RETAIL APPAREL STORES' ATMOSPHERICS – AN EMPIRICAL STUDY ON CUSTOMER EXPECTATION IN A NON-METRO INDIAN CITY

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Abstract

The retailers embrace different strategies to increase the sales, attract the customers and to retain them. The retail outlet that provides the customers with a memorable shopping experience would have a lasting impression and invariably attracts more sales. In the past, shopping habits were mostly determined by needs whereas in the modern era shopping is influenced by many other factors such as hobby, entertainment, life style, hangout etc. The store atmospherics became an effective strategy in modern retailing. Though there are different atmospherics factors, the present research considers music, lighting, store decor and merchandise visibility that are widely used by the apparel retail stores in the study area. The study results show that the customers give utmost importance to the lighting aspects in the apparel retail stores followed by scent and music.

Keywords: Atmospherics, Store ambience, Music,Lighting,Scent,Store Decor,Merchandise Visibility

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1. Introduction

The modern customers visit the stores not just to buy the products. They expect a lot more than that. They wish to have better environment, atmosphere and other services to have a pleasant shopping experience. The retailers embrace different strategies to increase the sales, attract the customers and to retain them. According to Baker et al (1992), retailers provide attractive shopping experiences to improve consumer patronage and to get an edge over their competitors. The retail outlet that provides the customers with a memorable shopping experience would have a lasting impression and invariably attracts more sales. The customers do not visit the store for making purchases alone. The satisfaction experienced and the feel-good factor during the visit would also count. The shopping habits have changed a lot in modern India. In the past, shopping were mostly determined by needs whereas in the modern era shopping is influenced by many other factors such as hobby, entertainment, life style, hangout etc. Furthermore, the shoppers wish to utilize shopping for managing their stress (Sinha, 2003). Shopping has become an inseparable part of modern life style. Therefore, it becomes mandatory for the retailers to satisfy the various expectations of the customers to withstand stiff competition. The managers have shifted their focus from product to the customer experience (Puccinelli et al., 2009). The store atmospherics are the physical characteristics of a store. This can effectively be used as a strategy to attract consumers (Berman & Evans, 2010). Atmospherics refers to the conscious designing of the space to create certain effects in buyers (Kotler, 1974). The pleasant store environments induce the consumers to spend more time and money (Donovan et al., 1994). The term atmospherics refers to aesthetics and ambiance of the store and includes the in-store elements These atmospheric elements play an important role in influencing the customers to stay longer in the retail store and thus create the intended opportunity to increase the sales (Bell & Ternus, 2006). The store atmospherics became an effective strategy in modern retailing. Hence, many researches have been conducted to identify the influence of atmospherics on the consumer purchasing behavior. Though there are different atmospherics factors, the present research considers the following atmospherics i.e., music, lighting, store decor and merchandise visibility that are widely used by the apparel retail stores in the study area.

Retailing industry is growing rapidly in many parts of India and in its southernmost state Tamilnadu also. Coimbatore, a non-metro city, being the second largest city in Tamilnadu, is

well known for textile industry in the country. The city has many textile manufacturing units, wholesale stores as well as retail stores. In Coimbatore city, the major players in the field of single brand apparel retailers are Peter England, E-Max, Raymond, Luis philips, etc., and the multi brand apparel retailers are Reliance trendz, RMKV, Pothys, The Chennai silks, Sri Devi textiles, Mahaveers, PSR silks, Ganapathy Silk, Kalyan silk etc., Each of the apparel retail stores strives hard to satisfy the customer expectations and they adopt various strategies that include atmospherics to retain the customers.

The present research primarily aims to determine the retail apparel stores' atmospherics factors which are expected by customers in Coimbatore city.

2.Review of literature

Music is considered as an important entertainment activity of human beings right from the beginning of civilization. It is described as one of the wonderful tools that touch the souls of human beings. Music is capable of changing the mindset and thus impacts the customers' purchasing decision also. Hynes & Manson (2016) say that 'retailers use music in the service environment to try to change consumer behaviour with a view to increasing spend, or improving consumer mood'. Banat & Wandebori (2012) emphasize that the pleasant music impacts the conscious and unconscious decision of the customer. Morrin & Chebat (2005) have pointed out that playing slow tempo music in a North American mall could increase the sales by half. Ruchi et al. (2010) reported that using appropriate music in retail store stimulates the customers to make emotional purchase.

