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A.18 Store Choice Decision

HOW CONSUMERS SELECT STORES

In addition to selecting a product and a brand to purchase in order to satisfy needs, the consumer must select a store in which to purchase the product. This is termed the **store choice decision** or, sometimes, the **retail patronage decision**.

The Consumer Store Choice Process. The process by which consumers select a retail store is similar to the **consumer decision-making process**, described in GLOSSARY entry A.2, by which consumers select products. The store choice process starts when consumers recognize a problem. In the case of store choice, the problem that motivates

them is the desire to find and purchase a product. Motivation triggers a search for information about alternative stores and their characteristics. The alternatives and their characteristics are compared to choice criteria in order to make a store selection.

A model proposed by Monroe and Guitinan to describe store choice provides more information on the search and evaluation process.¹ They see the variables and their sequence in the search and evaluation process as follows:

1. The buyer has certain demographic, social, and psychological characteristics.
2. These variables influence the shopping strategy that the buyer will form, such as adhering to a budget or buying only well-known brands or seeking specials.
3. Based upon shopping strategy, the consumer defines and ranks the criteria by which stores are to be evaluated.
4. Information on the attributes of alternative stores is gathered from advertisements and store visits in order to form a store image. (A **store image** is the consumers' total perception of a store, usually measured through use of semantic differential scales.)
5. Store images are then compared to choice criteria, resulting in the formation of attitudes concerning the suitability of each store. These attitudes direct store choice.

According to this model, the determinants of consumer store choice are the consumer's characteristics, the consumer's shopping strategy, and the choice criteria, none of which can be controlled by the marketer, and the store image that the marketer can control.

Store Choice Motivation. The store choice process is triggered by a realization of the need to purchase a product. However, the product choice and brand choice decisions may or may not precede store choice. Sometimes consumers decide first on product and brand and then seek a store carrying the de-

sired merchandise. This is likely to occur for low-involvement, habitual purchases. On other occasions, consumers select a store first, using the expertise and information of the store to aid in product selection. Motivation in this instance is derived from the need for information. This is more likely in high-involvement product decisions.

Store Loyalty. After store choice and a purchase decision, the consumer evaluates the store choice outcome as satisfactory or unsatisfactory depending on how well the store met the choice criteria. If the store choice is evaluated as satisfactory, store loyalty will develop. When this occurs, the store choice process on the next occasion is greatly shortened, relying primarily on internal information search and repetition of past behavior. Most store choice decisions are habitual repetition of past satisfactory choices.

Store Choice Criteria. Knowledge of the criteria by which consumers evaluate stores is important to retailers in setting retail strategy and to marketers in selecting types of retail outlets through which to distribute their products. Stephenson utilized factor analysis of semantic differential scores to obtain the eight most significant store choice criteria.² The criteria that he found are:

- **Store Advertising.** The helpfulness and believability of the store's advertising.
- **Physical Characteristics.** The cleanliness, decor, and convenience of the store's layout.
- **Convenient Location.** The closeness of the store to home, the availability of parking, and the closeness to other stores.
- **Friends' Perception.** Whether the store is known, liked, and used by friends.
- **Merchandise Selection.** The breadth of selection, the brands carried, and the amount of stock.
- **Store Personnel.** The courtesy, friendliness, and helpfulness of store personnel.
- **Prices.** The price level and the number of price specials.

¹Kent B. Monroe and Joseph P. Guitinan, "A Path-Analytic Exploration of Retail Patronage Influences," *Journal of Consumer Research* 2 (June 1975), pp. 19-28.

²Ronald Stephenson, "Identifying Determinants of Retail Patronage," *Journal of Marketing* 33 (July 1969), pp. 57-61.

- *Dependability.* The quality and value reliability of the store.

Lindquist later reviewed the work of 26 researchers in defining store choice criteria and found 9 categories. These conformed to Stephenson's work except that Lindquist's work omitted the price dimension and added store atmosphere and posttransaction satisfaction as categories.³

Lindquist's review of choice criteria research suggested to him that the most important retail choice criteria were merchandise, service, and location.⁴ Hansen and Deutscher found that in department store selection, merchandise, ease of shopping, and posttransaction satisfaction were the most important criteria; for grocery stores, merchandise, ease of shopping, and cleanliness ranked highest.⁵

Hansen's finding that choice criteria vary by store type has been confirmed by other research. Although not validated by research, it seems likely that store choice criteria also vary by type of shopper and by product sought.

Types of Shoppers. Store choice is also influenced by the shopping strategy adopted by the consumer. Researchers have classified shoppers in terms of their approach to shopping. Westbrook and Black defined six types of shoppers based on the motivation that underlies shopping behavior:

- *Recreational Shoppers.* Engage in shopping for its own sake; shop for enjoyment rather than for product acquisition.
- *Choice Optimizers.* Shop for the satisfaction of obtaining the product that best fulfills their needs.
- *Careful Shoppers.* Shop primarily to find the best product, but are also concerned with comparison shopping and finding bargains.

