Chapter 2

Literature Review

This chapter includes reviews of existing literature to understand retail experience and customer satisfaction and to explore the possible dimensions of the same in the context of organised and unorganised Indian retail sector. The findings of the previous studies helped to understand the various theories, definitions and to develop the conceptual framework for the present study. The review of literature is also carried out to identify the gaps in available literature.

2.1. Retail Experience

Nowadays, the success of any company’s offering is determined by the experience factors. Different approaches have been used in the past research in order to understand the concept of retail experience and to establish its relationship with many independent variables. The authors have used the term such as consumer experiences or shopping experiences and retail experiences while discussing experience in retail environment. With the increase in the literature of retail experience the eagerness of scholars and practitioners have also increased.

A review of literature reveals that the concept of customer experience was firstly coined by Holbrook and Hirschman (1982); they have given the experiential approach to consumer behavior.

The experience concept came relevantly to the front in the management discipline with the research of Pine and Gilmore's (1998) on the Experience Economy. The authors presented the holistic realms of customer experience (esthetic, entertainment, education, and escapist), which emerged as a progression of economic value as it’s create value for both company and the customer. They mentioned that the development and nature of economic value goes from commodities to goods, to services and finally to experiences which is what consumer value more today. Therefore, no two persons can have the same level of
experience, as each experience derives from the interaction between the staged event and the individual’s state of mind.

**Schmitt (1999)** proposed a model of experiential marketing by identifying five Strategic Experience Modules (SEMs) such as sense (sensory experiences), feel (affective experiences), think (cognitive experiences), act (lifestyle and behaviour experiences), and relate (social-identity experiences). The companies can create experiential marketing by making consumer feel to above mentioned experiences.

**Gentile, Spiller, and Noci (2007)** defined customer experience on the basis of the relevant scholarly and managerial contributions. According to them customer experience is sternly personal which is derived from the series of interactions with a product, or company. During this interaction the involvement of the consumer can be seen at different levels such as spiritual, physical, rational, and emotional. They have proposed six components of customer experience: sensorial, pragmatic, emotional, lifestyle, cognitive, and relational component.

**Jain and Bagdare (2009)** explained that buying decisions of customers is greatly influenced by the retail experience generated through the process of consumption and these experiences are completely personal, active in the mind of a person who has been affianced on an emotional, physical, intellectual, or even at spiritual level.

**Verhoef et al. (2009)** presented a holistic approach of customer experience including consumers emotional, physical, social, affective, and cognitive responses to the retailers. This shopping experience is not only created by those factors which can be controlled and modified by the retailers (such as retail atmosphere, assortment of goods, service interface, etc) but also by those factors which are outside the control of goods or service provider (such as shopping, motivation, influence of other shoppers in the store, etc).
Schmitt (2010) defined customer experience as perceptions, feelings and thoughts that customers encompass when they come in the contact of the products or brand in the market place and during the process of consumption including the past experiences.

Sachdeva and Goel (2015) emphasized that shopping experience is a process which includes more than just buying goods or services as what customer remember about shopping experience is defined by the mood, feelings and intensity of emotions created while shopping. Therefore, both utilitarian and hedonic experiences contribute in overall consumption experiences.

2.2. Customer Satisfaction

Customer satisfaction is a crucial issue of consumer research and retail marketing as it is an important factor that determines the success of any retail business. It has been considered as a central construct in the marketing literature by many academicians. In today’s highly competitive world of retail business, ensuring customer satisfaction by delivering the right goods and services to the end consumer is the essence of success. Therefore, it is very important to measure and to find out the various determinants of customer satisfaction. In the marketing literature, customer satisfaction has been conceptualized in various ways.

One of the primary theories of marketing literature and the most widely applied method for understanding customer satisfaction is Oliver’s Expectancy-Disconfirmation model (1980). According to this paradigm, the level of satisfaction is achieved by the customer after comparing their purchase experience, perceptions and expectations of the product or service performance. Once the consumer purchase or use the goods and services, he compares the purchase experience and performance of the same with the initial expectations he had in his mind. The result of this evaluation is an attitude in the form of satisfied or dissatisfied. According to this theory there are three types of disconfirmation: (i) positive disconfirmation occurs when the purchase experience and performance of product and services is more than the customer expectations, it leads to satisfaction; (ii) confirmation occurs when the actual performance and experience meet the expectations, leading to the
neutral feeling in both the cases, it can influence positive purchase intentions and (iii) negative disconfirmation occurs when the experience and performance is below the consumers’ expectations, it leads to dissatisfaction and thus further negatively influence future purchase intentions.

Rust, Zahorik, and Keiningham (1995) worked on this theory and took it one step ahead by mentioning that the gap between perceived quality and expected quality is defined as expectancy disconfirmation, which is an important antecedent of customer satisfaction.