Lighting in the retail store is the essential factor that instantly attracts the customers' attention. Better lighting environment not only provides the appealing effects on the products but also lures the customers to come nearer and to have a close look at it at least. Ruchi et al. have noted that bright lights in the retail stores enable the consumers to see the products clearly. It is a known fact that the consumers want to see the products clearly before purchasing them. The bright store environment facilitates the customers' desire to notice and touch the products (Vaccaro et al., 2008). Furthermore, the lighting effects may also facilitates the impulse purchasing. Therefore, lighting certainly acts as an important factor in purchase decision-making process. Consumers'

attentions are drawn towards the products when appropriate colour of lighting is used in the retail stores (Areni & Kim, 1994).

A pleasant scent in the retail stores usually acts as a point of attraction for the customers and makes them feel comfortable and thus causes them to spend more time in the stores (Banat & Wandebori, 2012). In retail stores, scents can also influence consumer behavior through sensory stimulation (Pacelle, 1992). Scent makes and keeps the customer in a happy mood at the in-store environment and thus would invariably impacts on the purchase intention. The retailers should use appropriate scents in the stores by considering the profile of the target customers, type and nature of the products offered, weather condition, culture etc. Morrin & Ratneshwar (2000) pointed out that the use of right scents motivates the customers to consider buying the unfamiliar products also.

In visual merchandising, the products are displayed in an attractive way to the customers. Retail stores use this to draw the attention of the customers who in turn would like to know more about the product. Visual merchandising is used as a technique to increase impulse purchasing decision. According to Ghani & Kamal (2010) the display of the merchandise on the shelves and counters was mainly to influence the impulse purchasing behaviour of a customer. This is mainly due to the fact that the properly displayed merchandise has more chances of getting easily identified by the customers and the possibility of its purchase also increases manifold. The arrangement of merchandise in a retail store can modify the purchase behavior of customers (Simonson & Winer, 1992). Further, retailers classify the merchandise into different categories like frequently and infrequently purchased merchandise to make display decision of the products accordingly to attract the customers.

In the retail store, store decor is related to the decoration of the entire store which includes wall, floor and ceiling. Appropriate distinction is made in the variables used to study the store décor by excluding the variables that are related to other atmospherics factors. The decor elements creates positive image about the retail store and about the products too. The store décor is also done based on the culture and tradition of the society. Thus the effect of store decor on the

customers' shopping behavior depends on the matching of store decor with the cultural preferences (Lam, 2001).

3. Research Method

As the present research is aimed at identifying the apparel retail stores atmospherics factors that are essential for the shoppers, exploratory research design is used. The research is purely based on the primary data which were collected through a structured questionnaire/interview schedule. In total, 34 statements were included in the questionnaire that covers the five widely used atmospherics variables viz., music, lightings, scent, store decor and merchandise visibility. The opinions of the shoppers were sought on a five point likert scale where 1 represents strongly disagree whereas 5 denotes strongly agree.

Convenience sampling technique is used to collect the required data. The data collection was done in front of the apparel retail stores in the streets of cross-cut road, 100 feet road and town-hall in Coimbatore city in the months of July and August 2016. During this period, data have been collected from 174 customers. However, in data processing, six incomplete questionnaires were eliminated. Hence, the actual sample size in this study is 168. Though most of the questionnaires were answered by the shoppers themselves, some of them were filled by the researcher on behalf of the respondents who could not understand the language used in them.For meaningful analysis of the data and to identify the essential atmospherics factors, factor analysis is used in SPSS version20.

4. Reliability of the data collection instrument

Out of 34 statements used in the questionnaire, 30 were used for the analysis purpose and the rest 4 of them were removed as their factor loading was less than 0.5. The validity of the questionnaire is tested by using Cronbach's Alpha value as given in the following table.