³Jay D. Lindquist, "The Meaning of Image," *Journal of Retailing* 50 (Winter 1974), pp. 29-38.

⁴Ibid.

⁵Robert A. Hansen and Terry Deutscher, "An Empirical Investigation of Attribute Importance in Retail Store Selection," *Journal of Retailing* 53 (Winter 1977-78), pp. 59-72, 95.

- *Apathetic Shoppers.* Get little pleasure from the shopping process, but are motivated to find the product that will satisfy them.
- *Economic Shoppers.* Only moderately interested in the social values of shopping, but are strongly interested in finding the best product and the best value.
- *Balanced Shoppers.* Have average motivation across both economic and social rewards of shopping.⁶

Interaction of Brand Image with Store Image. Merchandise selection is an important consumer criterion in selecting a store and, hence, an important dimension of store image. As a result, there is a relationship between the image of a store and the image of individual brands carried by the store. One study suggested that a retailer could improve a weak store image by adding brands with favorable images and that retailers with strong images could weaken themselves by associating with brands that have weak images.

For brand manufacturers, the case is somewhat different. If a brand with a favorable image is distributed through a retail store with a strong image, the brand image will not be harmed. However, distribution of a strong image product by a retailer with a weak store image will damage the product, while distribution of a weak image brand by a strong image retailer will do little to strengthen the image of the brand.⁷

APPLICATION OF STORE CHOICE TO MARKETING DECISION MAKING

Knowledge of the consumer store choice decision has been most often applied to the formation of retailer strategy. Store choice criteria and shopper types are usable as segmentation bases and as guides to positioning. These, in turn, influence store design,

⁶Robert A. Westbrook and William C. Black, "A Motivation-Based Shopper Typology," *Journal of Retailing* 61 (Spring 1985), pp. 78-103.

⁷Jacob Jacoby and David Mazursky, "Linking Brand and Retailer Images," *Journal of Retailing* 60 (Summer 1984), pp. 105-22.

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merchandise selection, pricing, and other elements in the retail mix.

Consumer store choice also has decision-making implications for the product marketer, particularly in dealing with distribution problems. These are considered below.

Use of Store Choice Criteria. In the **retailer selection** decision (GLOSSARY entry C.33), marketers must decide upon the most appropriate type of retail outlet through which to distribute their products. A basic criterion is to select the type of retail outlet in which the consumer would naturally seek the product. The marketer should adjust to existing consumer store selection practices rather than attempt to change consumer shopping patterns.

The most important store choice criteria for the consumer are merchandise selection, store service, and location. This suggests that in selecting retailers the marketer should select a type that offers consumers an assortment of comparable merchandise, provides a level of service appropriate to the product class, and offers an adequate number of convenient locations for target consumers. The importance of these criteria to consumers varies between service and self-service style outlets. In selecting among self-service outlets, marketers should favor those that offer shopping convenience within the store and a broad assortment of merchandise. In selecting service outlets, marketers should seek stores with an assortment of quality products, good customer assistance, and good exchange policies.

The marketer's choice of store type should also vary by class of product to be distributed. Selection of retail store type for products with high consumer service needs (shopping goods) should be based on the quality of in-store service, the availability of other like brands for comparison, the reassurance of a liberal returns policy, and a clientele with which the target market would feel comfortable. For convenience goods, store type selection should seek fast, easy shopping outlets with availability of an in-

tensive number of convenient locations, but with less concern for the social class of clientele.

Store Selection and Shopper Type. Understanding the type of shopper represented in the target market for a product may assist the marketer in the retailer selection decision or in diagnosing a retailer selection problem. Again, the decision rule is straightforward. The type of outlet selected should be responsive to the shopping strategy followed by target market consumers. For example, use of specialty or department stores in shopping centers meets the desire for shopping enjoyment of recreational shoppers. On the other hand, economic shoppers would find greater satisfaction in bargain hunting in mass merchandisers' or discount outlets.

Matching Brand to Store. In selecting retail store type and in selecting individual outlets, the marketer should seek outlets with store images that are consistent with the **positioning** of the product and with the desired brand image. Placing a high prestige brand in a discount-oriented mass merchandiser will not support the brand's positioning nor enhance its image. The opposite case is equally damaging. A mass-use product selectively distributed through up-scale outlets will miss its market. As a result, the brand will neither achieve its positioning as a mass-use product nor will its brand image be enhanced by the association.

SUGGESTIONS FOR FURTHER READING

- LINDQUIST, JAY D. "The Meaning of Image." *Journal of Retailing* 50 (Winter 1974), pp. 29-38.
- MONROE, KENT B., and JOSEPH P. GUILTINAN. "A Path-Analytic Exploration of Retail Patronage Influences." *Journal of Consumer Research* 2 (June 1975), pp. 19-28.
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