Fornell, Johnson, Anderson, Cha, and Bryant (1996) through their research revealed three determinants of overall customer satisfaction: perceived quality, perceived value and customer expectations.

Babin and Darden (1996) suggested that consumer emotions have an impact on both spending and customer satisfaction. However, it has much higher significant influence on customer satisfaction. The study also revealed that negative in-store moods have considerably greater effect on satisfaction than do positive moods. Further, the study shows that consumer emotions affect customer overall satisfaction directly and without the mediating effect of spending between the two.

2.3. Behaviour Intention

Behavioral intention can be explained as the extent to which a consumer decides to behave in a specific way in the future. It can be categorized as favourable and unfavourable where, favourable behavior intention includes positive word-of-mouth communication, loyalty, spending more time and money, repurchase intentions, etc. and unfavourable behavior intention includes negative word-of-mouth communication, spending less time and money, switching or complaining.

Westbrook (1987) has defined word-of-mouth as informal communications with other customers related to the usage, ownership or characteristics of specific product or services and their sellers.
Swan and Oliver (1989) in their study mentioned two aspects of word-of-mouth i.e. evaluative and conative aspect. Where, evaluative aspect is related to the experiences shared by the consumer about retailer with the others and conative aspect is the recommendation of the retailer by the consumer to the others.

According to Oliver (1997) customer loyalty is a commitment by the consumer to re-purchase or re-patronize a specific goods or services every time in the future regardless of marketing efforts and situational persuasion that cause switching behaviour.

Chitty, Ward, and Chua (2007) define customer loyalty in two distinct ways: (i) behavioural loyalty (i.e. repeated purchase behaviour), (ii) attitudinal loyalty (i.e. affective and cognitive aspects of loyalty).

According to Jones and Taylor (2007) marketing and psychological literature has measured behavioural loyalty through purchasing intentions, repurchasing intentions and switching intentions. The attitudinal loyalty indicated by psychological and emotional facets of customer loyalty.

Osman, Ong, Othman, and Khong (2014) conducted an empirical study to examine the impact of store atmospherics on in-store behaviour using stimulus-organism-response theory. The results of the study revealed that atmospherics (colour, music and salespersons) influences mood of the shoppers which in turn exerted impact on in-store behaviour of consumer. The positive mood act as a mediator between atmospherics and in-store behaviour hence, influenced the behaviour intention of the shoppers in terms of re-patronage intention and, time and money spent in the store.

2.4. Building Blocks of Retail Experience and Customer Satisfaction

In order to have competitive edge, retailers need to satisfy the customers by enhancing their shopping experiences. Therefore, it is important for the retailers to know the various dimensions that influence retail experience and customer
satisfaction. The researchers have studied the impact of various factors on retail experience and customer satisfaction.

The term “atmospherics” was first introduced by Kotler (1973) to describe the deliberate control and manipulations of environmental stimuli, he emphasizes the significance of atmospheric in marketing research and its influence on consumer behaviour by drawing the attention of retailers’ management. It is an important marketing tool to influence the behaviour of consumers at a place of purchase or consumed and the retailer has various options to manipulate the store atmospheric cues.

Mehrabian and Russell (1974) an environmental psychologists, developed a model that explains individual’s reaction to a particular environment. According to it, shopper’s behavior is influenced by the environment that is shopper’s emotions and moods mediate the relationship between store environment and consumer’s behavior. They presented that environment influences person’s three states of emotion: Pleasure, Arousal and Dominance (the PAD model). Pleasure indicates the degree to which an individual feels happy, good, pleased, satisfied, hopeful, and content. Arousal is defined as the degree to which individual feels excited, aroused, relaxed or bored. Dominance is considered as the degree to which an individual feels influential, in control of the situation. The model states that these emotions act as a mediating variable between environment and two contrasting forms of consumer behavior: approach and avoidance. Whereby, approach responses seen as positive reaction of individual to the environment in the form of desire to stay, explore, etc. on the other hand, avoidance response is the opposite, characterized by not wanted to explore or to stay, or to spend time looking in the store. They hypothesized that pleasure would have significant influence on approach-avoidance behavior whereas arousal would have an interactive effect with pleasantness on approach behavior. Dominance dimension would be positively influencing approach behavior (Figure 2.1).
Figure 2.1: Mehrabian & Russell PAD Model

Donovan and Rossiter (1982) was the first one to implement Mehrabian & Russell’s framework into retailing and service settings. Since then, the PAD framework has been extensively used in relation to store environment. They found that pleasure significantly influence the approach behavior of the consumers in the store in terms of willingness to spend more time and money than planned in the store. The effect of arousal was found to vary and was only a significant predictor of affiliation measures such as friendly to others. Whereas dominance dimension was not significantly influence any of the approach-avoidance behavior. Therefore, this dimension was not considered for further study and due to lack of empirical support other researchers has usually deleted dominance dimension in their studies while using Mehrabian & Russell’s approach.