Table-1 Reliability Statistics

Cronbach's Alpha	No. of Items
.827	30

5. Analysis and Discussion

The suitability of the data to carryout factor analysis is verified through two tests namely KMO test and Bartlett's test of Sphericity. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value is .746 which confirms the appropriateness of using factor analysis. The chi-square value for Bartlett's test of Sphericity is 4676.698 and the significant value is .000 which is significant at more than 99 percent level of confidence. Principal Component Analysis is used for extraction while Varimax is used for rotation. The variables with Eigen value greater than one were taken as reduced factors and further analysis was made to group those variables into factors.

Table-2 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.746
Bartlett's Test of Sphericity	Approx. Chi-Square	4676.698
	df	435
	Sig.	.000

Table-3 Communalities

Store Atmospherics variables	Initial	Extraction
Music plays an important role in my store choice	1.000	.764
Music has positive effect on my mood while shopping	1.000	.588
I do not mind spending more time in the store when I listen to my favorite music	1.000	.793
I tend to do more shopping when I listen to good music	1.000	.834
I often get excited when I listen to upbeat and fast tempo music	1.000	.817
I feel pleasant when I listen to a slow rock music	1.000	.888
I feel satisfied when good music is played in the store	1.000	.768
I consider music a one of the attractions to visit a store	1.000	.774
Lighting plays an important role in my store choice	1.000	.512
Lighting makes a store appear to be inviting	1.000	.718
Lighting makes the products in the store seem appealing and desirable	1.000	.794
Lighting makes the merchandise in the display look attractive	1.000	.814

Fluorescent lighting makes the store look elegant	1.000	.830
I am often stimulated by the modern track lighting and chandeliers	1.000	.844
I get excited when exposed to the store designer lighting systems	1.000	.639
Scents play an important role in my store choice	1.000	.849
Scent in the store makes me feel relaxed and comfortable	1.000	.879
Pleasant scents make me spend more time in the store	1.000	.887
Pleasant scents make me purchase more items in the store	1.000	.909
Suitable scents contribute to my store satisfaction	1.000	.595
Scents make me visit the store again and again	1.000	.573
The choice of a store is influenced by its decor and ambience	1.000	.744
The decor makes the store look elegant	1.000	.818
Good store decoration makes me feel happy during shopping	1.000	.635
Innovative store decor attracts me towards the store	1.000	.823
Changing store decor motivates me to pay repeated visits	1.000	.731
The arrangement of the products in the store influences my store choice.	1.000	.609
Visibility of the products influences my purchase intentions	1.000	.895
Properly arranged products help me to execute my shopping plan effectively	1.000	.786
Efficient and effective planogram of the store motivates me for repeated visits and purchases.	1.000	.767

Extraction Method: Principal Component Analysis.

Communalities are estimates of the variance in each variable accounted for by the factors in the factor solution. The table-3 presents the 30 variables that have factor loading value of more than .5 and the rest 4 variables were dropped from the analysis as their factor loading was less than .5.

Table-4 Total Variance Explained

Component	Initial Eigenvalues	Extraction Sums of Squared Loadings	Rotation Sums of Squared Loadings

	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.272	20.907	20.907	6.272	20.907	20.907	5.312	17.706	17.706
2	4.896	16.319	37.226	4.896	16.319	37.226	4.330	14.434	32.140
3	4.198	13.992	51.217	4.198	13.992	51.217	4.240	14.134	46.274
4	3.274	10.913	62.130	3.274	10.913	62.130	3.868	12.894	59.169
5	2.118	7.061	69.191	2.118	7.061	69.191	2.456	8.188	67.356
6	1.818	6.059	75.250	1.818	6.059	75.250	2.368	7.893	75.250
7	.896	2.985	78.235						
8	.865	2.882	81.117						
9	.755	2.518	83.635						
10	.595	1.985	85.620						
11	.496	1.652	87.272						
12	.456	1.519	88.791						
13	.395	1.318	90.109						
14	.374	1.247	91.356						
15	.335	1.117	92.474						
16	.289	.963	93.437						
17	.277	.923	94.360						
18	.239	.796	95.156						
19	.223	.743	95.899						
20	.198	.660	96.559						
21	.184	.614	97.173						
22	.155	.515	97.688						
23	.148	.495	98.183						
24	.136	.453	98.636						
25	.121	.404	99.040						
26	.105	.349	99.390						
27	.069	.231	99.621						
28	.066	.221	99.842						
29	.027	.091	99.933						

30	.020	.067	100.000						

Extraction Method: Principal Component Analysis.

