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## **Role of Store Atmospherics in Patronage Intention of Indian Fashion Apparel Buyers**

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**Abstract:**

*Would not be easy for stores to profit if they have customer who patronage their stores. Most of the retail stores are struggling to figure this out by analyzing the different component of their business. Store atmospherics is one of the important contributing factor to attract and somewhat profit for the retail industry for being roughly considered as a service industry. The organized retail sector is continuously growing and so is the fashion apparel sector with the competition. Along with that the consumer disposable income is also growing. In this situation it should not be wrong to anticipate that a properly arranged and designed store atmospherics can not only capture but can possibly help to retain and create new customers. But the question remains how. To develop this element as competitive advantage or even to take advantage from it is crucial to understand the phenomenon and its impact in a particular field. This study aims to understand that the store atmospherics have what role to play when it come to patronage intentions particularly of Indian fashion apparel customers. Through this it is also subjected that the research will help the retailers to provide better, customer to receive better and a contribution for academicians for a comparative study.*

**Keywords:** Store atmospherics, patronage intensions, fashion buyers,

### **1. Introduction**

As a buyer, most of us have personally have experienced and observed that there are few stores which provide you with such an experience which makes you linger in the store and without any intention of purchasing anything, end up buying something as a return gratitude for the good time the store have provided or vice versa . And this phenomenon is the actual representation of the shift of retail to retail-tainment or retail - therapy. But at the same time the same store can give variety of experiences to the customers that can hence lead to the variety of responses. As Schmitt (1999) mentioned that the consumers will act emotionally and go along with functional features through enjoying a pleasant atmosphere, it is not only important to acknowledge the positive relationship of store atmospheric and shopping experience but it's crucial to understand the relationship, its majorly contributing and less contributing factors, usage for a particular product type and its implications on extended consumer behaviour.

With the growth in opportunity and market of retail industry, the fierce competition is growing as well. The size of both domestic and exports houses of AII is projected to grow at a CAGR of 9.5% to reach \$223 billion by 2021 from the \$89 billion in 2011, according to a white paper by industry body FICCI and research firm Technopak. According to Mckinsey marketing report (10 June, 2010) Indian apparel sales are expected to reach an estimated \$25 billion this year, having grown in excess of 10 percent over the past 5 years—a growth rate faster than that of the overall India retail market—and the trajectory is expected to continue. The same report also mentioned that for now, organized retail accounts for less than 20 percent of all Indian apparel purchases; the rest takes place in tiny, family-run shops. But over the past five years, scores of shopping malls have opened on the outskirts of India's largest cities and the trend is sure to accelerate. New formats on the scene include “export overrun” discounters, international franchises, hypermarkets, and luxury European boutiques.

In this scenario it is crucial to have a competitive advantage on retail store's part. And as patronage intention of the customer can lead to substantial future for a store, it is an important competency for them to understand that store atmospheric being one of the factor, how affects the desired intention.

## 2. Research Objective

This paper aims at understanding this phenomenon well for the fashion apparel industry. So that by understanding the relationship between store atmospherics and patronage intentions, the store can be benefited in terms of reducing their unnecessary expenditure and maximizing and focus their efforts in the right direction. And hence even the customer end can also be benefited by being offered what they desire.

### 1.1. Primary Objective

- To identify and understand the relationship between the store atmospherics and buyer's patronage intention.

### 1.2. Secondary Objective

- To identify and understand how different store atmospherics components contribute to the patronage intentions of the customers.
- To identify if there could be substantial segmentation due to demographics with respect to the patronage intention of the customers.

## 3. Research Methodology

- Research Type and Locale of Study: Exploratory as it tries to explore the relationship between the store atmospherics and fashion apparel customer's patronage intention in India. The sample was collected at the Ambience Mall, Gurgaon (India)
- Sample size and Sampling technique: 100 samples were collected from the population. Simple Random Sampling on the population of customers who were coming out of the selected apparel store. Though the selection of the store was judgemental, it was intentional to find the sample from preferably different store atmospheric experience situation. As there were five variables considered as the independent variable, five apparel stores were identified who were somewhat different among the considered variable so that we can have the opportunity to have a non biased mix of responses.
- Data Collection Technique and Interpretation: Structured questionnaire administered on the sample size of 100 customers in total, 20 from each selected stores. The composite variable analysis and as well as one way ANOVA tests were administered through SPSS software in order to analyze data and find results to that satisfy our desired objective.

