values</td>
<td>Importance of store attributes</td>
<td>Patronage behaviour</td>
</tr>
<tr>
<td>Sinha and Banerjee (2004)</td>
<td></td>
<td>Socio-economic and demographic</td>
<td>Choice driver attributes</td>
<td>Retail format choice behaviour</td>
</tr>
<tr>
<td>Sinha et al., (2005)</td>
<td></td>
<td>Socio-economic and demographic</td>
<td>Importance of store attributes</td>
<td>Store format choice behaviour</td>
</tr>
<tr>
<td>Kaul (2006)</td>
<td></td>
<td>Socio-economic, demographic and psychographic</td>
<td>Product/market characteristics and retail mix</td>
<td>Store patronage behaviour</td>
</tr>
<tr>
<td>Proposed model (2009)</td>
<td></td>
<td>Socio-economic, demographic, geographic and psychographic</td>
<td>Determinant store attributes</td>
<td>Store format choice and patronage behaviour</td>
</tr>
</tbody>
</table>
Figure 3.11 Conceptual model of retail format choice and patronage behaviour adapted and modified from Monroe and Guiltinan’s Sequence of effects in retail format choice behaviour (1975, p.21).
The following sections will examine the research studies involving each of those constructs used in the conceptual framework.

3.5 Shopper Attributes

Previous retail format choice and patronage researchers consistently agreed upon the importance of shopper (individual) attributes such as socio-economic, demographic, geographic and psychographic factors in understanding the shopper behaviour. The recent past study conducted by Carpenter and Moore (2006) found that shopper attributes were significant predictors of their consumption behaviour and choice of retail format. The studies on retail format choice have mostly dealt with individual choices and the studies have investigated the drivers of retail format choice taking individuals as the samples (mostly housewives). Little research exists, which analyses the shopping behaviour with a family or household as a unit. Researchers have found that, retail format choice and shopping trip timing decisions tend to differ for individuals and households as a result of personal differences, household composition, and activity patterns (Leszczyc and Timmermans, 1997; Kim and Park, 1997). Similar work has been done on household demographic variables (Bawa and Ghosh, 1999; Leszczyc, Sinha, and Timmermans, 2000) and relating them to the shopping behaviour of the household, the trip timing (Kahn and Schmittlein, 1989) and the retail format choice (Kau and Ehrenberg, 1984).

However, as compared to the work on the product and service choices by the families/households, the work on retail format choice is quite less and
covers few dimensions. Major previous research studies related to various dimensions of shopper attributes used in patronage retailing have been summarised in Table 2.16.

**Table 3.2 Selected studies and their shopper characteristics in retail format choice and patronage in retailing**

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Shopper characteristics</th>
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</thead>
<tbody>
<tr>
<td>Bellenger &amp; Korgaonkar (1980)</td>
<td>Social class such as education, income and area of residence</td>
</tr>
<tr>
<td>Zeithaml (1985)</td>
<td>Gender, female working status, age, income, marital status</td>
</tr>
<tr>
<td>Kopp, et al (1989)</td>
<td>Social class such as education, income and area of residence</td>
</tr>
<tr>
<td>Kotsiopoulos (1992a)</td>
<td>Socio-economic class (education, occupation, area of residence, and total family income)</td>
</tr>
<tr>
<td>Loudon and Della Bitta (1993)</td>
<td>Geographic factors</td>
</tr>
<tr>
<td>South and Spitze</td>
<td>Gender</td>
</tr>
<tr>
<td>Forsythe and Bailey (1996)</td>
<td>Age, marital status, occupational status</td>
</tr>
<tr>
<td>Leszczyc and Timmermans (1997)</td>
<td>Personal differences, household composition, and activity patterns</td>
</tr>
<tr>
<td>McGoldrick and Andre (1997)</td>
<td>Households enjoying high levels of income, marital status</td>
</tr>
<tr>
<td>Hawkins et al., (1998)</td>
<td>Geographic factors (travel time and mode of transport)</td>
</tr>
<tr>
<td>Bawa and Ghosh (1999)</td>
<td>Demographic variables</td>
</tr>
<tr>
<td>Choi (2000)</td>
<td>Family size and composition</td>
</tr>
<tr>
<td>Carpenter and Moore (2006)</td>
<td>Income, household size, education, race, marital status</td>
</tr>
</tbody>
</table>
The following sub-sections explain the influence of diverse shopper characteristics on retail format patronage behaviour in retailing from the existing literature.

3.5.1 Socio-economical factors

Socio-economic class is a group of people who are similar in their behaviour based upon their economic position (education, occupation and income) in the market place (Engel et al., 1990). Extensive research indicates that people across social strata tend to exhibit characteristically differentiated psychological and behavioural patterns (Williams, 2002). Research indicates that members of different social classes vary in numerous psychological characteristics and responses (Kohn et al., 1990). Many consumer researchers have investigated and agreed upon the efficacy of household characteristics, such as socioeconomic status as a predictor of consumption behaviour (Monroe & Guiltinan, 1975; Sheth, 1983). Socio-economic class of a consumer especially has been proven to be a meaningful determinant of shopping and purchasing behaviour because there exist economic and psychological differences across various social classes (Gupta & Chintagunta, 1994). Usefulness of social class in predicting retail format choice behaviour is well explained by Brown and Fisk (2004). They proposed risk-costs perception of shopping, which demonstrates that people want to shop at the store which maximises benefits from shopping and minimises costs and risk required (e.g., time, effort and money).
Variations in education, attitudes, values, etc. across social class levels could be expected to lead to variations in consumer information processing and decision making styles within and across social strata (Fisher, 1987).

It is also noted in the works of East et al., (2005) and McGoldrick and Andre (1997), that the highest levels of loyalty towards stores have been found with households enjoying high levels of income and using the automobile frequently to go shopping. Whereas, Shim and Kotsiopoulos (1992a) found that social class was not helpful in predicting specialty store patronage, information sources, or the importance of store attributes. Other studies (Bellenger & Korgaonkar, 1980; Kopp et al., 1989; Shim & Kotsiopoulos, 1993; Shim & Bickle, 1994; Morganosky, 1995) examined only certain elements of social class such as education, income and area of residence. Research indicates that members of different social classes vary in numerous psychological characteristics and responses (Kohn et al., 1990).

3.5.2 Demographic factors

Demographic factors such as age, gender, marital status, income, female working status, education, occupation and family size wield enormous influence on choice of retail format in grocery retailing (Zeithaml, 1985; Sampson and Tigert, 1992; Arnold, 1997; Sinha and Banerjee, 2004; Fox et al., 2004; Carpenter and Moore, 2006).

Zeithaml (1985) conducted a field study to examine the effects of five demographic variables (gender, female working status, age, income, marital status) on supermarket shopping variables (e.g. shopping time, number of
supermarkets visited weekly, amount of money spent). Stone (1995) compared
the demographic profiles of supermarket shoppers and warehouse club
shoppers, finding that warehouse club members were younger, more educated,
and had higher incomes. Forsythe and Bailey (1996) found that age, marital
status, occupational status, and shopping enjoyment affect the amount of time
spent shopping. Fox et al (2004) examined the effect of demographics on
format choice across three formats: grocery stores, mass merchandisers, and
drug stores and the findings indicated that household size, income, and level of
education influence consumers’ format choices.

With respect to age, previous studies carried out in the UK (e.g. East et
al., 1995, 1997; Mason, 1996; Mc Goldrick and Andre, 1997) have confirmed
that the buyers showing the greatest store loyalty are found amongst the under-
45s, with the over-65s being the least loyal (East et al., 1997).

With respect to gender, shopping is considered as a gendered activity.
Available research on shopping behaviour seems to suggest it is women who
go shopping for food and grocery products and that shopping is categorized as
a “female typed” task (South and Spitze, 1994).