Baker (1987) has divided environmental cues of a store into three categories (i) ambient factors (for instance, music, scent and quality of air) do not influence the customer’s purchase decisions, they just satisfies customer expectations and absence of it could create avoidance behavior, (ii) design factors comprises of aesthetic factors (related to physical cues such as color, architecture etc.) and functional
factors (for example layout, comfort etc.), these factors influence level of pleasure and customers behavior respectively, (iii) social factors represents the presence of people (both other customers and service personnel) in the servicescape (Table 2.1). The study had some limitations like the research talks about the experience of only first time customers ignoring the customers having past retail experience and external factors which are outside the control of the retailer.

**Table 2.1: Components of Physical Store Environment**

<table>
<thead>
<tr>
<th>Ambient Factors</th>
<th>Background conditions that exist below the level of our immediate awareness</th>
<th>Air Quality</th>
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<td>• Temperature</td>
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<td>Scent</td>
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<td>Cleanliness</td>
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<th>Design Factors</th>
<th>Stimuli that exist at the forefront of our awareness</th>
<th>Aesthetic</th>
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<td></td>
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<td>Architecture Colour Style Materials Décor</td>
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<td>Scale Shape</td>
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<td>Texture, Pattern</td>
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**Functional**

- Layout
- Comfort
- Signage
- Accessories

<table>
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<th>Social Factors</th>
<th>People in the Environment</th>
<th>Audience (Other Customers)</th>
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<td></td>
<td></td>
<td>Number, Appearance, Behaviour</td>
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<tr>
<td></td>
<td></td>
<td><strong>Service Personnel</strong> Number, Appearance, Behaviour</td>
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Source: Baker (1987, p 80)

**Bitner (1990)** coined the term “servicescape” which means an environment where the services are delivered through the interaction of firm and customer. The concept of servicescape is often represents the retail environment as atmospherics. From the broader perspective servicecape comprises of three factors (i) facility exterior (exterior design, signage, parking, landscaping, and the surrounding environment), (ii) facility interior (interior design, equipment used to serve the customer directly or used to run the business, signage, layout, air quality, and temperature) and (iii) other tangibles (business cards, stationery, billing statements,
reports, employee appearance, uniforms, and brochures). Therefore, these three dimensions have an effect on the approach/avoidance behavior of the customer in the interactive retail environment and act as antecedents of the perceived services cape.

**Berman and Evans (1995)** has presented large number of atmospheric variables and segregated multifaceted retail environment into four categories of atmospheric cues, the exterior of the store, the general interior, the layout and design variables, and the point-of-purchase and decoration variables.

**Turley and Milliman (2000)** in their study further added the fifth category to complete the topology given by Berman and Evans comprising of 57 specific cues: exterior variables (comprises of building size and shape, exterior windows, marquee, parking availability, surrounding area, congestion and traffic, etc.), general interior (consist of lighting, music, interior colours, ambient scents, layout and design variables, temperature and general cleanliness of the store, etc.), design variables (including merchandise groupings, traffic flow and aisle placements, department locations, racks and fixtures, placement of cash registers etc.), point-of-purchase and decoration (comprises of product displays, signs and cards, price displays etc.), and human variables (includes employee characteristics, uniforms, retail crowding, and customer characteristics). It includes the influence of other shoppers and store employees on the behaviour of the consumer. After reviewing around 60 studies the authors concluded that there is some significant relationship between atmospheric manipulations and customer behaviour intention which encourage shoppers to respond to environmental cues.

**Sanghyun and Alan (2003)** based on their review study identified seven important attributes and behaviours of sales associates that influences customer emotions: trustworthiness, expertise, empathy, friendliness, enthusiasm, similarity, and professional appearance. These attributes were selected by the researcher because they have been extensively studied in the field of selling and have an impact not only the effectiveness of the sales personnel but also on customer’s emotions during sales interaction. According to the study, the interaction between customer
and sales associates create favourable experience and positive feelings towards sales personnel to the level that the behavior of salesperson arouses favourable customer emotions. In addition, these feelings that are generated due to the relationship between sales associates and customer interaction influences the degree of satisfaction customer gets during shopping.

Anselmsson (2006) conducted an empirical study on 770 mall shoppers in Sweden to measure the various determinants of customer satisfaction. The result of the study revealed eight important factors (such as atmosphere, promotional activities, selection, sales people, convenience, merchandising policy, refreshments, and location) that influence customer satisfaction.

Andreu, Bigné, Chumpitaz, and Swaen (2006) proposed an inclusive model showing the relationship between retail atmospherics (internal and external), emotions, satisfaction and behavioural intentions (desire to remain in the store, re-patronage intentions, and disposition to pay more). They have empirically tested this model among the customers of two distinct retail settings—shopping centers and traditional retailing areas in three European countries. According to the results, positive perceptions of retail environment of both the retail settings influenced positively the emotions and behavioural intentions (desire to remain in the store and re-patronage intentions) of customers. The study also proved that emotions play a significant role in creating customer satisfaction and consumer behavioural responses to retail settings.