## 4. Literature Review

According to Mehrabian and Russel (1974), environmental psychology consists of two major topics; first one being the emotional impact of physical stimuli and second one is the effect of physical stimuli on a variety of behaviour. Hence, this area would likely to have valuable implications to store environment. The theoretical model developed in work by environmental psychologists Mehrabian and Russell 1974; Mehrabian 1980; and Russell and Pratt 1980, appears to be particularly valuable in studying the effects of store atmosphere on shopping behavior. As defined by Mehrabian and Russell, the approach "centers on the use of human emotional responses to environments as intervening variables linking the environment to the variety of behaviors it elicits" (p. xi). This paper is going to use the Mehrabian-Russell model as a theoretical framework in the retail setting and to test the predictions on the dependent variable. (1)

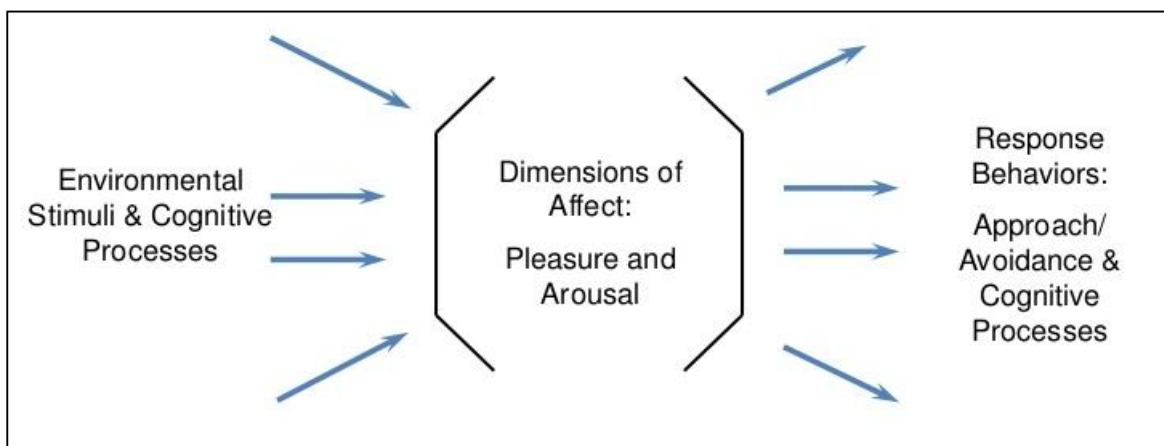


Figure 1: Mehrabian-Russell Model

Source: Donovan, R. J., Rossiter, J. R., Marcolyn, G., & Nesdale, A. (1994).  
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Store environment is a complex physical situation that takes place due to the combination of different stimulus and cues. Store atmosphere as referred to Ward, Bitner and Barnes (1992) is store's physical environment and can be divided into two parts as the external and internal environment. More than three decades ago, Kotler (1973: 50) introduced the term atmospherics to denote "the

effort to design buying environment to produce specific emotional effect in the buyers that enhances their purchase probability.” The preference matrix of Kaplan and Kaplan (1989) proposes that four structural landscape features positively influences the aesthetic perception of natural environment namely complexity, mystery, coherence and legibility. Among those, complexity refers to sufficient sensory stimulation should not be randomly presented, but needs to be counterbalance by coherence and other two factors i.e. mystery and legibility. (2) (Gad Saad, 2011)

It is also a concerned matter of importance to understand the major role of the different factors that are there to create this store atmospherics. The layout, fixture, lighting, colours, sounds, odours, and the dress and the behaviour of its personnel affect a retail store atmosphere. An uncontrollable yet important component of store atmosphere is the number of customer present in the store and their characteristics and behaviour. The atmosphere influences the consumer’s assessment of the quality of the store and the store image they form. (3) (Kazmi, 2008)

