Examining Mediating Effects of Customer Shopping Experience on the Relationship between Antecedents of In-Store Experience and Impulse Buying – A Theoretical Framework

Priyanka Singh¹ and Harmeen Soch²

¹Punjab Institute of Management, I. K. Gujral Punjab Technical University
²Punjab Institute of Management, I. K. Gujral Punjab Technical University

Abstract. In the present retail context, the in-store experience plays a vital role in influencing the behavioral outcomes of the customer. The in-store experiences, namely, store atmospherics (which is theorized as the physical retail environment and includes the thematic designs, store theatrics and product assortment), shoppers’ involvement (which is the degree of interest of the customer to acquire more information about the product learn more about it) and the intended end uses (which are defined as the usage intention for the specified product or service) of the product. The in-store experiences tend to have a significant impact on the impulse buying behavior. The impulse buying is conceptualized as the tendency to react in an unintended and instantaneous way after being exposed to stimuli inside the store. Thus, the present study proposes a conceptual framework to examine the impact of the various antecedents of in-store experiences on the impulse buying behavior and also postulates how this chain of effects is mediated through customer shopping experience. This study will be a unique contribution in understanding the role played by the antecedents of the in-store experiences and how they influence the impulse buying behavior of the customers through customer shopping experience.

Keywords: Customer shopping experience, in-store experience, impulse buying, store atmospherics, shoppers’ involvement, intended end uses

1. Introduction

Customer experience has become a significant research issue in the past few years. The experience factor plays a critical role in shaping the success of a company’s offerings by defining customers’ preferences, which further influences their purchase decisions (Gentile, Spiller and Noci, 2007) and hence, determines its growth and profitability (Grewal et al. 2009). Experience is likely to influence customers’ future purchase behavior (Pappas et.al 2013) due to rich sensory stimuli that provoke favorable behavioral response to the retailers (Bolton et.al 2014). Providing a good experience is very important since it influences customer satisfaction (Liljander and Strandvik, 1997) and satisfied customers result in increased profitability through increased loyalty, word-of-mouth, repeated purchases, increased impulse buying tendency (Donovan and Rossiter, 1994; Lucas, 1999, Wong and Sohal, 2006; Grewal et al., 2009).

Creating superior customer experiences is one of the principal objectives in today’s retail setting (Verhoeft et.al, 2009). With the developments on technological fronts and retail environmental setting, the retailers are constantly focusing on adapting in response to these dynamic settings (Dabhokar, Thorpe and Rentz, 1995). Over the past decade, it has been argued that the success and survival of a business in today’s
marketplace depends upon the creation and maintenance of satisfied and loyal customer base (Parsuraman et al., 1985; Zeithaml et al., 1990; Arnold et al., 2005). In order to generate a satisfied customer and deliver customer loyalty, a firm must effort to provide a satisfactory experience to its customer (Johnston and Kong, 2011) at each and every contact point that a customer comes across during a shopping trip.

Today shopping has emerged as one of the various escapes customers look out to get comforted from a hectic, taxing and multifaceted life (Bagdare and Jain, 2013). It is well documented that consumers shop not only for fulfilling the need for a specific product or service, but they shop for amusement, refreshment, social interaction or intellectual stimulation (Ratneshwar, Mick and Huffman, 2000; Tauber, 1972; Arnold and Reynolds, 2003; Fiore and Kim, 2007; Puccinelli et.al, 2009). Thus, the customer experience involves diverse facets of shoppers’ tangential experiences that involve interactions among shoppers, salesperson and the shopping environment (Yoon, 2013), which includes an elaborate store design, recreation and entertainment (Fiore and Kim, 2007), parsimonious ambient, social factors, store layout (Baker et al., 2002), space/function, signs/symbols/artifacts (Bitner, 1992), human stimulus variables (Turley and Milliman, 2000). The types of store can have a considerable impact on the experiences of the customers (Yoon, 2013) and this experiential shopping would lead to diverse behavioral outcomes such as impulse buying (Bayley and Nancarrow, 1998; Beatty and Ferrell, 1998; Baker et al., 1994; Donovan et al., 1994; Engel and Blackwell, 1982; Rook, 1987).