Siders, Voss, Godfrey, and Grewal (2007) conceptualized convenience as a multidimensional construct and shows that five types of convenience occurs in services namely decision, access, transaction, benefit, and post-benefit convenience. Where, decision convenience is significant before the service exchange as it describes the decision of consumer in deciding the store to shop for goods and services in order to minimize his time and effort, hence availability of information about the service provider and its competitor facilitate this dimension. Access Convenience is a critical dimension of convenience as it defines the degree of avoidance of time and efforts perceived by the consumer in getting service.
provider’s location. It is determined by physical location, parking availability, and operating hours. Benefit convenience is related to the core benefits of the service experienced by the consumer and it can vary across different service categories as it is important for the services with high utilitarian value in comparison to services with high hedonic value. Transaction convenience is defined as the degree of avoidance of time and efforts perceived by the consumer to complete the transaction of goods and services. This usually includes finding the cashier area for the exchange of the selected merchandize for money and moving through it. Post-benefit convenience occurs after having passed the cashier area, the customer contact the retailer for the return of merchandise, customer complaints, etc.

Moeller, Fassnacht, and Ettinger (2009) integrated the dimensions presented by Seiders et al. (2007) in their empirical study by dividing the construct of shopping convenience as entailing decision, access, search, transaction, and after-sales convenience. Here search convenience means the degree of avoidance of time and efforts perceived by the consumer in searching and selecting the merchandize he prefers to buy. This aspect includes good store layouts, proper in-store signage, and customer-oriented information through sale associates. According to the result of the study decision, search, transaction and after-sales convenience have a significant influence on exit intention of the shoppers whereas, access convenience do not show any kind of impact. Retail convenience is an important dimension that helps the retailer to retain their customers. As customers would like to repeat their shopping with those retailers that helps them in saving their time and efforts by providing convenient retail experience.

Jain and Bagdare (2009) conducted an empirical study on 218 customers of organised retail formats in order to explore the determinants of retail experience. According to the study store atmospheric has emerged as the major determinant of retail experience and in order to create a positive experience for the shoppers, new format stores are using innovative combinations of products, services, processes, technology, people and environment. The study further analyze the impact on consumer demographics on the determinants of the retail experience and as per the findings there is no significant difference in terms of determinants in relation to age,
gender, income and occupation. At the same time, both utilitarian and emotional dimensions also influence retail shopping experience of the customers.

Kamladevi (2009) in her conceptual study suggested that the goal of customer experience management is to convert satisfied customers to loyal and make them advocate for the firm. The paper discussed the importance of macro factors in the retail environment such as brand, price, promotion, supply chain management, location, advertising, packaging & labeling, service mix, and atmosphere to deliver better customer experience. This experience will further help in influencing the shopping behavior in the form of higher customer satisfaction, more frequent shopping visits, larger wallet shares, and higher profits.

Chavadi and Kokatnur (2010) in their research selected four promotional tools (price discount, offers, free gifts and samples) to study the effectiveness of sales promotion of malls on consumers buying behavior and the result shows that price discount and offers influence the shoppers behavior by creating better experience for them. Regular communication to the retailers through loyalty programmes and promotional deal by the organised retailers will help to establish a good relationship with the consumers and thus, will create favourable shopping experience for them.

Kumar, Garg, and Rehman (2010) conducted study on 450 shoppers of multi-brand stores and found that Indian consumers give greater value to olfactory (ambient scent), tactile (air conditioning) and design factors (such as layout, trial room, etc). The results of the study also revealed that hedonic shopping motivation has higher correlation with satisfaction, positive word-of-mouth, and patronage intention as compared to utilitarian shopping motivation.

Ryu, Han, and Jang (2010) in their research measured the relationships between hedonic values, utilitarian values, customer satisfaction and behavioural intentions of 395 students sample at a mid-western university in the US. The results of the study revealed that both hedonic and utilitarian values have significant influence on customer satisfaction. At the same time, customer satisfaction
influences behavioural intentions significantly. The findings of the study also indicated that customer satisfaction partially mediates the relationship between two values and behavioral intentions.

Jain and Bagdare (2011), reviewed empirical and conceptual studies conducted over last 30 years related to the music and its impact on consumption experience, find that music influence retail experience at cognitive, emotional and behavioural levels, particularly related to time and money spend attitude and perception of consumer and their mood and feelings in the retail environment. It acts as an influential sensory stimulus to elicit emotional and behavioural responses resulting in to an inimitable, unforgettable, and pleasurable retail experience.