Further, it has been mentioned in several literature that the store atmospherics can be divided into two i.e. exterior and interior store atmospherics. A store’s exterior appearances include architectural designs, window displays, signs and entry- ways, which help the customers to identify the retailer and attract its target market shoppers. The interior atmospherics of the store includes store layout, merchandise presentation, lighting, color, sound, scent and cleanliness. (4) (Kurtz, 2013)

Customers’ patronage intention may be affected by providing significant and unique store atmosphere (Kolter, 1973-1974). Wakefield and Baker (1998) also proved that atmospheric stimuli have impact on the probability of customers to stay in the store. Based on Bitner (1992), store atmosphere of the physical store is very important because it influences customers’ perceptions towards the services provided since retailers cannot hide the store. Grewal et al. (1998, p 48) defined willingness to buy as “the likelihood that the consumer intend to purchase products”, whereas, patronage intention is overall measure capturing likelihood to shop, buy and to recommend to others. (Grewal et al, 2003). (5)

A well defined store atmosphere can help to entice and retain new customers and can create positive impact on the customer patronage intention by maximizing focus and minimizing cost, time and effort (Ishwer, Ruchi, & Ziller, 2010).

## 5. Analysis, interpretation and discussion

In an attempt to demystify this complex phenomenon of how to create a comprehensive environment, the customer’s patronage intention was taken as the dependent variable and the store atmospherics was considered as the composite independent variable. The independent variable then was subdivided as five contributing factors namely display and store layout, music, lighting, cleanliness and participant factors (the employees of the store and no. of customers shopping at a given point of time). In order to better justify the contributing sub factors, the no. of questions were further added so that factor’s different aspect could get covered.

For analysing the data, the responses of sub factors then composited together in order to able to analyze the comprehensive affect of the factor on dependent variable. Even the patronage intentions was first broken down into sub variables like intention to repurchase, endorse, recommend, consideration and preference over other stores and for analysis composited together.

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Association with display and layout	Between Groups	.001	1	.001	.002	.967
	Within Groups	33.159	98	.338		
	Total	33.160	99			
Association with music	Between Groups	.191	1	.191	.587	.445
	Within Groups	31.919	98	.326		
	Total	32.110	99			
Association with lighting	Between Groups	.037	1	.037	.090	.764
	Within Groups	40.203	98	.410		
	Total	40.240	99			
Association with Cleanliness	Between Groups	8.770	1	8.770	17.588	.000
	Within Groups	48.870	98	.499		
	Total	57.640	99			
Association with participant factors	Between Groups	.010	1	.010	.030	.863
	Within Groups	32.740	98	.334		
	Total	32.750	99			

Table 1: Variance analysis considering gender as a factor on different store atmospheric elements

As the table above indicate that the variance does not exist due to the gender for the elements like display and layout, music, lighting and participant factors. But the one atmospheric have the variance due to gender is the cleanliness.

## ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Association with display and layout	Between Groups	3.115	5	.623	1.949	.093
	Within Groups	30.045	94	.320		
	Total	33.160	99			
Association with music	Between Groups	.492	5	.098	.293	.916
	Within Groups	31.618	94	.336		
	Total	32.110	99			
Association with lighting	Between Groups	4.534	5	.907	2.387	.044
	Within Groups	35.706	94	.380		
	Total	40.240	99			
Association with Cleanliness	Between Groups	6.519	5	1.304	2.397	.043
	Within Groups	51.121	94	.544		
	Total	57.640	99			
Association with participant factors	Between Groups	2.742	5	.548	1.718	.138
	Within Groups	30.008	94	.319		
	Total	32.750	99			

Table 2: Variance analysis considering age as a factor on different store atmospheric elements

As the above table 1 demonstrate the there is variance in most of the atmospheric elements due to age such as participant factors, cleanliness, lighting and display and layout of the store. Music is the only atmospheric element that does not get affected due to age group.