Table-4 presents the total variance explained in the factor analysis. It presents eigenvalues, variance explained, and cumulative variance explained for the factor solution. The table provides the details of initial eigenvalues, extraction sums of squared loadings and rotation sums of squared loadings. The initial eigenvalues 'Total' column presents the amount of variance of each variables considered for the analysis whereas the percentage of variance is given in '% of variance' column and the cumulative percentage of variance of the variables is given in 'cumulative %' column. The initial eigenvalues are used decide the number of factors to be retained. Kaiser (1960) suggests retaining all factors that are above the eigenvalue of 1. It can be seen from the table that six factors have eigenvalues more than one and hence all these were retained as they cumulatively accounted for 75.25% of variances.

Table-5 Rotated Component Matrix[a]						
	Component					
	1	2	3	4	5	6
Music plays an important role in my store choice			.783			
Music has positive effect on my mood while shopping			.641			
I do not mind spending more time in the store when I listen to my favorite music			.638			
I tend to do more shopping when I listen to good music			.573			
I often get excited when I listen to upbeat and fast tempo music			.876			
I feel pleasant when I listen to a slow rock music			.868			
I feel satisfied when good music is played in the store			.650			
I consider music a one of the attractions to visit a store					.824	
Lighting plays an important role in my store choice	.703					
Lighting makes a store appear to be inviting	.845					
Lighting makes the products in the store seem appealing and desirable	.878					
Lighting makes the merchandise in the display look attractive	.901					

Fluorescent lighting makes the store look elegant	.904				
I am often stimulated by the modern track lighting and chandeliers	.908				
I get excited when exposed to the store designer lighting systems	.786				
Scents play an important role in my store choice		.919			
Scent in the store makes me feel relaxed and comfortable		.935			
Pleasant scents make me spend more time in the store		.938			
Pleasant scents make me purchase more items in the store		.953			
Suitable scents contribute to my store satisfaction		.561			
Scents make me visit the store again and again		.674			
The choice of a store is influenced by its decor and ambience				.652	
The decor makes the store look elegant.				.675	
Good store decoration makes me feel happy during shopping				.541	
Innovative store decor attracts me towards the store					.903
Changing store decor motivates me to pay repeated visits					.777
The arrangement of the products in the store influences my store choice.			.763		
Visibility of the products influences my purchase intentions			.928		
Properly arranged products help me to execute my shopping plan effectively			.873		
Efficient and effective planogram of the store motivates me for repeated visits and purchases.			.853		

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 12 iterations.

The factor analysis extracted six factors from the 30 variables. Seven variables which accounted 20.9% of the total variance explained are grouped under the first factor 'Lighting'; six variables which accounted 16.3% of the total variance explained are included in the second factor 'Scent'; another seven variables which accounted 13.9% of the total variance explained are grouped under third factor 'Music'; four variables which accounted 10.9% of the total variance explained are grouped under fourth factor 'Merchandise visibility'; another four variables which accounted

7% of the total variance explained are grouped under fifth factor 'Store Decor' and the remaining two variables which accounted 6% of the total variance explained are grouped under sixth factor 'Interior alteration'.

6. Conclusion

Customer satisfaction and enjoyable experience inside the retail store positively impact the consumer behavior. Providing conducive shopping environment to the customers is the main motto of every retailer. To achieve this, the retailers adopt different atmospherics factors. This study highlights the atmospherics factors that are essential for retail apparel stores in Coimbatore city. The study results show that the customers give utmost importance to the lighting aspects in the apparel retail stores followed by scent and music. Merchandise visibility, store decor and interior alterations were also important factors that decided the choice of the retail apparel stores in Coimbatore city. Hence the retail apparel stores in Coimbatore city could target these atmospherics factors to cater to their customers' need.

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