With respect to education, it was found to be a component of patronage
in some studies (Shim & Bickle, 1994; Kopp, et al, 1989). Education is related
to social class, because it is closely correlated with occupation, but there are
behavioural implications for education that go beyond this relationship and also
affect consumer information processing and decision making (Williams, 2002,
Two studies indicated that education was not significant in determining patronage (Shim & Kotsiopoulos, 1993; Morganosky, 1995).

With respect to occupation, the values, attitudes and motives that arise from greater levels of occupational self-direction underlie behaviour beyond the workplace, extending to all phases of existence, including buying behaviour (Williams, 2002, p.253). Results were also inconclusive on the importance of occupation as a component of patronage (Bellenger & Korgaonkar, 1980; Kopp, et al., 1989; Shim & Kotsiopoulos, 1993; Shim & Bickle, 1994).

With respect to Household income, previous research supports the view that a household’s income has a major effect on its consumption. Research also supports the assertion that relative class income is an important determinant of buying behaviour for retail store selection (Dawson et al., 1990). In addition the higher income will result in a shopping basket comprising of goods of better quality (Bawa and Ghosh, 1999) and is also expected to have a wider variety of assortment in the consumption. Thus the aggregate shopping is expected to grow with the income levels and also diversify in terms of the objects of consumption. With a higher income level, the impulse shopping will be less drain on the resources and is also expected to increase.

In addition to, high-income households will have a higher opportunity cost for time and should be less willing to spend time on shopping trips for utilitarian consumption. Thus the frequency of shopping trips is expected to be negatively related to household income (Bawa and Ghosh, 1999). This would however, be moderated by increase in consumption and inducing need for
hedonic shopping (in addition to utilitarian) and impulse purchases on non-shopping trips. Bawa and Ghosh, (1999) found that higher income households tend to shop more frequently; similar result was also found by Leszczyc and Timmermans (1997). An increase in the income will increase the need for experiential shopping thus affecting the format choice. The retail format choice will also get affected by moderating the affect of location, as higher income might reduce the cost and increase the ease of transportation. It has also been observed that high-income households are more likely to display a store switching behaviour (Leszczyc and Timmermans, 1997).

The size of the family unit has been positively associated with the degree of store loyalty (Mason, 1996; McGoldrick and Andre, 1997; East et al., 1997). Family size and composition implies the total number of members in a family and the distribution between adults and children. Larger families will have higher levels of consumption and will buy larger quantities of products/services to satisfy the consumption. They will also require a wider variety of products, and therefore are likely to get stocked out more frequently than smaller families (Bawa and Ghosh, 1999). It is thus likely that larger families will have larger basket sizes and larger number of shopping trips. The previous research supports that household size has a positive effect on the likelihood of a shopping trip (Leszczyc, Sinha, and Timmermans, 2000). Similarly Bawa and Ghosh, (1999), found that the size of the family was positively associated with the frequency of shopping trips and the basket size. Furthermore, McGoldrick and Andre (1997) have observed a higher degree of
loyalty from married, as compared to single, individuals and, in a similar line 
East et al., (1997) found that single person households present the lowest levels 
of loyalty. The presence of children in the household, whether of school-age or 
younger, has also been positively associated with store loyalty (e.g. Mason, 
1996; East et al., 1997; McGoldrick and Andre, 1997).

3.5.3 Geographic Factors

In general, the closer the consumers are to a store, the greater their likelihood 
of buying from that store. In contrast, the farther away consumers are from a 
store, the greater the number of intervening alternatives and thus the lower their 
likelihood to patronize that store (Loudon and Della Bitta, 1993). The travel 
time to a store is assumed to measure the effort, both physical and 
psychological, to reach a retail outlet. However, the effect of travel time varies 
by product. For some products, consumers are willing to travel very far 
(Hawkins et al., 1998). In general, consumers will find the best available route 
to a retail outlet to cut down on travel time and will seek alternative routes that 
would save time. It is found that driving time and distance to stores have a 
significant impact on store patronage (Runyon and Stewart, 1987). In general, 
the farther consumers are from a retail outlet, the less likely they are to shop 
there if other alternatives are nearer at hand. In addition, the farther the outlet is 
from the consumer in terms of time to reach it, effort to reach the outlet, or 
mileage to the outlet, the greater the cost to the consumer.

Furthermore, the probability that a consumer will shop at a particular 
store reflects his or her sensitivity to the characteristics of shopping facilities,
and the travel time and the cost (Runyon and Stewart, 1987). Associated with the distance travelled are: the time costs which represent “the value of the time it takes to acquire a product”; the travel costs which “are the direct outlays for transportation”; and psychic costs which “are the frustrations and tensions” encountered in purchasing the product (Lusch and Lusch, 1987, p. 630). In forming their overall evaluation of a store, and whether to patronize that store, consumers trade off the inconvenience of travelling to the store with the attractiveness of the store. However, all things being equal, consumers will tend to patronize the closest store or the store with the shortest travel time requirement.

**Shopping trip frequency and demographic characteristics**

3.5.4 Consumer Shopping trip regularity and demographic characteristics

Previous studies on retail format choice can be seen from different perspectives depending on the purpose of the study. One of the perspectives of consumer choice study focuses on the relationship between shoppers’ trip frequency and their demographic characteristics. Cunningham and Cunningham (1973) identified income and education are the most influential variable in determining shopping frequency in grocery retailing. Darden and Lumpkin (1984) reported that income and age are determinant demographic variables on influencing shopping frequency. On the similar lines, Korgaonkar, Lung, and Price (1985) and Lumpkin and Hawes (1985) empirically examined and found significant the impact of income, age, sex, marital status and store attitude toward shopping frequency.
Doti and Sharir (1981) developed and tested a model of a grocery shopping trip to explain the impact of household characteristics on grocery shopping behaviour. Similarly, Kim and Park (1997) found the fact that a households shopping frequency was influenced by shopper’s race, household size, and the shoppers age. Bawa and Ghosh (1994) found that households with large family size, older household head and fewer employed members were most frequent grocery shoppers. Similarly, Bawa and Ghosh (1999) found that the size of the family was positively associated with the frequency of shopping trips and the basket size. Bawa and Ghosh (1999) found that higher income households also tend to shop more frequently; similar result was also found by Leszczyc and Timmermans (1997).

Darley and Lim (1993) found that store attitude, store image, product quality, selection, store atmosphere and service are influencing shopping frequency and lastly, Gehrt and Yan (2004) identified product quality, price and service are significant with shopping frequency. It is observed that past purchase experience with retail formats influences shopping frequency to continue or alter change the retail format.