Walsh, Shiu, Hassan, Michaelidou, and Beatty (2011) have used holistic framework comprised of store-related cognitions, customer emotions (arousal and pleasure), satisfaction, and loyalty. According to the study there is different impact of store related cognitions (store environmental cues and store choice criteria) on emotions (pleasure and arousal) and customer outcomes (satisfaction and loyalty). Even emotions i.e. pleasure and arousal shows different mediating relationship with store related cognitions and customer outcomes. As per the research pleasure has direct as well as indirect impact (through satisfaction) on customer loyalty, while on another hand arousal has only direct impact. Pleasure plays a vital role in mediating the relationships between store-choice cognitions (in-store music and aroma, merchandise quality and service quality) and marketing outcomes. Arousal has mediating effect between only two store-related cognitions (in-store music and price) and marketing outcomes. According to the results, in-store music does not have any impact on store satisfaction, but has indirectly on store loyalty. The finding suggests that music is not the reason for which customer revisit the store it is actually the overall environment that makes them feel good about the store. Another thing is that, arousal mediates the relationships between price and satisfaction and loyalty, while pleasure does not.
Singh and Sahay (2012) has conducted an exploratory study by adopting mall intercept method on 200 mall shoppers of Delhi NCR region to identify the determinants of shopping experience at the malls. The study shows five important determinants of retail experience in the context of mall shopping: (i) ambience (such as music, odor, lighting and temperature), (ii) physical infrastructure (e.g. parking space, size of the mall, size of open spaces), (iii) marketing focus (such as attractive exteriors, events organised and promotional schemes offered by malls), (iv) convenience (e.g. lifts and escalators, distance of mall from residence of the shoppers, etc.) and (v) safety and security (it includes attributes related to the security against acts of terror, safety from accidents and safety while shopping).

Kim and Kim (2012) reviewed 45 studies in the context of human factors in the retail environment and presented a comprehensive review of the literature related to the role of human factors in brick and mortal retail settings and their effect on consumers. The study was a combination of two main aspects of human behavior in retail environment i.e. the effects of other customers and sales associates. According to the study, presence of other customers including the number of customers influences the shopping behavior. In addition to it, there is importance of physical attributes, behavior characteristics and number of sales associates in the store in influencing customer’s perception and behaviour. The authors have suggested that there is a need to effectively manage, control and manipulate human related environmental cues in order to create favourable experience.

Suresh (2012) in his study found out various determinants of customer satisfaction. The findings reveal that other than the promotion all the determinants (such as convenience, ambience, shopping experience, property management and entertainment) had a significant impact on customer satisfaction. The results also suggested that customer satisfaction has significant influence on shoppers’ patronage behaviour.

Jayasankaraprasad and Kumar (2012) conducted an empirical study on 580 shoppers of supermarkets (food and grocery) in Hyderabad and Secunderabad to identify the antecedents of customer satisfaction and examine the effects of customer
satisfaction on customer behavioural outcomes. The findings of the study suggested that value for money, value for time, service quality, store reputation, and situational factors are the significant antecedents of customer satisfaction in a typical food and grocery retail setting and customer satisfaction significantly influence customer behaviour outcomes such as repurchase intention, positive word-of-mouth, price insensitivity, and complaint behaviour. The result indicated that despite of good availability of assortment of food and grocery products and other various reasons such as convenience, one stop shopping, atmospherics the consumers are not very sure that they will remain loyal to the store and will continue shopping as well as increase their volume of purchase in near future. But at the same time findings imply that satisfied customer is ready to pay premium price for quality products and will become referrals by sharing their retail experiences with relatives and friends.

**Zia and Azam (2013)** have developed a scale for measuring shopping experience in the context of unorganised retail. They conducted an empirical study on 355 shoppers of Delhi NCR region and through exploratory factor analysis identified fifteen elements under the six dimensions of shopping experience such as engagement, executional excellence, brand experience, expediting, problem recovery and frequent buyers program. Further, the study measures the impact of these dimensions on shopping experience with unorganised retail stores. According to the findings, helpfulness, acknowledgement, place to enjoy, store service quality, returns and exchange, shopping convenience, reliability, transactions, merchandise, product variety and store appearance have positive impact whereas, shopping time, complain handling, physical aspect and loyalty programs have negative impact on shopping experience with unorganised retail sector.

**Bagdare (2013)** conducted an empirical study on 676 shoppers of four different malls in Indore city. The study explore four important antecedents of shopping experience namely retail atmospherics (comprises of items related to store ambience and visual display), retail convenience (such as product, after sales services and transactions), store staff (comprises of items related to personality, customer orientation and competency) and relationship orientation (related to personalization and commitment with customers). The results of the correlation
analysis show positive association between retail experience and its antecedents, out of which store convenience has greater influence on shopping experience of the customers. The study further suggested that customer experience (mood, joy, leisure and distinctive) significantly influence customer satisfaction and behavior intention (such as willingness to spend more time and money, retail patronage, loyalty and profitability). The finding of the research also shows that gender has moderating role between retail experience and its determinants.