A rich stream of research has emerged on the shopping behaviors that relate to shopping motives (Ratneshwar, Mick and Huffman, 2000; Tauber, 1972; Buttle and Coates, 1984; Eastlick and Feinberg, 1999; Arnold and Reynolds, 2003; Fiore and Kim, 2007; Puccinelli et.al, 2009), shopping benefits (Babin et al., 1994; Park, 2003; Hwang, 2010), behavioural outcomes (Grewal et.al, 2003; Puccinelli et al., 2009; Yoon, 2013), impulse buying behavior (D’Antoni and Shenson, 1973; Hoch and Loewenstein, 1991; Kacen and Lee, 2002; Kacen et al., 2012; Kollat and Willet, 1969; Puri, 1996; Rook and Fisher, 1995; Taute and McQuitty, 2004; Verhagen and vanDolen, 2011; Weun et al., 1998; Zhang et al., 2010), shopping values (Arnold and Reynolds, 2009; Carpenter and Moore, 2009; Babin et al., 1994; Jones et al., 2006). Rook (1987) advocated that impulse buying behavior is the tendency to react in an unintended and instantaneous way after being exposed to stimuli inside the store. Thus, it is imperative that the application of right stimuli in the shopping environment has the potential to provoke the sensorial stimulus and increase propensity to spend (Soars, 2009). However, the question of what specific nature of experiences influences this impulse buying behavior in a retail context still needs to be answered.

The present study addresses this issue and proposes a conceptual framework to examine the impact of the various antecedents of in-store experiences on the impulse buying behavior and also postulates how this chain of effects is mediated through customer shopping experience. The paper is organized in three sections: First, the theoretical background is discussed. Second, the conceptual framework is proposed with the hypothesis to be tested. Finally, the managerial implications and issues for future research are discussed.

2. Theoretical Background

A conceptual model (see Appendix I) is drawn from prior research (e.g., Schmitt, 1999; Baker et al., 2002; Gentile et al., 2007; Grewal et al., 2009; Verhoef et al., 2009; Puccinelli et al., 2009; Bagdare and Jain, 2013; Sung, 2013; Kumar et al., 2013) that is based upon customer experience-and impulse buying framework. The theoretical framework examines the relationship between the key antecedents of in-store experiences and their impact on impulse buying behavior. We propose that this relationship is mediated through customer shopping experience.

For the purpose of the study, we conceptualize the customer shopping experience as “the sum total of cognitive, emotional, sensorial and behavioral responses that a customer faces at each point of interaction in a buying process and incorporates all facets of experiential consumption in a multisensory retail environment” (Carbone and Haeckel, 1994; Schmitt, 1999; Gentile et al., 2007; Verhoef et al., 2009; Bagdare and Jain, 2013). We hypothesize that the antecedents of in-store experiences include shopper’s
involvement, prior knowledge, intended end-uses and atmospherics and these have a direct impact on the impulse buying, which is mediated through customer shopping experience.

2.1 In-store experiences

A number of studies have provided a deep insight into the various dimensions of in-store experiences vis a vis tangible and intangible elements that determine the customers decision to visit the store (Milliman, 1982; Baker et al., 1994; Doyle and Broadbridge, 1999; Burt and Carralero-Encinas, 2000; Carpenter and Moore, 2006; Yoon, 2013). The in-store experience is a multi-dimensional construct and has five dimensions: merchandise value, internal store environment, personal interaction, merchandise variety and assortment, and compliant handling (Terblanche and Boshoff, 2004). The type of experience the customers have in a retail environment has the potential to influence their behavioral outcomes. These experiences can impact the consumer decision making process in many ways by stimulating their sensorial experiences. Thus, it can be inferred that the retail environment interacts with the consumer perceptions to affect behavior, by predicting store patronage intentions (Grewal et al., 2003; Puccinelli et al., 2009), thereby resulting in increased profitability through increased loyalty, word-of-mouth, repeated purchases, increased impulse buying tendency (Donovan and Rossiter, 1994; Lucas, 1999, Wong and Sohal, 2006; Grewal et al., 2009; Sung, 2013). The store environment tends to have a significant impact on the consumers attitude as well as their behaviors in a retail environment (Donovan and Rossiter, 1982). Also the store layout (Dabholkar et al., 1995), aisles and décor (Gutman and Alden, 1985; Hummel and Savitt, 1988; Mazursky and Jacoby, 1985; Oliver, 1981) have a significant influence on the evaluation of customer experiences by affecting store choice and store image (Paulins and Geistfeld, 2003; Hansen and Deutscher, 1977). In the present study, we conceptualize the in-store experiences through store atmospherics, shoppers’ involvement and the intended end uses of the product.