3.5.5 Psychographic factors

Psychographics is an approach used to define and measure the lifestyles of consumers using activities, interests and Tam and Tai (1998). Psychographics dimensions are the measurements of the consumer’s mind, which pinpoints how he or she thinks, feels, reacts and reflects (Roy and Goswami, 2007). Psychographic dimensions enable us to understand why consumers behave the
way they do (Schiffman and Kanuk, 2001). The psychographic description looks at the inner rather than the outward expression of the person in respect of product specific segmentation, buyer behaviour and shopping orientations, retail institutional strategies and consumer behaviour profiles (Edris and Meidan, 1989). These studies are used to develop an in-depth understanding of the market segments in accordance with their activities, interests, opinions (Goswami, 2007) needs, motives, perceptions, lifestyles and attitudes (Bajaj et al., 2005). Personal and social motives are also influencing consumer behaviour towards choice of retail formats which fulfill their needs and wants. Traditional demographic variables cannot identify the complete characteristics of an evolutionary retail market because consumers in the same demographic group have very different psychographic make-up (Sinha, 2003). Most psychographic research attempts to segment customers in accordance with their values, activities, interests, and opinions (AIO). An AIO instrument consists of large number statements with which a large number of respondents express degrees of agreement or disagreement (Blackwell and Miniard, 1994). Psychographics or life style studies include attitudes or evaluative statements about the people, place, ideas, and products and so on in consumer behaviour (Hawkins et al, 2002). Values, personality, and lifestyles constitute the basic components of psychographics provide detailed understanding of consumer behaviour (Hoyer et al., 2008). Some of the psychographic variables used in this study are described in the following paragraphs.
The interaction between consumer values and store attributes seems to be an important missing link in the extensive literature of research examining a specific area in consumer behaviour: the determinants of store choice behaviour. On the one hand, there have been numerous studies establishing a link between consumer values and consumer behaviour. On the other, there has been considerable research examining the link between store attribute importance judgments and patronage behaviour. However, there seems to be an absence of research examining the link between importance judgments of consumer values and store attributes. One would expect that the importance of personal values would be related to the importance of store attributes. That is to say, consumers upholding certain values as important goals to achieve or as important modes of conduct may also prefer certain attributes to be present in the stores they choose to shop in. If this is correct, then preferences for certain store attributes might be explained by differences in consumer values. It is against this background that the study reported in this paper tries to fill the void in the consumer behaviour literature by searching for support for the link between importance of personal values and importance of store attributes.

Values are end-states of life, the goals one lives for (Kahle, 1983). Values-widely held beliefs about what is acceptable and or desirable (Goswami, 2007). Values influence both attitude and behaviour (Kahle, 1996; Rokeach, 1973). Carman (1977) also proposed a model linking values to consumption behaviour. The Rokeach Values Survey, the Value and Lifestyle Survey (VALS), and List of Values (LOV) are three surveys commonly used in
marketing research to analyze consumer behaviour. The LOV scale consists of nine values: self-respect, sense of accomplishment, being well respected, security, warm relationships with others, and sense of belonging, fun and enjoyment in life, self-fulfilment, and excitement. The LOV scale relates more to consumer behaviour than the other two scales (Kahle, Beatty, & Homer, 1986). In further research Homer and Kahle (1988) divided the LOV into internal (self-respect, sense of accomplishment, warm relationships with others, fun and enjoyment in life, self-fulfilment, and excitement) and external (being well respected, sense of belonging, and security) values. Findings indicated that people who placed a higher importance on internal values wanted control over their product and retail format choices and were less likely to be influenced by retailers (Homer and Kahle, 1988).

People from the same subculture, social class, and occupation may lead quite different lifestyles (Kotler et al., 2009). Life style is a person’s pattern of living in the world as expressed in activities, interests, and opinions. It portrays the “whole person” interacting with his environment. Lifestyles are shaped by whether consumers are money constrained or time constrained. Lifestyles relate closely to consumer’s values and personality, whereas values and personality represent internal states or characteristics. Lifestyles are manifestations or actual patterns of behaviour represented by a consumer’s activities, interests, and opinions (Hoyer et al., 2008, p.425). These are determined by (a) a customer’s personal characteristics namely, genetics, race, gender, age, and personality; (b) his or her personal context, namely culture, institutions, and
reference groups, and personal worth; (c) needs and emotions. These three sets of factors together influence the pattern of activities (Sheth and Mittal, 2003). One of the most popularized approaches to life style research for markets segmentation is called values and life styles system (VALS), developed by SRI International, Inc., in California. According to Stanford Research Institute (SRI), people pursue and acquire products, services, and experiences that provide satisfaction and give shape, substance, and character to their identities (Gonzalez and Bello, 2002). The following lifestyle variables were chosen based on their frequency in the literature and application to retailing:

**(a) Activities:** Activities consist of work, hobbies, social events, vacation, entertainment, club membership, community, shopping, and sports (Wells & Tigert, 1971). Crask and Reynolds (1978) found department store shoppers travelled frequently, participated in sports, worked on community projects, and entertained friends. Miller, Schofield-Tomschin, and Kim (1998) found that people who had a strong sentiment towards their community were more likely to shop in local stores. Female shoppers were very active in social organizations, community organizations, and book clubs and somewhat active in business organizations and bridge clubs (Bellenger et al., 1976). Bellenger, Robertson, and Greenberg (1977) found the convenience or economic shopper who did not enjoy shopping was involved in reading, sewing, and cooking. These researchers characterized the recreational shopper as enjoying shopping as a leisure activity and entertaining guests at home (Bellenger et al., 1977).
(b) **Interests:** Interests were categorized as family, home, job, community, recreation, fashion, food, media, and achievements (Wells & Tigert, 1971). Crask and Reynolds (1978) reported frequent department shoppers kept in touch with family and friends and enjoyed social events. They exhibited their strong cultural interest by visiting art galleries and museums. They enjoyed reading fashion magazines and listening to music and were interested in foreign cultures. Frequent department store shoppers were concerned with cleanliness, appearance, and health (Crask & Reynolds, 1978).

(c) **Opinions:** In lifestyle research people are asked about opinions concerning themselves, social issues, politics, business, economics, education, products, the future, and culture (Wells & Tigert, 1971). Frequent department store shoppers described themselves as liberal, urban, self-indulgent, and innovative. They also reported to be financially secured, satisfied with life, and physically attractive. In regards to shopping, frequent department store shoppers were careful shoppers, price conscious, opinion leaders, pro-business, and pro advertising (Crask & Reynolds, 1978).

Previous research studies by Cosmos (1982) revealed that total assortment of goods and services used by a consumer was a mirror image of his/her lifestyle using AIO variables. Keng *et al.*, (2003) segmented library visitors in Singapore on the basis of learning and reading related lifestyles to understand the frequency of usage and encourage library patronage among the general public. Wu (2003) examined the significant relationship with consumer lifestyle and online shopping behaviour. In a similar vein, Nijmeijer *et al.*,
(2004) investigated the relationship between food lifestyle and vegetable consumption using personal values, lifestyle components, food beliefs and attitudes. In more recent times, Roy and Goswami (2007) segmented the college goers of urban Kolkata in India examining the psychographic characteristics like AIO inventory and LOV scale on frequency of purchase of different products/services. Prasad and Reddy (2007) also examined the psychographic dimensions of food and grocery retail customers towards preference of retail formats in India. They identified four segments of consumers’ viz., hedonic, utilitarian, conventional and socialisation exhibiting different preferences toward choice of food and grocery retail formats.

(d) Shopping Orientations/Motives: Shopping orientation indicates the way shoppers perform their task of shopping. Shopping orientations are determined by customers' values, personal characteristics, and media habits (Shim and Kotsiopoulos, 1993). Shopping orientation is described as lifestyle specific to shopping behaviour (Darden and Howell, 1987) or general attitudes toward shopping (Solomon, 2007). Shopping orientation captures the motivations of shoppers and the desired experiences and goals they seek in their shopping activities (Vijayasarathy, 2003). Consumers may have different shopping styles and they are often segmented into groups by their shopping orientations (Moye and Kincade, 2002). By understanding the shopping orientations of their target customers', retailers gain a competitive advantage by maximizing customer satisfaction through their ability to acknowledge and fulfill their customers’ shopping needs and preferences (Seock and Sauls, 2008). In previous research,
consumers' shopping orientation was identified as an important predictor of their shopping behaviour, such as preferences for retail format choice (Sherman et al., 1997); perceived importance of store attributes (Moye and Kincade, 2003). Osman (2001) confirms these results and stated that shopping orientation, together with lifestyle, will significantly influence the evaluation of store attributes. It is also found from previous research that shopping orientation groups are differed with regard to the importance placed on store attributes (Moye and Giddings, 2002; Kim and Chen-Yu, 2005).