The study of Khare (2013) indicates that while evaluating retail service quality the Indian shoppers give at most importance to services, employee behavior, credit policies and social relationships therefore, local retailers share a long term relationship with their customers as this relationship act as a significant determinant in service quality assessment. Due to the frequent visit of the customers to their neighborhood stores, a personal relationship is formed between them in a manner that even though the retailer do not have proper product assortment, the customer still like to visit the store because of the interpersonal relationship and the retailer on the other hand try to fulfill all the promises made by him to his customers at any stage of the shopping process. The small retailers personally know their regular customers and offer them personalized services such as credit facilities, easy returns and refunds, taking orders on telephone, home-delivery, etc. The research also indicated that for Indian consumers shopping at local stores was a pleasurable experience for them as it’s an opportunity for the customers to socialize with the retailers and other shoppers.

Zia and Ghaswyneh (2013) conducted an empirical study on 706 shoppers of organised retail store in Delhi NCR region to measure the influence of shopping experience on consumers loyalty towards new retail formats. The researchers considered three important factors of shopping experience namely: execution related excellence (items related to patiently explanation and advice, checking stock, helping find products, having product knowledge and providing unexpected product quality), expediting (it comprises of items related to ease of shopping, helpful employees, quick and error free sales) and problem recovery (such as error free billing and easy product return policy) and identify the impact on customers loyalty.
The findings of the study suggest that problem recovery has the highest impact on consumer loyalty with customer experience whereas execution related excellence has the least impact with the same.

Bagdare and Jain (2013) have conducted a study on 700 personal lifestyle shoppers in Indore city for developing and validating a measure for retail experience of the shoppers. The findings of the study suggest that retail customer experience is a multidimensional construct comprising of four important dimensions such as joy (satisfaction, pleasure, and engagement), mood (good, happy and excited), leisure (relaxing, refreshing, and delightful), and distinctive (uniqueness, memorable and wonderful).

Ramya (2013) conducted an empirical study on the holistic model of customer experience given by Verhoef et al. (2009) on 1052 shoppers of organised retail formats in Chennai city. The study discuss the various determinants of customer experience and the role of moderators such as consumer (goals and socio-demographics) and situation (type of store, location, culture etc.) on the relationship between the determinant and customer experience of the various organised retail formats (supermarket, department store, hypermarket, mall, specialty and branded stores). The findings revealed that social environment, atmosphere and price are the common factors that influence the shopping experience of all the mentioned organised retail formats where as alternative channel experience and past experience play an important role in creating a superior experience in the case of supermarket, hypermarket, mall, specialty stores and branded stores. The study also suggested that there is a significant interaction effects between moderators (such as goal, involvement and location) and various determinants of customer experience.

Mehta, Sharma, and Swami (2014) conducted an empirical study to know the shopping motivation of Indian consumers for shopping in hypermarket and traditional retail stores. The result of the study reveals that Indian shoppers have different motivational dimensions for shopping from both the stores; according to the research Indian shoppers are driven by functional, recreational and social
motivation to do shopping from hypermarkets whereas Indian consumers prefer to shop from small retail shops because of the convenience and relationship they share with the retailer.

**Singh and Prashar (2014)** conducted an exploratory study on 400 mall shoppers of Mumbai to identify the major determinants of shopping experience. The result of the study suggested five important factors such as: ambience (e.g. temperature control, background music, landscaping, ambient odor, general hygiene, illumination), convenience (e.g. distance of mall from home, lifts & escalators), marketing focus (e.g. promotional events, promotional schemes), safety & security (e.g. security against acts of terror, safety from accidents, safety from crimes, safety while shopping) and physical infrastructure (size of the atrium, open space and parking space) as antecedents of shopping experience of the mall shoppers. The result of the study is more or less similar to the study of Singh & Sahay (2011) proving that the metro cities such as Mumbai, Delhi, and NCR regions have similar determinants of shopping experience in the context of mall.

**Reimers (2014)** through their study provided 25 tools prepared from the literature of convenience and empirically tested by retailers so that they can help their customers in saving time and effort. The most commonly used attribute in the literature of convenience is parking which was ranked 8th by the respondents in terms of level of convenience and the attributes that the respondents perceived offering greater convenience were air conditioning, product return and checkout, payment options, etc.

**Srivastav and Kaul (2014)** conducted a study on 840 shoppers of departmental store (Pantaloon, Lifestyle, Shoppers Stop and Westside) and investigate the impact of convenience and social interaction on customer experience and satisfaction. The findings of the study revealed that both convenience (such as location, utilities and entertainment) and social interaction (such as proactive, positive attitude, concern and courtesy) affects the customer experience (think, feel, act, sense and relate) and customer satisfaction (emotional and evaluative). However, influence of convenience and social interaction is more on customer
experience as compared to customer satisfaction. The finding also suggests that customer experience mediates the relationship between convenience and customer satisfaction.