Atmospherics: The atmospherics are conceptualized as ‘physical elements designed in a store’ affect the emotions of the consumers, thereby significantly impacting the store image and purchase intentions (Suryanarayana, 2013). The present study examines the role played by thematic designs, store theatrics and product assortment in influencing the in-store experiences of the customers. The thematic design is defined as the art, images, designs and textures across the context and areas of shopping mall (Coad and Coad, 2008). The thematic designs within the retail store could serve as an attracting or avoidance destinations (Puccinelli et al., 2009) by reflecting the store image that appeal to the perceptual and emotional responses of the customers (Oh, Fiorito, Cho and Hofacker, 2008; Yalch and Spangenberg, 1990) and influence their purchase behavior. Thus, we propose that:

Proposition 1: Thematic designs have a significant and direct impact on the in-store experiences of the customers.

Store theatrics include the décor themes and store events. In the present retail environment, they have assumed a wider role of capturing the shoppers’ attention and delivering them a differentiated experience by engaging them in productive, informative and entertaining interactions. Thus, they represent an opportunity for the retailers to make a difference through in-store experience. It is based upon the notion that customers visit a retail store not merely for buying products or avail services. Rather it is something more than that which could be entertainment, fun, special events and so on. Thus, store theatrics help the stores to increase its sales, develop loyalty and enhance its image (Lewison, 1994). Hence, we propose that:

Proposition 2: Store theatrics have a direct and significant impact on the in-store experiences of the customers.

Further, literature suggests that product assortment is another significant element that influences the customers’ store evaluations and store choices by stimulating their in-store emotions (Yoo, Park and MacInnis, 1998). An extensive product assortment is expected to make the customers feel enthusiastic, pleased, contended and satisfied. If the customers are able to find the products that are perceived to offer high values may provoke feelings of pleasure and pride. This suggests that a wide product assortment has the
potential to significantly impact the in-store experience of the customers by affecting their perceptions and attitudes towards the store. Hence, it is proposed that:

**Proposition 3:** Product assortment has a direct and significant impact on the customer in-store experiences.

**Shoppers’ Involvement:** Involvement refers to the degree to which the consumers are inherently interested in obtaining the information about a product or service and further motivated to engage in learning more about it (Zaichkowsky, 1985). Past researches have considered involvement as a multi-dimensional construct that varies according to the nature of motives for using certain products. Park and Mittal (1987) found that the level of involvement influences the experiential aspects of customers shopping behavior by providing them with sensory pleasures such as joy, fun and excitement. These sensory stimuli affect the behavioral outcomes such as customer satisfaction, the time spend in the store, amount of money spent. Thus, we hypothesize the following:

**Proposition 4:** Shoppers’ involvement has a direct impact on the customer in-store experiences.

**Intended End-uses:** The usage intention of the customer can impact the in-store experiences. For instance, the in-store experience of a customer who intends to purchase something for his own use may differ significantly when purchasing something the product as a gift (Yoon, 2013). Thus, it can be proposed that:

**Proposition 5:** The intended end-uses have a significant and direct impact on the in-store experiences.

### 2.2 Impulse buying

Impulse buying is defined as the phenomenon of unplanned buying and was introduced by Clover, in 1950 (Chavosh et al, 2011). It has been defined as “as a sudden, hedonically complex purchase behavior in which the rapidity of the impulse purchase precludes any thoughtful, deliberate consideration of alternative or future implications”, (Sharma et al, 2010, p.227). A positive shopping experience leads to a higher level of satisfaction, which in turn generates loyalty, greater word-of-mouth, repeated purchases, increased wallet shares and impulsive buying behavior (Donovan and Rossiter, 1982; Lucas, 1999, Wong and Sohal, 2006; Grewal et.al, 2009; Yoon, 2013). The customers describe the event of impulsive buying as experiencing a strong temptation for an object of desire and having little behavioral constraint to resist this temptation (e.g., Weinberg and Gottwald, 1982; Puri, 1996; Dholakia, 2000; Khan and Dhar, 2004; Roberts and Monalis, 2012; C. Amos et al, 2014; Khan et al, 2015).