Arnold and Reynolds (2003) indicated that consumers have multi-dimensional shopping orientations and identified a variety of shopping orientations. Darden and Ashton (1974) identified the fastidious grocery shopper to have a high self confidence and desirous of clean stores with a variety of brands in each product. Lumpkin, Hawes, and Darden (1986) reported the thrifty innovator to be the most self-confident generally and confident about shopping abilities. Sproles and Kendall (1986) described the brand conscious shopper as one who believed price equals quality and inclined to buy the more expensive, well-known national brands. Sproles and Kendall (1986) found the price conscious shopper looking for sale prices and appearing conscious of lower prices in general. Shim & Bickle (1994) investigated the recreational shopper who enjoys shopping as a leisure-time activity. Sinha (2003) analysed the shopping orientations in the evolving Indian market and found that the Indian shoppers seek emotional value more than functional value of shopping. He also found that orientation was being affected primarily by the
type of store, the frequency of buying, and to some extent by the socio-economic classification based on the identification of two segments (Fun shoppers and work shoppers). Existing research also shows that shopping orientation is closely related to other shopping behaviours, such as store evaluation criteria (Seock and Chen-Yu, 2007), retail format choices (Hawkins et al., 1989), the use of information sources (Lumpkin and Hawes, 1985), perceptions of merchandise quality (Budisantoso and Mizerski, 2005), and the number of items purchased at the store (Sherman et al., 1997).

3.6 Store Format Attributes

Store attributes are considered the “means” by which a consumer is able to achieve a desired “end”, such as a favourable consequence or personal value satisfaction (Kerin et al., 1992). The following research gives merit to the effects of store attributes and characteristics on retail format choice and patronage decisions. Several studies have been done in various countries on store attributes, commonly called store image variables in marketing literature (Lindquist, 1975; Gensch and Recker, 1979; Pessimer, 1980; Tigert, 1983; Woodside and Trappey, 1992; Medina and Ward, 1999). The objective of these types of studies is the identification of key attributes that influence customers retail format choice. These key attributes have often been discussed as “determinant attributes”. Williams et al., (1978) found evidence of relationships between pricing practices, customer service policies, and format choice.
A.C. Nielson (1986) explored that the primary reasons for consumer retail format choice are ease of parking and convenient location with no mention of loyalty owing to having a particular store loyalty/benefit card. Hutcheson and Mutinho (1998) found that shoppers used a combination of the quality of staff and “the occurrence of low prices and the frequency of promotions” in choosing a store. Woodside and Trappey (1992) used a multinomial Logit model to investigate consumer retail format choice. They found low prices, large selection and a convenient location were the three reasons mentioned most often by respondents for shopping at their named primary store. In addition, store environment and atmosphere to be influential in consumers format decisions (Baker et al., 1994; Donovan et al., 1994).

Taylor (2003) has identified product assortment, availability, convenience, and pricing as significant drivers of format choice. Fox et al., (2004) identified frequency of store promotion efforts and product assortment–related factors to be highly influential on format choice in the grocery sector. Hansen and Slogaard (2004) have done a large study in Danish grocery retailing and revealed that Product assortment was identified as the single most influential variable affecting choice of retail format across three formats: discount stores, conventional supermarkets and hypermarkets. In addition, price level and location appeared to be influential factors in terms of retail format choice.

Baltas and Papstathopoulou (2003) identified product assortment, quality, store brands and location were drivers of retail format choice in Greek
grocery market. Sinha et al., (2005) empirically found that ambience; accessibility, price and merchandise were important store attributes in format choice in food and grocery retailing in India. Carpenter and Moore (2006) found that the pricing, product assortment, and customer services are important factors in determining choice of format in US grocery retailing (Carpenter and Moore, 2006). Previous research studies related to various determinant attributes used in patronage retailing have been summarised in Table 2.16 The following section will reveal the different store attributes taken into account in the present study

3.6.1 Location Attributes

Accessibility is another factor that attracts shoppers to the stores. Good accessibility means ease of transportation that is coupled with a short travel time to the store. All things being equal, stores that are easily accessible are likely preferred by consumers (Eppli and Shilling, 1996). Ownbey et al., (1994) assert that a retail stores’ location could determine its success or failure since the size of its “catchments” is related to its accessibility. Stores that are located near a bus interchange or mass rapid transit station are likely to enjoy more exposure and draw greater traffic volume than stores that are not easily accessible (Thang and Tan, 2002). Lindquist (1974) refers to accessibility as having a convenient location and this includes parking facilities.

Hence, better accessibility implies fewer impediments and consequently less displeasure to consumers making a trip to the store. The choice of store is very much influenced by location (Fotheringham, 1988). Woodside and
Trappey (1992) reported that location of store influenced the customer satisfaction. Kim and Jin (2001) found that location was the most important attribute in choosing a store.
<table>
<thead>
<tr>
<th>Author(s)</th>
<th>store Attributes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fisk (1961)</td>
<td>Location convenience, merchandise suitability, value for money, sales efforts and store services</td>
</tr>
<tr>
<td>Lindquist (1974)</td>
<td>Congeniality of store, Merchandising, service, clientele, physical facilities, convenience (location, parking), promotion (advertising, displays, trading stamps), store atmosphere, institutional factors, post-transaction satisfaction</td>
</tr>
<tr>
<td>James et al. (1976)</td>
<td>Price, assortment, personnel, atmosphere, service, quality</td>
</tr>
<tr>
<td>Schuler (1979)</td>
<td>Quality and price of merchandise.</td>
</tr>
<tr>
<td>A.C Nielson (1986)</td>
<td>Parking and convenient location</td>
</tr>
<tr>
<td>Mazursky &amp; Jacoby (1986)</td>
<td>Merchandise quality, merchandise pricing, merchandise assortment, location convenience, sales clerk service, general service</td>
</tr>
<tr>
<td>Woodside and Trappey (1992)</td>
<td>Low price, large selection and convenient location.</td>
</tr>
<tr>
<td>Teas (1994)</td>
<td>Upscale (quality of merchandise, prestige, physical appeal of store, price), Merchandise (e.g. selection), transaction effectiveness, responsiveness.</td>
</tr>
<tr>
<td>Hutcheson and Mutinho (1998)</td>
<td>Quality of staff and low prices and frequent promotions.</td>
</tr>
<tr>
<td>Chowdhury et al. (1998)</td>
<td>Quality, atmosphere, employee, selection, convenience, price/value.</td>
</tr>
<tr>
<td>Taylor (2003)</td>
<td>Product assortment, availability, convenience, and pricing</td>
</tr>
<tr>
<td>Gomez et al. (2004)</td>
<td>Merchandise quality &amp; price, merchandise fashion and style, merchandise selection, refund and company procedures, reputation, Professional and friendly staff, internal layout and design.</td>
</tr>
<tr>
<td>Morschett et al. (2005)</td>
<td>Quality of performance, scope of offers, price levels.</td>
</tr>
<tr>
<td>Sinha et al (2005)</td>
<td>Ambience, accessibility, price, No. of SKUs, merchandise, service mode.</td>
</tr>
</tbody>
</table>
3.6.2 Merchandise Attributes

A chief attraction of a retail store centers on its merchandising (Thang and Tan, 2002). Several studies have shown that assortment is an important factor in retail format choice (Arnold et al., 1983). The components of merchandise are the quality, selection or assortment, styling and fashion of merchandise (Nevin and Houston, 1980). A strong merchandise mix provides consumers with a wider choice of products and services and enhances the ability of the stores to fulfil their needs and wants (Hanson, 1980). This reduces the possibility of their subsequent visits to other competing stores to satisfy an unfulfilled need (Beatty et al., 1996).