Sadachar (2014) systematically examined Indian consumers’ mall shopping behavior by adopting 4E scale given by Pine & Gilmore (1999): educational, entertainment, escapist and esthetic experiences to test the experiential value from the perspective mall in India. The researcher measured the influence of perceived experiential and functional value on consumers’ satisfaction and willingness to shop from the mall’s retail stores also the effect of this relationship was tested on mall patronage behavior of consumer. The study was conducted through mall intercept technique on 552 mall shoppers in New Delhi. The study also gives imperative insight into the factors that influence consumers’ mall patronage intention. The results of the study show that there is a significant relationship between experiential value (associated with retail stores and non-store aspects of the mall), willingness to buy and satisfaction. The findings also indicated that willingness to buy from mall stores had a significant mediating role between the experiential value mall patronage intentions of the consumer. From the demographic perspectives the results of the study reveals that the majority of mall shoppers were young, educated, affluent and single.

Kaul (2014) conducted an empirical study on 840 lifestyle organised retail customers (Pantaloon, Lifestyle, Shoppers Stop and Westside). The study identifies the determinants of customer experience in lifestyle retail and measures the relationship between predictor variables, customer experience, customer satisfaction and loyalty. The findings of the study revealed that there is a significant positive relationship between customer experience, customer satisfaction and loyalty. The study suggest that customer experience mediates the relationship between all antecedent variables such as merchandise, store image, corporate citizenship, convenience, store image and customer satisfaction. At the same time, the results show that customer satisfaction significantly mediates the relationship between customer experience and customer loyalty in organised retail setting. According to
the researchers if the shopper had a good shopping experience at the store, they will feel more satisfied and hence it will lead to customer loyalty towards the retail.

**de Farias, Aguiar, and Melo (2014)** reviewed papers regarding store atmospheric and customer experience ranging from the year 1950 to 2011 and concluded that, in this scenario of global competition it is very important for the retailers to understand the significance of holistic customers experience as a strategic tool for their retail operations.

**Agarwal and Singh (2015)** in their study found that due to the location convenience and personal interaction with the shopkeeper customer can shop on their convenient time in unorganised stores, as well as unlike organised stores they don’t have to wait in a long queue at billing counters for their exit from the stores. The only dimension on which customers find inconvenience is the lack of payment options available at unorganised stores as most of them do not accept debit or credit cards.

**Kesari and Atulkar (2016)** measured the influence of shopping motivation (hedonic and utilitarian) on the satisfaction of 288 mall shoppers in Bhopal. The study supports the significant positive relationship between shopping motives and customer satisfaction.

**Ladeira, Nique, Pinto, and Borges (2016)** conducted study on 213 amateur runners to enhance the understanding related to the antecedents of satisfaction. The findings of the study revealed that a particular combination of store attributes and hedonic product value has a significant positive influence on satisfaction.

**Atulkar and Kesari (2016)** conducted an empirical research to measure the shopping experience of 366 hypermarket shoppers on weekends in Bhopal city. The results of the study revealed that five out of six dimensions such as emotional attachment, uniqueness, enjoyment, comfort, and impulsiveness positively influenced the shopping experiences of the shoppers whereas, social interaction does not have any significant impact on the customer shopping experiences.
2.5. Studies Related to Aspects other than the Retail Experience in the Context of Indian Retail Sector

Samridhi (2011) conducted an empirical study on 424 mall shoppers in National Capital Region (NCR) to measure the impact of service quality on customer loyalty. The results of the study indicated that there was a positive impact on service quality dimensions on customer loyalty.

Panda (2011) explored the impact of various store attributes and visual merchandising on supermarket shopper’s buying behaviour. The result of the study shows that the visual merchandising and other factors have significant impact on consumer behaviour in the form of the choice of the store.

Sharma (2011) measured the customer retention practices adopted by the selected organised players of readymade garments in Ahmedabad city. The study suggested some factors that could be important in retaining customers and earning their loyalty such as general assistant by staff, convenient store location, store hygiene, wide range of good quality products, etc.

Khare (2011) conducted a research on 276 shoppers of malls to study the consumers’ perception of mall attributes and impact of gender/age groups. The results of the study revealed that consumers’ gender and age play a significant role in influencing their attitude towards shopping malls attributes.

Azeem (2012) measured the impact of store atmospheric stimuli and emotional states on behaviour intentions (customer satisfaction and store loyalty) of 611 mall shoppers in metro cities. The findings of the study indicated significant relationship between three important variables: store choice criteria, customer emotions and behaviour intentions.