Thus, impulsive buying involves a hedonic temptation for self-fulfillment through consumption, resulting in a spontaneous act, followed by a diminished regard for any costs or consequences (Dholakia, 2000; Sharma et al, 2010; Verhagen and Van Dolen, 2011; Babin and Harris, 2013). The impulsive buying behavior can be described as an experiential hierarchy of effects whereby the consumer first experiences resilient affect for the product, instantly buys the product, and finally may attempt to justify the product (Puri, 1996; Baumeister, 2002; Mowen and Minor, 2006; C. Amos et al, 2014). Hence, we propose the following:

**Proposition 6:** Customer shopping experience has a significant and direct impact on impulse buying.

### 2.3 Mediating role of customer shopping experience

A rich stream of literature is available on the impact of in-store environment on the consumer behavior (Donovan and Rossiter, 1982; Bellizi and Hite, 1992; Areni and Kim, 1994; Machleit et al., 1994; Eroglu and Machleit, 1999; Schlosser, 1998). The in-store experiences can impact the consumer decision making process in many ways. It suggests that the in-store environment induces emotional responses that determine the extent to which individuals spend money in an unplanned manner, by influencing their perceptions of the products and store image. The retail environment interacts with the consumer perceptions to affect behavior, by predicting store patronage intentions (Grewal et.al, 2003; Puccinelli et.al, 2009), resulting in buying impulsively (Yoon, 2013). In-store experiences have a significant impact on the sensorial elements of a shopping experience, thereby providing a strong case for exploring these experiences as a cause of transient shopping satisfaction that induces impulse buying (Yoon, 2013). Thus, it can be inferred that a positive in-
store experience can enhance the impulse buying tendency by impacting the customer shopping experience. If the customers are experiencing a positive in-store environment, their overall evaluation of the shopping experience is also going to be significantly impacted, thereby providing a case for examining the mediating effect of customer shopping experience. Therefore, we propose that:

**Proposition 7**: The relationship between in-store experience and impulse buying is mediated through customer shopping experience.

3. Research Methodology

3.1 Data and sample

Data will be collected from 500 respondents using a pre-defined well-structured questionnaire on 5-point likert scale ranging from “very strongly agree” to “very strongly disagree”. The sample will be drawn through convenience sampling and judgment sampling. The sample will include the frequent shoppers in a mall.

3.2 Measures

The survey questionnaire will consist of items that will measure antecedents of in-store experiences and these items will be based on the existing scales from previous studies. Scale items will be refined using item analysis. The reliability of the scale will be accessed using cronbach alpha. The analysis will be done using exploratory factor analysis (EFA) followed by confirmatory factor analysis (CFA).

4. Summary and Conclusion

All the proposed hypotheses are supported by past empirical research. The available literature provides a strong case for linking the determinants of customer experience with the behavioral outcomes, that is, impulse buying. Store atmospherics have a significant impact on the time spent by the customers in the shopping mall and amount of spending. Moreover, it is also proposed that intended end-uses of the customers and level of shoppers’ involvement have a significant direct impact on how customers perceive the store image and evaluate their overall shopping experience. The in-store experiences characterize a substantial component of the customer experience, which positively influences the shopping behavior of the customers. In order to improve the profitability of the retailers, they must focus on providing satisfactory experiences to their customers.

5. Managerial Implications

The study has far ranging effect on the academic literature as well as retail managers. It will assist the retail marketers to understand the factors other than product that have a significant impact on the customer shopping behavior. The proposed framework will guide the retailers in the development of successful shopping experiences. In this paper, we provided a conceptual model delineating its determinants. Retailers should emphasize on providing appropriate training to their staff so as to enhance the effectiveness of their interaction quality. The retail environment factors such as shoppers’ involvement, prior knowledge about the product and the store atmospherics can augment customer’s impulse buying behavior. Use of multisensory appealing cues in the retail setting can substantially increase the hedonic appeal and it can further drive the behavioral outcomes of the customers.

6. Limitations and Issues for Future Research

The study uses data from a single country. The authors believe that the cultural element has a substantial impact on the customer’ shopping behavior. As such, results cannot be immediately applied to different retail settings. So, in order to generalize the results, this proposed framework should be tested in other country’s retail context. Future research may examine the impact of moderating variables such as type of customer, customer profile and other situational variables on this relationship.
7. References


Appendix I

In-store Experience

Customer Shopping Experience

Impulse Buying

Shoppers’ Involvement

Prior Knowledge

Intended End-Uses

Atmospheres
- Thematic Designs
- Store Theatrics
- Product Assortment

Customer Shopping Experience

Impulse Buying

Atmospheres
- Thematic Designs
- Store Theatrics
- Product Assortment

Customer Shopping Experience

Impulse Buying

Atmospheres
- Thematic Designs
- Store Theatrics
- Product Assortment

Customer Shopping Experience

Impulse Buying

Atmospheres
- Thematic Designs
- Store Theatrics
- Product Assortment

Customer Shopping Experience

Impulse Buying

Atmospheres
- Thematic Designs
- Store Theatrics
- Product Assortment