For this reason, large-sized stores have an advantage over the smaller ones in providing the retail agglomeration and reducing disutility or cost to the consumers in their search effort. Thus, stores that are perceived as having superior merchandising are likely to be preferred by the consumers. Grewal et al., (1999) has identified product assortment is one of the most important store attribute of retail patronage. According to the large study of Danish grocery retailing industry by Hansen and Sloggard (2004) reports several important findings and product assortment was identified as the single most influential variable affecting the choice of retail format across three formats: discount stores, hypermarkets and conventional supermarkets.
3.6.3 Price-promotional Attributes

As Lichtenstein *et al.*, (1993) state, price is unquestionably one of the most important factors affecting retail format choice. Over the years a number of researchers have focused on examining different elements of price as a determinant of retail format choice (Bell and Lattin, 1998; Yavas, 2003; Fox *et al.*, 2004). Price-related behaviours represent an important area of focus within the stream of research on patronage behaviour (Dawar and Parker, 1994; Richardson *et al.*, 1994; Moore and Carpenter, 2006). Research into consumer behaviour with regard to pricing is ubiquitous in the marketing literature including inquiry into consumer use of reference prices (Biswa* et al.*, 2002), response to price reductions (Grewal *et al.*, 1996), prices as a signal of quality or value (Grewal *et al.*, 1998) point out that price is central to consumer behaviour due to its presence in all purchasing situations. The literature suggests that consumers perceive price in both positive and negative roles that ultimately influence purchasing behaviour. When price is perceived as a positive cue, it signals quality, prestige or status to the consumer (Lichtenstein *et al.*, 1990). In its negative role, price is perceived purely as an economic sacrifice. In both the situations, perceptions of price operate as marketplace cues that aid the consumer in their decision making process within increasingly complex market situations (Dodds, 1995). Over the years, a number of researchers have focused on examining different elements of price as determinant of retail format choice (Fox *et al.*, 2004). They examined the relationship of price to grocery shopping behaviour and found that price was less
important in driving consumer spending than promotions and store assortment. Seiders and Costley (1994) found price to be a major determinant of retail format choice in the grocery shopping context. Yavas (2003) reported price as an important driver in retail format choice among a battery of patronage motivations.

Retailers are constantly engaged in promotional efforts that include “incentives” such as sales and discounts to attract shoppers to their stores. Promotions help to create public awareness of the activities of the stores (Bagozzi et al., 1999) and increase the likelihood of patronage. Hence, a well-managed promotional strategy attracts consumers to the store (arousal) and builds a value for money mindset in them. According to Urbany et al., (2000), in-store promotions are significant with choice of retail format and patronage.

3.6.4 Customer Service Attributes

Service quality is a contributor to consumer perception in all interactions between customer and staff, and these evaluations contribute towards the perceived image based on a number of store visits (Bruce et al., 2004, p.197). Research has demonstrated that service quality is among the predominant attributes affecting retail format choice (Mulhern, 1997). Waiting for service in a retail environment is an experience that can lead to consumer dissatisfaction (Katz et al., 1991), which in turn can result in negative effects on store patronage behaviour (Hui et al., 1997). It is observed that customers terminate the purchase process because check-out lines are too long or sales assistance is inadequate (Grewal et al., 2003). Kumar et al., (1997) finds that length expectations influence satisfaction with the
waiting experience. Two possible ways to combat the adverse effects of high wait expectations is by having more employees visible on the retail floor and/or adding enhancing elements to the store environment, which has been found to influence store patronage intentions (Zeithaml et al., 1993; Baker et al., 2002).

3.6.5 Atmospheric Attributes

Store atmospherics refer to the general surrounding as created through the use of retail design features including tangible elements such as floor, wall, and ceiling surfaces (i.e., materials, colors, textures); lighting; fixtures and mannequins; product trial areas; customer seating areas; point of purchase and window displays; as well as intangible elements such as music, temperature, and scent (Hyllegard et al., 2006). In explicit and implicit ways, store atmospherics contribute to and communicate brand identity and retail image to consumers. In recent years, a number of researchers have examined the influence of store atmospherics on consumer behaviour. Building on the work of Kotler (1973-1974), much of this research has explored the role of store atmospherics in contributing to consumers’ purchase and store patronage intentions. Previous studies also examined that effect of store environment on grocery store selection and produced evidence of a relationship between the two variables (Hansen and Deutscher, 1977).

The shopping experience, as created by the store environment, has been found to play an important role in building store patronage (Sinha and Banerjee, 2004, p.485). In addition, store environment and atmosphere appear to be
influential in consumers’ format decisions (Baker et al., 1994 and Donovan et al., 1994). Store atmosphere also refers to the environment that is brought about a coordinated visual display of merchandise and the ease of mobility within the store (Lee, 1998). Donovan and Rossiter (1982) found that the emotional reaction triggered by the physical surrounding directly influenced the shopping behaviour of consumers. A well-planned store atmosphere provides a favourable environment that blends layout with piped-in music, colour, decorative features and lighting which collectively enhances the desirability of its merchandise to the consumers (Thang and Tan, 2002, p.100). Music has been shown to affect consumers’ response to retail environments, typically in a positive manner (Baker et al., 1992). Hui et al., (1997) note that “playing music in the (service) environment is like adding a favourable feature to a product, and the outcome is a more positive evaluation of the environment. In sum, store atmosphere works on the pleasure and arousal domain of consumer perception and store with favourable atmosphere are likely to increase consumer preference.

The role of ambience in retail format choice has also been found significant (Sinha et al., 2005; Carpenter and Moore, 2006, p.437). Store atmospherics, or the retail site and its physical design and decor, play an important art in the creation of spectacle (Penaloza, 1999). In addition, researchers have explored how consumer behaviour is influenced by consumer impressions of the overall store environment as well as their responses to individual design characteristics such as colour scheme, layout, design, or background music. For instance, Thang and Tan (2003)
found that consumers’ holistic attitudes about a given store atmosphere influenced their overall preference for that store. Here, consumers’ holistic attitudes were operationalised as the sum of ratings for attitudes about store decoration, store layout, ease of movement through the store, and merchandise display. Likewise, Baker et al., (2002) found that consumers’ perceptions of the overall store environment (e.g., variations in colour, display accent trim, layout, and general organization of the merchandise) indirectly influenced their store patronage intentions. Specific features of the store environment that have been found to shape consumer behaviour include lighting (Areni & Kim, 1994), merchandise displays (Fiore, Yah, & Yoh, 2000), and music (Baker et al., 2002; Dube, Chebat, & Morin, 1995; Milliman, 1982). These works suggest that when consumers perceive a store environment or element of that environment positively, they are more likely to remain in a store for a longer period of time (Milliman, 1982; Turley & Chebat, 2002) to touch or examine merchandise (and to indicate an intention to purchase (Fiore et al., 2000).

3.6.6 Facilities Related Attributes

Stores endowed with good facilities are more likely to secure a favourable consumer perception. Facilities refer to the provision of infrastructures in the stores that enhance the comfort of shopping (Nevin and Houston, 1980). By reducing the fatigue and discomfort of mobility, facilities include refreshment kiosks; child care corners, nappy-changing areas and clean wash rooms increase the consumers’ pleasure of being in the store and indirectly prolong the duration of
their visit. To a certain extent, consumers’ visit to retail stores often takes the form of a recreational activity whose worthiness is reinforced by the level of service provision within the store (Bitner et al., 1994). Hence, the quality of in-store services is likely to have a strong impact on consumers’ purchasing behaviour (Shycon, 1992). In-store service includes providing information on merchandise, responding to consumer query, guidance to merchandise location, attendance by sales personal, and so on (Lindquist, 1974). The aim of in-store service is to strengthen store-consumer relationship, increase consumers’ pleasure of shopping in the store and encourage their repeat visits (Reynolds and Beatty, 1999).