Deepika (2012) explored the influence of age and store attributes on consumer preference towards organised stores in Punjab. The results of the study revealed significant influence of store attributes and age on the consumer preference regarding choice of organised retail formats.
Arora (2012) conducted an empirical study to measure the consumer perception and attitude towards the organised retail stores in Rajasthan. The study observed positive consumer perception related to organised retailing and shoppers have started considering contemporary formats for their shopping.

Chitra (2013) conducted a study on 1096 customers in Coimbatore and observed that store attributes do not have significant relationship with shopping behaviour whereas staff attributes significantly influence consumers’ shopping behaviour.

Mohan, Sivakumaran, and Sharma (2013) measured the relationship between store environment cues (light, music, layout, and employee) individual characteristics and impulse buying behavior of 733 supermarket shoppers in Chennai. The results of the study revealed that store environment and personality variables drove impulse buying through positive affect and urge.

Jain (2014) in her study on 400 shoppers of both organised and unorganised retail store observed that quality of products, prices, range of products, location of the store, and parking facilities are some of the factors that affects the purchasing decision of the buyers to shop from an organised or unorganised retail outlet in Rajasthan.

Das (2014) in the study of departmental shoppers in Kolkata indicated that the factors namely self-congruity, retailer awareness, retailer associations and retailer perceived quality significantly influence consumer's attitude toward retailers. Further, the study shows significant relationship between consumers’ attitude toward retailers and purchase intention.

Khare, Achtani, and Khattar (2014) through their empirical study measured the impact of shopping motives (motivational construct) and price perceptions (psychological construct) on shopper’s attitude towards promotion by mall retailer. The result of the study revealed that consumers’ attitude towards promotional strategies followed by retailers is influenced by deal proneness, price consciousness, shopping values, and coupon proneness.
Sudhakar (2015) conducted study on 460 shoppers of organised retail outlets to identify the impact of retail store attributes on store patronage decisions. The finding of the study shows that store attributes have significant influence on store patronage of organised store consumers.

Singh (2015) added another important shopping motivation other than hedonic and utilitarian i.e. materialism to the motivation theory. The role of above three motivations was empirically examined on Indian consumer’s mall patronage intention. According to the results utilitarian, hedonic and materialistic shopping motivation influences consumer’s mall patronage intentions. The study demonstrates that adventure and gratification as a hedonic motivation emerged as the most significant reasons for mall patronage.

Pandey, Khare, and Bhardwaj (2015) conducted an empirical study on 710 small retail store grocery shoppers to measure the impact of low prices, culture, and cosmopolitanism on store loyalty. The results of the study shows that low prices and culture directly influences loyalty but cosmopolitan do not have any direct impact on the local store loyalty.

Research Gap

Most of the studies related to retail experience have talked about the impact of one single determinants of shopping experience such as music, colour, light, product display, convenience etc. There are studies that have treated retail atmospheric (retail environment) as a holistic concept, considering overall effects of various attributes of store atmospheric on the shoppers’ behavior, such studies seems to be truly scarce. At the same time, most of the research studies on retail experience are undertaken in the USA or European countries. Not many studies were pursued in Asian, particularly in Indian context. In India, many studies have been conducted in the field of Indian retail sector but the majority of the studies have measured the impact of service quality and store attributes on customer shopping behavior or they have talked about consumer perceptions regarding the choice of retail outlets. Many previous studies in retailing have been carried out in both Western and Asian countries with focus on the customers belonging to organised retail formats and
considering only one product category (mostly either grocery or lifestyle). There are only handful of research that were conducted in the area of retail experience of Indian consumers and out of that majority of the studies have developed the scale for measuring shopping experience of the consumers who prefer shopping in contemporary retail stores of metro and Tier-I cities. There are hardly one or two studies that have talked about retail experience from the perspective of the unorganised retail store consumers. To the best of the researcher knowledge, no study has been conducted on both Indian organised and unorganised retail sector considering two important product categories i.e. grocery and apparel in Tier II cities touching issues of retail experience, customer satisfaction and behavior intention together in a single model. This certainly reveals the literature gap and necessitate for the study towards this direction. The study of variables and their effects in the integrated structure brings the research nearer to the concept of retail experience and customer satisfaction in developing a framework which is pragmatic and rational.

**Conceptual Model**

After reviewing literature and identifying the various construct, this study proposed a model focuses on the relationship of various determinants of retail experience, customer satisfaction, and behaviour intention. Figure 2.2 presents the entire model which guided this study. The model showed retail experience was related to both customer satisfaction and behavior intention; and customer satisfaction was related to behaviour intention. Seven dimensions (retail ambience, retail convenience, sales personnel and crowding, retail service quality/relationship, product assortment, price/promotion decisions, and customer shopping motivation) were used as an antecedent of retail experience and customer satisfaction. Each dimension was evaluated by several attributes.
Figure 2.2: The Proposed Model of this Study

![Diagram of the Proposed Model]

Source: Developed by the Researcher

References