Similarly the below table demonstrate that due to the factor income group the store atmospheric element that does get affected are cleanliness and participant factors. And the store atmospheric factors that do not get affected due to income group are display and layout, lighting and music.

## ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Association with display and layout	Between Groups	.545	4	.136	.397	.810
	Within Groups	32.615	95	.343		
	Total	33.160	99			
Association with music	Between Groups	.706	4	.176	.534	.711
	Within Groups	31.404	95	.331		
	Total	32.110	99			
Association with lighting	Between Groups	1.341	4	.335	.819	.516
	Within Groups	38.899	95	.409		
	Total	40.240	99			
Association with Cleanliness	Between Groups	2.990	4	.747	1.299	.276
	Within Groups	54.650	95	.575		
	Total	57.640	99			
Association with participant factors	Between Groups	1.912	4	.478	1.473	.217
	Within Groups	30.838	95	.325		
	Total	32.750	99			

Table 3: Variance analysis considering income groups as a factor on different store atmospheric element

The sub division of the independent factors did lead to some assumptions, which was whether the different factors affect the participant intention individually or not. These assumptions were considered as the hypothesis of the study.

H1: The display and layout significantly impact the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.855	2	.927	2.348	.101
Within Groups	38.305	97	.395		
Total	40.160	99			

Table 4: Likeliness to have patronage intentions due to display and layout

As the result show the variance does exist due to display and layout in the patronage intention among the fashion apparel customers.  
H2: The music significantly impacts the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.372	2	.186	.454	.637
Within Groups	39.788	97	.410		
Total	40.160	99			

Table 5: Likeliness to have patronage intentions due to music

As the result show the variance does not exist due to music in the patronage intention among the fashion apparel customers.  
H3: The lighting impact the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.573	2	.287	.703	.498
Within Groups	39.587	97	.408		
Total	40.160	99			

Table 6: Likeliness to have patronage intentions due to lighting

As the result show the variance does not exist due to lighting in the patronage intention among the fashion apparel customers.  
H4: The cleanliness impact the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.441	3	.147	.356	.785
Within Groups	39.719	96	.414		
Total	40.160	99			

Table 7: Likeliness to have patronage intentions due to cleanliness

As the result show the variance does not exist due to cleanliness in the patronage intention among the fashion apparel customers.  
H5: The participant factor impact the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1.594	2	.797	2.005	.140
Within Groups	38.566	97	.398		
Total	40.160	99			

Table 8: Likeliness to have patronage intentions due to participant factors

As the result show the variance does exist due to participant factor in the patronage intention among the fashion apparel customers.  
H6: The overall store atmospherics impact the fashion apparel customer's patronage intention.

## ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	.026	1	.026	.064	.801
Within Groups	40.134	98	.410		
Total	40.160	99			

Table 9: Likeliness to have patronage intentions due to overall store atmospherics

As the result show the variance does not exist due to overall store atmospherics in the patronage intention among the fashion apparel customers.

The apparent inferences can be taken from the above analysis that demographics such as gender, age and income group somewhat perceives the store atmospherics differently. Among the elements of the store atmospherics that individually can impact and play important role in affecting the patronage intention are display and layout and the participant factors. Hence these factors can be considered as most sensitive factors in order to affect the desired behaviour, which in this case is the patronage intention of the fashion apparel buyers. Also it was also found out that the store atmospherics as a comprehensive factor does not impact the purchase intentions of fashion apparel buyers.

#### **6. Conclusion, Limitation and Future Scope**

It was interesting to find out that as a composite factor store atmospherics does not majorly impact the intention of the Indian fashion apparel buyer but there are some elements such as display and layout and participant factor are sensitive. The fact cannot be denied that store atmospherics is one of the factor among several factors which can contribute to the overall perception and intention toward the store or brand for that matter. It can be speculated that in the growing economy like India, the fashion apparel customers are valuing other components such as price, quality, and image and product variety as well.

The study was constrained in terms of its sample size as well as, the predetermined setting of apparel store, but at the same time there is lot of scope in this area of study. It's vast area where the impact of store atmospherics could be better understood with the combination of key contributing factors of a specific industry or buyer.

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