3.7 Store Image, Retail format choice & Patronage

In their efforts to identify determinants of retail patronage, researchers have highlighted the prominence of store image as a crucial factor. Martineau (1958) was the first researcher to offer the following description of store image: “it is … the way in which the store is defined in the shopper’s mind, partly by its functional qualities and partly by an aura of psychological attributes”. The term is used interchangeably with attitude toward the store to describe the overall impression a consumer has of it (Doyle and Fenwick, 1974-75). The more favourable the image, the more likely it is that the consumers would shop and buy at the store. More particularly, considerable evidence has been amassed to suggest that shoppers seek stores whose image is congruent with their own self-image. As Martineau has pointed out, no store can be all things to all people. As with brands,
it makes sense to segment the market and to attempt to develop an image which conforms to the needs of the store’s target customers.

The store image researchers have conceptualised image to include store attributes. In this realm, they have endeavoured to establish a connection between store attribute importance judgments, image formation, and store patronage. A plethora of studies have been conducted on the meaning and measurement of image (Kunkel and Berry, 1968; Marcus, 1972, Lindquist, 1974-1975; McDougall and Fry, 1974-1975) and attribute importance in retail store selection (Hansen and Deutscher, 1977-1978; Dichter 1985a, 1985b; Keaveney and Hunt 1992; Zimmer and Golden, 1988). Store image is a critical component in retail format choice and store loyalty (Malhotra, 1983; Hawksley, 1990; Osman, 1993; Ailawadi and Keller, 2004).

But increasing competition in the food and grocery market is pressing many multiples to search for new ways to differentiate themselves and gain a better competitive position in the minds of consumers to improve store loyalty. Although a number of store-image studies (e.g. Hallsworth, 1987) have identified store attributes, evidence suggests that these attributes vary by store type (Tigert, 1983) and over time (Davies, 1992), but no work has considered the most crucial aspects to retailers, namely store loyalty. These studies propose to help retailers understand how grocery consumers’ store perceptions and store loyalty varies depending on such variables as the type of product purchased (e.g. groceries or durables), the type of store (e.g. discount, department, or other) (Hansen and
Deutscher, 1978), the type of consumer and the timing of the study (Davies, 1992). Tigert (1983) found that whilst locational convenience, price level, product assortment, service and quality appear to be important in all sectors. Ailawadi and Keller (2004) found that wide range of products, a depth of within-category brand products and quality of the manufactured product brands highly and positively influence the customer’s image of a store.

Baker et al., (2002) pointed out that a store’s shopping environment plays an extremely important role in providing information and shopping guides to customers, and is the key feature in building the store image. Parker et al., (2003) pointed out that merchandise quality and service quality are key variables in influencing store image. Some store attributes such as store location, merchandise, price, advertising and promotion, personnel, services offered, physical design and nature of store clientele have been found to exert a consistent influence on retail format choice (Buttle, 1985). But, Davies (1992) presents empirical findings between 1983 and 1990 on multiple food retailers which show that the determinant store attributes tend to change over time in accordance with the changing nature of shopper’s needs and motives and thus repeat studies are necessary.

3.8 Shopping Patterns & Retail format choice

The commitment of time and effort to the shopping activities is directly related to the number (and duration) of shopping trips made by a household member (Dholakia, 1999, p.158). The shopping context is a major determinant of household shopping frequency-groceries is purchased more frequently than
clothing or gifts. Shopping frequency is also likely to be directly influenced by the individual’s shopping responsibility and his/her sex. Kahn and Schmittlein (1989) classified consumers in two segments, “Quicks” and “Regulars” by employing the amount of money spent as an exogenous variable, they found that “regulars” made grocery shopping trips mainly in week intervals. Similarly, assuming that consumers are heterogeneous in terms of their trip regularity, Kim and Park (1997) found clear difference between “random” and “routine” shoppers in terms of several demographics and purchase behaviour characteristics. The routine shoppers are identified to have higher opportunity costs, which make it difficult for them to visit grocery stores more often and/ or to switch stores. However, they spend more money for a given shopping trip, which implies the importance of segmenting shoppers by their shopping trip regularity.

Frequency of shopping at a particular outlet is closely linked with store image because image formations result in predispositions that generally guide patronage (Granbois, 1981). Past research has shown that shopping trips and expenditures at a shopping area were found to be significantly affected by shopping area image (Wee, 1986). Consumers form impressions about stores and these impressions have a significant impact on store patronage or frequency of shopping at a particular store. The probability that a consumer will shop at a given store increases as the individual's perceptions of the store become more positive. In general, consumers patronize stores whose image is congruent with their self-perceptions and unconscious needs. Thus, store specific attitudes (e.g. store image)
and general attitudes toward the type of store influence shopping behaviour (e.g. shopping frequency).

### 3.8.1 Shopping basket and Retail format choice

Consumers typically shop for multiple items on a given trip rather than a single item; and these items form the shopping basket for the shopper. Shopping basket has been defined as ‘comprising the collection of categories that consumers purchase on a specific shopping trip’ (Manchanda, Ansari and Gupta, 1999). Shopping basket will affect the retail format choice in various ways such as the size itself will affect the retail format choice, as shoppers are prepared to go farther to shop for a larger basket than a smaller basket (Bawa and Ghosh, 1999). The contents of the shopping basket will restrict the choice across formats and stores (Leszczyc and Timmermans, 1997). The contents of the basket will affect the shopper’s perspective of the store and affect the ongoing retail format choice (Desai and Talukdar, 2003). Overall preference for the store might shift as a function of the composition of the shopping basket (Leszczyc and Timmermans, 1997).

In the literature pertaining to retail format choice, the consumers evaluate a group of stores on a set of attributes and then, depending upon their individual preferences, patronize the best store. It has generally been seen that all the stores in the choice set are in the same formats (Bhatnagara and Ratchford, 2004). Since not all the products/services are available in all retail formats, this means that the shopping basket will narrow the scope of the retail format choice to particular
formats. However, since some formats offer overlapping products or services, the choice is also between various formats. Bell and Lattin, (1998), demonstrated how the size of the basket determines the choice of store between EDLP/Hilo formats. These indicate that the first choice for the shopper is that of the format, which depends to a large extent on the shopping basket, but will also depend, on the other format attributes that the shopper would derive from the format. It is then proposed that family attributes, as family composition, occupation status etc. will decide the shopping basket. The choice of the shopping basket will then play a major role in deciding first the format and then the store. The final store will be chosen keeping in mind the store attributes such as location, store image, price image, ambience etc. In certain exceptional circumstances, such as strong loyalty to a store, a particular type of ambience or location, considering the composition of the basket and the availability in the store of the merchandise, the choice might be made directly for the store instead of going through the process of basket-format-store.

3.9 Situation Variables

A shopping situation is a particular act of buying behaviour occurring at a specific point in space and time. Situation variables refer to all those factors particular to a time and place of observation which do not follow from knowledge of personal (intra-individual) and stimulus (choice alternative) attributes (Zhuang et al., 2006). Such attributes range from store location and lay out to time of day and the
presence (or absence) of others. There are two kinds of situation variables considered in the present study: task definition and perceived risk.

3.9.1 Task Definition

Task definition is more individual-specific and encompasses cognitive and motivational indications of the shopping situation, effectively capturing situational influences on the task definition, information search, and valuation stages depicted traditional consumer decision making models (Bajaj et al., 2005, p.241). Every shopping occasion will have tasks associated with it. For a family the situation becomes much more complex as they might approach the same store with a variety of tasks, while the shopping might be a chore for the mother it might be a means of enjoyment for the child. Some task definitions like purely utilitarian purpose and others for hedonic reasons changes store choice behaviour (Arnold and Reynolds, 2003). The task definition comprises the set of goals a consumer forms to resolve needs deriving from a specific situation (Marshall, 1993). Shoppers economise on the amount of time spent shopping, by making multipurpose trips, combining purchases for different product categories and reducing the number of trips at a particular time period, or by purchasing a large amount of goods, for example, groceries, while making a single-purpose shopping trip, reducing travel costs by combining trip over time (Peter et al., 2004). It has also been defined as ‘the reasons that occasion the need for consumers to buy or consume a product or service’ (Belk, 1975). Task definitions is applicable to both purchase as
well as usage situations, while the purchase situation refers to the circumstances of the purchase a usage situation refers to the circumstances of the usage of the product or service (Kenhove, Wule, and Waterschoot, 1999). It has been found (Mattson, 1982) that store-attribute saliencies differ, depending upon whether the shopper was looking for a gift for another person or for personal needs.

Research also suggests that at the time of shopping the retrieval of different store attributes will depend upon the task in hand (Simonson and Tversky, 1992; Green and Krieger, 1995). Also Kenhove, Wule, and Waterschoot (1999) found evidence for the fact that Retail format choice is differentiated by task definitions. Thus even for the same shopping basket, changing the task will result in change in format or retail format choice. When the family approaches the shopping, it is highly likely that the different members approach, shopping with different tasks, in such a situation the multiplicity of the tasks of the individual members will result in a very complex choice decision for the store.

3.9.2 The Perceived Risk

In the process of evaluating which stores to patronise, consumers consider a variety of factors, often referred to in the retailing literature as retail format choice evaluative criteria (Rosenbloom, 1983). The central issue for food retailers is, therefore, choice; choice of what products to buy and which stores to patronise. Since the outcome of a choice decision can only be known in the future, the consumer is forced to deal with uncertainty and to the extent that the consumer realises he/she may not attain all of his/her buying goals, risk is perceived. The
perceived risk has been conceptualised as a multi-dimensional phenomenon being subdivided into various risks or losses, e.g. physical, financial, psychological, social, convenience and time losses (Mitchell and Harris, 2005, p.823). If the consumer perceives a probability of a mismatch between his/her expectations and the incentives offered by the situation, then he/she perceives a risk of not fulfilling his/her motives at that time (Hawes and Lumpkin, 1986). Bettman (1973) suggested that perceived risk is composed of “inherent risk”, which is the latent risk that a product (or retailer) class holds for a consumer and “handled risk”, which is the amount of conflict a product (or retailer) causes when the consumer chooses a brand or a store in a particular buying situation (Bettman, 1973). Performance risk can also be seen as a surrogate for overall risk which results in a combination of other losses. Physical risk refers to the health or appearance of the consumer and to the physical and mental energy expended on shopping and effort saving personality of the products purchased.

Dowling and Staelin (1994) refer to this partitioning as “product-category risk” which reflects the person’s perception of the risk inherent in purchasing any particular product category and “product specific risk” which is associated with a particular product purchase. One of the first measures of consumers’ pre-purchase risk perception contained the two components of certainty and consequences (Cunningham, 1967). Traditionally, perceived risk has been conceptualised as a multidimensional phenomena and overall risk has been subdivided into various risks or losses. Kaplan et al., (1974) identified five types, namely, performance,
physical, financial, psychological and social. Roselius (1975) later added a sixth, time loss. Financial risk refers to the consumer's concerns about how much goods are valued for money as well as concerns about how much money might be wasted or lost if the product does not perform well (Mitchell, 1998, p.174). It also includes any accidental costs accrued from the shopping experience, e.g. travelling costs, paying more than necessary. Psychological risk results from the social embarrassment and loss of social esteem resulting from friends or family comparing the store's image with the image they have of you, as well as the internal psychological disappointment at oneself for shopping at a store which is not consistent with one's self-image (Mitchell and Harris, 2005, p.824; Sridhar, 2007). Each product has a set of these risks associated with its purchase and each consumer has an individual risk tolerance which, if exceeded, one or more risk-reduction strategies will be employed to reduce the amount of risk perceived to a tolerable level. Perceived risk theory mandates that the retailer who can offer the lowest-risk products and stores will have a significant competitive advantage.

3.10 Retail Format Choice & Patronage Behaviour

The study of consumer retail format choice and patronage behaviour has been an important area of research in retailing for many decades (Tripathi and Sinha, 2006). The distinction between retail choice, patronage and preference is emphasised because the terms refer conceptually different consumer behaviours, even though they are used interchangeably in retail selection research (Spiggle and Sewall, 1987). However, the ultimate goal of any business is to establish a loyal
and profitable customer base in order to ensure future profits and longevity of the business (Grace and O’Cass 2005). Retail patronage describes whether or not respondents visit, spend money at, or shop at their main store (Chetthamrongchai and Davies, 2000). It also includes patronage intentions such as a willingness to recommend or buy, and shopping methods (Baker et al., 2002). Pan and Zinkhan (2006) identify a number of precursors to retail patronage, including quality and price; market relevance, such as store service; and personal factors, consisting of items such as demographics precursors of retail patronage. Repeat patronage or repatronage extends the notion of patronage to predicting of loyalty outcomes (East et al., 2005).

The decision on the choice of retail format has been modelled in different ways in the literature. Retail format choice literature has a rich tradition and some of the notable works to date are Arnold, Tigert and associates (1983, 1996), Monroe and Guiltinan (1975), Darden (1979), Sheth (1983), Mason, Durand and Taylor (1983), Dawson, Eagle (1984), King and Ehrenberg (1984), Louviere and Gaeth (1987), Spiggle and Sewall (1987), Bloch and Ridgway (1990), and Burke et al., (1992). These studies have variously tried to rationalise retail format choice in terms of store attributes, importance weights, store attitudes, general shopping patterns, household demographics and situational factors. Some of the studies have taken the household as a rational decision making unit, (Becker, 1965; Goldman and Johansson, 1978; Bawa and Ghosh, 1999). Similarly, Bell, Ho and Tang, (1998) in their work on retail format choice found evidence that each shopper is
more likely to visit the store with the lowest total shopping cost. However, the research has also revealed that customers also care about other store attributes in making their patronization decision.

Some of the researchers (Bell, Ho and Tang, 2001) have worked on the shoppers perceived utility and the store image in making the retail format choice. Research also exists on how store environment cues influence consumers' retail format choice decision criteria, such as perceived merchandise value and shopping experience (Baker et al., 2002). Retail format choice has also been seen in the context of the risk reduction strategies of the shoppers (Mitchel and McGoldrick, 1996; Mitchell and Harris, 2005). In addition work on retail format choice has also been done on the role of situational factors (Wu, Petroshius, and Newell, 2004) and the task-store attribute relationship (Kenhove, Wule, and Waterschoot, 1999).

It has also been found to be dependent on the timing of shopping trips, with consumers visiting smaller local store for short "fill-in' trips and larger store for regular shopping trips (Kahn and Schmittlein, 1989). Most of the studies in retail format choice have however pointed out the primacy of store location (Arnold, Oum and Tigert, 1983; Freymann, 2002) and price (Arnold, Oum and Tigert, 1983, Bell, Ho and Tang, 2001; Freymann, 2002) as the key drivers of retail format choice. Lastly Bell and Lattin (1998) found a systematic relationship between a household's shopping behaviour and store preference, especially in the context of choice of a format (EDLP/Hi-lo).
3.11 Retail Patronage

Retail patronage issues have been engaging academic minds ever since the dawn of marketing as a scientific discipline (Bhatnagar, 1998). The ultimate goal of any business is to establish a loyal and profitable customer base in order to ensure future profits and longevity of the business (Grace and O’Cass 2005). Retail patronage describes whether or not respondents visit, spend money at, or shop at their main store (Chetthamrongchai and Davies, 2000). It also includes patronage intentions such as a willingness to recommend or buy, and shopping methods (Baker et al., 2002). Pan and Zinkhan (2006) identify a number of precursors to retail patronage, including quality and price; market relevance, such as store service; and personal factors, consisting of items such as demographics precursors of retail patronage. Repeat patronage or re-patronage extends the notion of patronage to predicting of loyalty outcomes (East et al., 2005).

Retail stores are no different and the degree to which customers are motivated to re-patronize the store can mean the difference between sustained prosperity and growth of the retail store or permanently closing the doors. Gone are the days when retail stores can survive purely on the basis of the brands they merchandise. Given that increased competition has provided consumers with many shopping alternatives, what is important now is the way in which retail stores add value in order to encourage repatronage (Grace and O’Cass 2005, p.228). Store
patronage is defined and measured in behavioural terms. There are five ways of looking at patronage and these are not mutually exclusive (Kaul, 2006, p.3):

1. Does the consumer shop exclusively at Store X?
2. Does the customer spend ‘larger’ % of total expenditure at Store X?
3. Does a ‘larger’ % of total shopping trips to similar stores happen at Store X?
4. Does the customer buy a ‘larger’ % of quantity/items at Store X?
5. Is the consecutive trips made to Store X ‘significantly’ more than consecutive runs made to other similar competing stores?

Loyal shoppers, as per the first definition, are so rare as to be practically negligible (Cunningham, 1961). This has been found to be true in subsequent studies (Kau et al., 1984). Most consumers are multiple-store shoppers though differences exist across store types. As quoted in a study “Grocery Stores have fairly low loyalty in the sense of generally not satisfying…customer’s total needs…” (Kau et al., 1984. P.401) and in the second definition, patronage is usually measured by comparing consumer’s total weekly/monthly purchase (in money terms) from the store, with the normal family consumption in a month. The third definition recognizes the multiple-store shopping behaviour and measures patronage as the proportion of trips made to a particular store given the average number of trips made in a given time period.

The fourth definition, more applicable in studies related to frequently purchased, low-value items like groceries, looks at number of items purchased and not its value as an indication of patronage behaviour. The last definition
presupposes that loyalty erodes fast. It has found application in situations where competitiveness is high, promotions and deals are constantly offered to lure shoppers, and retaining a customer is difficult given the numerous alternatives. Consequently this definition is more applicable in a more competitive scenario than afforded in India at present (Popkowski et al., 2000). The second, third and fourth definitions of patronage are most common in patronage related studies and of would be of use in the present Indian context broadly on the classification of trade-area related (Applebaum, 1966; Hubbard, 1978; Gautschi, 1981, p.52), product related (Arnold et al., 1983, Craig et al., 1984, Louviere and Gaeth, 1987) and consumer motives and attitudes related (Pan and Zinkhan, 2006, p.230; Bhatnagar, 1998, p.3). Pan and Zinkhan (2006) identified retail patronage through two dimensions: (1) store choice (i.e., a consumer’s choice to patronize a particular store) and (2) frequency of visit (i.e., how often a shopper patronizes that store) (Pan and Zinkhan, 2006, p.230).

3.11.1 Definition of Terms

- **Kirana store**: It is a retail outlet that is owned and operated by individuals. The range of products are very selective and few in numbers. These stores are seen in local community often are family-run businesses. The square feet area of the store depends on the store holder.

- **Supermarket**: It is a self service store consisting mainly of grocery and limited products on non food items. They may adopt a Hi-Lo or an EDLP
strategy for pricing. The supermarkets can be anywhere between 20,000-40,000 square feet.

- **Shopping Orientation**: A shopping specific lifestyle encompassing shopping activities, interests, and opinions and reflecting a view of shopping as a complex social and recreational, as well as economic phenomenon (Howell 1979).

- **Store Attributes**: Store evaluative criteria, which include a variety of dimensions such as the merchandise dimensions and the service dimension (Peter & Olson, 1987).

- **Lifestyle**: Defined as a pattern in which an individual lives and spends time and money (Engel et al., 1990).

- **Patronage behaviour of food & grocery shopping**: A store choice behaviour, which represents an individual's preference for a particular store for purchasing a merchandize (food and grocery products) (Shim & Kotsiopulos, 1992a).

- **Social Class**: A grouping of people who are similar in their behaviour based upon their economic position in the market place (Engel et al., 1990).

- **Family Life Cycle (FLC)**: The stages a family passes through during its lifetime (Engel et al., 1990).

- **Instrumental Values**: A mode of behaviour or conduct leading to a higher level of values (Rokeach, 1973).
Terminal Values: A mode of behaviour or conduct leading to an end state of existence (Rokeach, 1973).

Values: An enduring belief that a specific mode of conduct or end-state is personally preferable to its opposite (Rokeach, 1973).

Patronage: Reasons consumers chose one place to shop rather than another (Granger, 1994).

**Cross shopping and retail format choice**

The importance of examining retail format choice is fueled by the evolution of formats and frequency of cross shopping behaviours among consumers. The cross shopping concept was first discussed in the trade literature in the late 1970s (Cort and Dominguez, 1977). Over the past 25 years researchers have altered the formal definition of cross-shopping to represent different retail contexts. Cort and Dominguez (1977, p. 187) originally defined cross shopping as: . . . when a single customer patronizes multiple types of retail outlets which carry the same broad lines of merchandise, are operated by a single firm, and are designed to appeal primarily to different target segments.

Williamson (1994, p. 2) augmented the original definition by defining the concept as, “a single customer patronizing multiple types of outlets which carry the same broad merchandise lines” to suit their conception of cross-shopping in apparel retailing. Yet another definition of cross-shopping in the literature includes Schoenbachler and Gordon’s
(2002) interpretation of cross-shopping as situations where consumers purchase goods through multiple channels operated by the same firm (i.e. brick and mortar, internet, catalog). Regardless of context, the phenomenon refers to the incidence of consumers shopping at different types of retailer formats for like products also commonly referred to intra-type competition (i.e. two different retail formats that sell substitutable products or services).

3.12 Identification of Research Gaps

The literature review has helped, in identifying the number of research gaps in the domain of the present research. The important research gaps in relation to the present study may be summarised as follows.

A. As a whole, literature review indicates substantial research and industrial motivation to study patronage behaviour in retailing with a view to enhance performance in their growth and development of retail formats. But, most of the previous models have used limited shopper attributes like family size, marital status, family life cycle, social class and a few psychographic variables.

Hence, there is a research gap to explore and extend shopper attributes such as age, gender, occupation, geographical variables like distance travelled to the store and psychographic dimensions such as values, activities, interests, opinions, and shopping orientations in predicting the retail format choice and patronage behaviour in food and grocery retailing.
B. Retail format attributes appear to be the most dominating forces in terms of retail format choice and patronage behaviour. Previous studies had identified a few attributes. However, there is still a large gap in the exploration of determinant attributes and their influence on retail format choice and patronage behaviour in retailing.

C. It is observed from the literature survey that cross shopping behaviour is widespread in food and grocery retailing in the context of evolution of retail formats. However, there is a lack of empirical work that examines the intertype cross-shopping phenomenon (i.e. crossing from neighbourhood Kirana store format to Supermarkets) in food and grocery retailing.

D. Previous studies have not reported comprehensive study on shopper buying behaviour which is a must for any small or large retailer to set up relevant retail formats with apt retail strategies in the context of Indian retailing.

E. The review of literature reveals the discernible influence of situation variables in the determination of retail format choice behaviour across the studies. The present study has identified the importance of situation variables such as task definition and perceived risk which have not been included and empirically examined in previous models in predicting the retail format choice behaviour in food and grocery retailing.

F. The literature review indicates several conceptual models in retail format choice and patronage behaviour in retailing. But, most of the models have
not been tested with shopper attributes and determinant store attributes in food & grocery retailing.

G. Despite the importance of retail format behaviour, literature review reports that no comprehensive research frame work has attempted to assess the impact of shopper attributes and store attributes on retail format choice and patronage behaviour in the context of Indian food & grocery retailing.

In the light of aforesaid research gaps, this dissertation endeavours to address these notified gaps by developing and examining a conceptual model in the context of Indian food and grocery retailing.